

entirely for shares, and £20,000 is set apart for working capital. The issue last week consisted of 150,000 shares at par, and 300 6 per cent. debentures of £100 each, offered at 50 per cent. discount. This appears to us the only matter inviting criticism, as although, of course, mining debentures are somewhat of a speculative holding, still when the engineer's report shows a net profit of £40,000 from the ore in sight, 12 per cent. seems rather a high price to pay for money. Debentures were only issued, however, on the terms that an equal number of ordinary shares had to be subscribed for. The minimum subscription on which the directors went to allotment was 12,500 shares, which were underwritten by two of the directors for a commission of 5 per cent. The Iron Mask is under good local management, and should, from all appearances, prove a profitable undertaking."

SLOCAN.

Several of the big mines near Sandon are now in active operation. The Ivanhoe concentrator is now in full running order and is producing both silver-lead and zinc concentrates. The Slocan Star has increased its force of workmen, and the Reco is employing some 40 men, and shipping at the rate of ten tons a day. Upon the advice of an eminent Belgium metallurgist the Monitor Company has practically decided to install a special plant for saving the zinc contents of the ore this year. The Queen Bess, it is reported, formerly owned by an English company, has been acquired by Messrs. Potter & Zwicky, well known local mine operators, from the Bank of Montreal.

SLOCAN CITY DIVISION.

In the Slocan City Mining Division, or the "dry ore belt," as it is termed, activity since the commencement of the year has been decidedly marked, and there is every likelihood that this district will make in 1904 a far better showing than in 1903. Several of the larger producing properties are now held under leasehold rights and are being worked most successfully. Of these the Enterprise, where a working force of 35 men is now employed, is shipping steadily, while a carload of ore was shipped from the Lorna Doone last week. Shipments have also been made by the Hewitt and Comstock, the ore from the former yielding \$27.50 per ton deducting freight and treatment costs, and the latter 20 to 90 oz. in silver and 50 to 60 per cent. lead to the ton, having an approximate net valuation per carload of a thousand dollars.

NELSON.

The annual general meeting of the B. C. Standard Mining Co., owning the Hunter V. mine at Ymir, was held in Nelson in February. The directors reported that a tramway equipped with 30 buckets of 1,000 pounds capacity each has been installed, and also a smaller subsidiary two-bucket system. A 200-ton ore bin has been constructed in addition to bunk and cook houses. The Hunter V. mine has been developed by a number of open cuts, shallow pits and drifts, an incline having since been run. On the Double Standard the shaft has been sunk a further 58 feet and a connection made with the shaft on the hill. There are also on the Double Standard adits, drifts and open cuts, while ground sluicing exposed bed-rock for about 1,000 feet. Shipments are now being made to the smelters at Nelson, Trail and Northport at the rate of about 40 tons a day, but this tonnage will ere long be materially increased.

The suit of the Star Mining & Milling Co. against the Byron N. White Co. is now being heard at Nelson. The question involved is one of extralateral rights, although the suit is one of trespass. It is alleged by the defendants that they have entered the ground of the plaintiffs in following the course of the vein downward from the apex, which they claim is on their ground. The plaintiffs claim that the apex of the vein is on their ground and that if the defendants have apex it is that of a different ledge.

BOUNDARY DISTRICT.

The Canadian Pacific Railway Company is essentially a businesslike organization and its affairs are conducted on

strict business principles. Here is a case in point: Copper-gold mining is the backbone of the mining industry in southern British Columbia. The future of the country depends largely, almost entirely in fact, on the successful development and utilization of the copper-gold resources of Kootenay and Yale, the mineral occurring in deposits large as to extent but containing a very low percentage of valuable material per ton of ore. For some years past ore of this character has been mined. It has now been demonstrated that it can be produced at a profit, but in any case the margin of profitable operation per ton is narrow, and consequently it is essential that the strictest economy should be exercised in producing and treating the ore, and further that these operations should be performed on the largest possible scale. In the Boundary district these requirements have long been realized, and mining engineers and metallurgists have been most successful in meeting and conforming with them, so that to-day the costs of mining and smelting, in the Boundary have been reduced to a degree that a few years ago would not have been considered possible. It follows, of course, that as production costs decrease ore of a still lower grade value becomes of commercial account, and the available tonnage is thereby increased. The C. P. R. Co. then recognizing this principle and co-operation with the efforts put forward by mine-operators in the districts has announced the very material reduction of 7 1-2 cents per ton in freight charges on the carriage of ore from the mines at Phoenix to the smelters at both Grand Forks and Greenwood, the present rate being but 30 cents a ton to those points. As ore is now being shipped at the rate of about 15,000 tons weekly from Phoenix, the saving to mine-owners of \$1,125 a week, or about \$60,000 a year on this output is a very considerable item, and should undoubtedly exercise a very stimulating effect on production. Again another evidence of the railway company's farsightedness is found in the reduction that has been made in freight rates on zinc ores. Zinc mining is practically a new industry in British Columbia. It has only lately deserved attention or consideration. That it may assume very important proportions is now generally conceded. The zinc producer in British Columbia has had two markets for his product, the United States and Europe. Until a few weeks ago both markets offered about the same opportunities, but in either cases the high freight rates eat very seriously into profits. The action of the C. P. R. in reducing rates from \$16 to \$13 a ton has, however, greatly improved the outlook for zinc mining, and already producers have taken advantage of the lower rate to ship to Europe.

EAST KOOTENAY.

The Government agent in South East Kootenay, reporting on 1903 conditions in that section of country states: "All our producing mines are closed at present, though the improvement of our markets leads us to believe that a revival is not far off. The pay-roll of the Crow's Nest Pass Coal Company approached \$1,800,000 for the year, an average of \$150,000 per month. The number of men employed are 1,549, besides 287 men employed on construction and in the different offices of the company. The daily output of the mines at present are: Fernie, 1,200 tons; Michel, 1,400 tons; Morrissey, 800 tons. A strike lasting from the middle of February to the first of April seriously reduced the output. At present the relations between the company and its employees is cordial. During the year 100 coal licenses have been in force on Upper Elk River. A syndicate, holding 44 licenses, has expended over \$10,000 in prospecting and developed numerous seams of valuable coal. Another syndicate on Fording River has also done valuable development work."

From North East Kootenay, the amount of ore shipped during the summer of 1903 was about 900 tons. This does not, however, represent the amount of mining done, the ore having been taken out in the course of development only. The number of miners employed shows an increase.

Mr. J. F. Ritchie, P.L.S., of Rossland, spent several days of last month visiting the Coast cities.