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ESTIMATION OF ORE RESERVES.

Some of the troubles that arise from failure to include accurate estimates of ore reserves in annual reports of mining companies have been referred to in recent issues of this journal. Those who are interested in the subject will find some interesting discussion in a bulletin just issued by the Canadian Mining Institute.

In the July Bulletin Mr. R. W. Brigstocke suggested that statements in annual reports of mining companies in respect of ore reserves should be verified independently. Commenting on this suggestion several engineers consider it impractical.

Mr. John E. Hardman says: "No estimate of valuation of the reserves 'by an independent engineer' can be made without high costs, for such estimate would have to rest upon accurate and detailed sampling and measurement, both of which take time and cost money. No 'independent engineer' can hope during one visit to become as familiar with the distribution of values as is the regular consulting engineer of the company, whose copies of assay sheets and progress maps bring him weekly into temporary intimacy with the mine."

Mr. R. B. Watson says: "However, with the present custom, the stockholder only has to be suspicious of the manager's statement of ore reserves. How much better off would he be, if he had two—probably divergent—reports to worry over? The manager knows his mine better than an outsider and should be able to make a closer estimate of ore reserves than an auditor of equal calibre. The company directors would have to appoint the auditor and if they picked a poor manager, would they be any more likely to appoint a good auditor? All auditors are suspicious by nature and profession, and any ore reserve that received the official seal would have to be blocked out on six sides or bagged in the ore house. Every annual report would become a battle ground. The conflicting claims of the two engineers would so confuse and disgust the general public that they would have even less confidence than at present in the noble but misunderstood calling of the mining engineer."

Mr. E. P. Mathewson says: "Jealousy on the part of the local engineer would militate against co-operation, or in case this were avoided there would always be the suspicion of collusion. I think Mr. Brigstocke's proposition is hopeless until the millennium dawns."

An alternative suggestion is offered by Mr. Fraser D. Reid. Mr. Reid says: "The writer is of the opinion that if an act were passed, whereby mining companies publishing statements of 'Ore Reserves' were compelled to file, with the Government, an affidavit as to reserves, along with assay plans, stope maps and all information showing how reserves were arrived at,