

In his address, the President, the Hon. Senator Cox said:

Gentlemen,—The coal produced during the year 1901 amounted to 425,457 tons, as compared with 220,458 tons in 1900. Of this tonnage 203,061 tons were sent to the company's coke ovens at Fernie, and produced 125,085 tons of coke, as against 73,496 tons made in 1900, while the balance of 222,396 tons was disposed of as merchantable coal, an increase over the previous year of 116,000 tons.

During the year the company expended the sum of \$2,265,348.06, of which sum the pay rolls amounted to \$911,407.15, as against \$419,037.09 in 1900. The additions to plant, new coke ovens, and for development work at Coal creek, Fernie, Michel and Morrissey, amounted to \$830,165.57, including machinery and supplies; expenditure for freight was \$346,092.41.

The number of men actively employed at the company's works at the end of the year was 1,312, and it is expected that this number will steadily increase in proportion to the extension of operations.

At Fernie 112 new coke ovens were built in 1901, making in all 424 at that point; the rate of progression being as follows:

| | |
|--|-----|
| Ovens erected in 1898 | 50 |
| Ovens erected in 1899 | 152 |
| Ovens erected in 1900 | 110 |
| Ovens erected in 1901 | 112 |
| | 424 |
| While at Michel there were erected in 1901 | 212 |
| | 212 |

Making a total of 636 ovens at the present time, with a capacity of about 1,000 tons of coke per day.

The material for additional ovens is already on the ground, so that no time may be lost when the building season commences, should the demand for this part of the company's product so warrant.

The sales of coal for the year were.....\$ 644,253 44
And of coke.....551,639 26

Total .. \$1,215,892 70

while for the preceding year they were:

Coal.....\$ 392,207 40
Coke.....310,840 64

Total .. \$ 703,012 04

A comparison of deliveries to Canadian smelters and of exportations since the beginning of operations may be interesting:

| Deliveries to Canadian smelters. | | | Exported to the United States. | | |
|----------------------------------|--------|---------|--------------------------------|--------|--------|
| Year. | Coal. | Coke. | Year. | Coal. | Coke. |
| 1898 | 1,104 | 323 | 1899 | 118 | 21,580 |
| 1899 | 9,724 | 21,890 | 1900 | 8,925 | 28,051 |
| 1900 | 18,760 | 29,041 | 1901 | 81,597 | 35,497 |
| 1901 | 42,036 | 85,928 | | | |
| Totals | 71,684 | 137,728 | Totals | 90,640 | 85,047 |

Aside from the fuel supply for railways, the requirements for British Columbia, the Territories, and Manitoba—smelters and domestic use included—were: for coal, 174 tons, and for coke, 277 tons daily during the year.

As has already been stated, our present capacity for coke is about 1,000 tons per day, or nearly four times the present requirements of British Columbia. Our present output or capacity for coal is also very largely in excess of any requirements that have been made upon us in British Columbia, and we are still expending large sums of money in the opening up and development of new mines at Michel and Morrissey creek.

I have briefly referred to the above facts to show you

the absurdity and untruthfulness of the statements that are being persistently circulated in an endeavour to convey the impression that the interests of the mining companies, the smelting companies, and others in British Columbia are being neglected or prejudiced by the sale of the company's product to American consumers and the opening up of railway communication to that important market. It must be quite clear to every fair-minded man, to every well-informed board of trade, and to every honest newspaper, that our present capacity being largely in excess of the requirements for Canada, a large proportion of the two and one-half million dollars expended last year, and the largely increased expenditure proposed for the current year, would be unnecessary, and would have to be abandoned but for the railway that is being constructed and the markets that are being opened to the south of us. I wish to give an unqualified denial to the untruthful statements that have been persistently circulated, that British Columbia interests have been discriminated against, either in the price of the article, quality, or in the supply required, as such statements are entirely without foundation in fact, and are without doubt the work of interested parties.

The following gentlemen were elected directors for the ensuing year: President, Senator Geo. A. Cox; vice-presidents, Robert Jaffray, Esq., Col. H. M. Pellatt, Elias Rogers, Thomas Walmsley, E. R. Wood, Wm. Hanson, David Morrice, Samuel Finley, J. D. Chipman, J. A. Gemmill, William Fernie.

CONSOLIDATED CARIBOO HYDRAULIC.

In the report of last season's operations, the manager Mr. Hobson summarizes the work accomplished as follows: Total time occupied in washing in pit No. 1, 104 days, 1½ hours; total quantity of water used, 258,250 miner's inches. Quantity of gravel washed—top deposits from upper bench, 2,417,162 cubic yards; gravel from lower bench 3,126 cubic yards; total quantity of gravel washed, 2,420,288 cubic yards; average duty of water per miner's inch, 9, 37-100 cubic yards; gold product for season, 8,351 78-100 oz. (Troy); value of gold \$142,275.51.

The average yield of the upper bench, clay, gravel, and slide-rock, from which 1,687 78-100 ounces of gold were recovered, was 14 33-100, while the lower-bench gravel showed an average return of \$1.27 per cubic yard of gravel washed. As previously stated, owing to the short water supply, only a small quantity of the available bed-rock gravels were treated, in all about 3,126 cubic yards, from which was recovered coarse gold amalgam and nuggets to the value of \$3,978, giving a very high return. As this water shortage left the balance of this high-grade bed rock to be treated during the coming season, the product is expected to reach a high figure this year.

An attempt is being made to sell shares of the Similkameen Valley Coal Company in Eastern Canada and also, we believe, in Great Britain. We would strongly recommend prospective purchasers to exercise the utmost caution and to make very full enquiries before investing money in this concern. The coal so far discovered on the property is lignite, and therefore only relatively valuable for commercial purposes, while the mines have hardly entered even the prospect stage. Under the circumstances the shares have little intrinsic value and the scheme is an entirely speculative one.