

"Coal holds about the same, have six men at work, that is all we can work to advantage until we commence sinking."

"Have three shifts working in tunnel, the face is looking lots better in quality, and believe before the month is out we will have shipping coal. Coal is harder."

"Have skidded timber for 300 feet of tunnel, coal is 5 feet thick and is getting harder."

"There is a streak of talc between the coal and sand-rock and also between the raise and foot-wall. Coal is 5 feet thick and getting harder but considerable bone in it yet."

"I am shipping you a sack of coal and in my judgment it is as good as there is in B.C."

"We have driven the tunnel 15 feet since I wrote you, the tunnel is now in 280 feet from the portal."

After consulting coal men it was decided to raise from the tunnel to the surface an estimated distance of about 200 feet for the purpose of ventilation, the nearer the surface the workmen got the less coal was encountered as the measures seemed to turn to hard and brittle shales which proved the predictions to be correct, that the hard shales on the surface were a sure indication of coal below, and further examination proved this to be the case, except where eruptions have broken the formation and mixed the coal with rock and foreign matter and the slope spoken of so frequently has encountered such a formation, which it is said we are likely to meet with until we obtain a very great depth, and as before mentioned this can be the most economically and quickly done with the Diamond Drill.

Mr. R. D. Kerr of Midway, one of your Directors, who resides not far from the mine, was asked to visit the same frequently and report to head-office, and he did so on several occasions.

The following are extracts from Mr. Kerr's reports:—

December 30, 1912

"The Coal Company of which you are President has done a pioneer work in establishing the width and quality of the coal for which they should reap a good reward. I believe that the tunnel is now in a solid field. Yesterday I was out to see it. I draw you a map of the vein as I found it. They are almost past the fault and I think 20