THE VALUE OF UNDEVELOPED MINERAL CLAIMS.

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The full title of this paper should be the value of undeveloped or only slightly developed mining claims, these being taken in contradistinction to well developed claims or mines; since the words "developed" and "undeveloped," as applied to mining claims have no fixed meaning, each individual having his own idea as to what constitutes a well developed claim, I will first explain the meaning that is intended to be conveyed by these terms. A mine, for the purposes of this paper, I would define as a claim that has been so far developed that it is in the position to take out ore economically and continuously, so far as the underground workings are concerned. It will not, therefore, necessarily include buildings and machinery or roads; and by the words "in the position" it is understood that the mine has enough profits in sight to pay for the necessary buildings, roads, machinery, and leave a profit besides. A well developed claim is not so far advanced as a mine, but one which appears to have passed the critical stage, and has all the chances in its favour.

It will be seen that this definition is based rather on the results attained than on the work done. The mine is usually valued by the amount of net profits in sight, and the well developed claim by amount of profits in sight, plus some additional sum which is speculative.

To return now to the undeveloped claim, it is clear that as there is not enough profit in sight to pay for the expenses of development and the necessary equipment, the claim has possibly no value at all, and a more correct expression would be "the value of the chance of its becoming a mine"; and the object of this paper is to try and investigate the principles which should govern one in attempting to fix the "value of the chance." I propose to look at it from the standpoint of the engineer who is called on to advise with regard to the purchase of mining claims. Common sense will, of course, lead