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THE MONTH.

IN another column will be found the report of the directors of the Le Roi mine and of the proceedings which took place at the subsequent meeting. Since then the Le Roi mine has been involved to some extent in the eclipse of Mr. Whitaker Wright, and it is difficult to keep the consideration of the mine, purely and simply as a mine, separate from the vicissitudes which have overtaken the company through outside causes. The easiest way in which to make this distinction clear is to point out at the outset that the present satisfactory condition of the mine is due entirely to the fostering

THE LE ROI REPORT.

care of a Canadian banking institution known as the Bank of Montreal, and all its troubles due to the incomprehensible business methods of the people in London who controlled the shares. The Bank of Montreal seems to have recognized a duty to Canada's greatest productive mine, and unquestionably, had it not been for the Bank of Montreal, it would have shared the disrepute into which the controlling group in London has fallen. The money to acquire the interest of the minority stock holders and thus extricate the company from the legal mess in which it found itself was provided by the Bank of Montreal. The money for the purchase of the extra quarter interest in the smelter was found by the Bank of Montreal. The money for the enlarged development of the mine and for the enlargement of the smelter was found by the Bank of Montreal.

Finally the output of the mine from the moment it left the mine was taken over by the Bank of Montreal, and sold for the benefit of the company. This course of action has been profitable to the Bank of Montreal, advantageous to the mining industry, and highly creditable to Canadian financial enterprises and foresight, but it reflects no honour on the men who extracted \$5,000,000 from the pockets of English investors upon representations which they would have been utterly and absolutely unable to carry out without the assistance of a colonial financial institution. What would have happened had there been no Canadian bank sufficiently powerful to come to the rescue? It is hard to say. It is fortunate that there was one. When we consider the position of the mine, as revealed in the directors' report, there are many grounds for congratulation. The time covered by the report is from incorporation up to 30th June, 1900. There is a balance at the credit of profit and loss account of £93,360 9s. 2d., out of which £50,000 were distributed in a 5 per cent. dividend. The profits of the mine have been devoted to recoup the Bank of Montreal for its advances on capital account and if the statement made at the meeting is reliable the account is now about even. That is to say that a five compartment shaft has been sunk 900 feet and equipped with the necessary hoisting machinery, a quarter interest in the smelter has been purchased at a cost of \$300,000, the smelter itself has been doubled in capacity and the cost of these enormously expensive improvements has been concurrently redeemed out of ore sold and \$250,000 distributed as profits in a period of roughly two years. Very few mines in the world could possibly have endured such a strain, without at least being completely gutted of their ore reserves. The Le Roi, on the contrary, has more abundant ore reserves than ever; in fact these colossal expenditures were incurred apparently to permit the handling of the great overplus of ore continually being developed. It is sincerely to be hoped that no British Columbia mine will ever again be expected to pay dividends on \$5,000,000 and at the same time provide its own development capital. It is not a fair demand to make on the resources of any country. Very few mines could possibly have responded to it. And many a good mine has been hopelessly wrecked by just such methods of exploitation.

The figures given as to cost of mining and smelting are exceedingly interesting. Mr. Macdonald states the present cost of breaking and hoisting ore to be \$2.50 a ton, and estimates the cost when the new machinery is in use at \$2.00 a ton. He estimates the whole mining cost, including breaking, hoisting, development, depreciation, insurance and management at \$3.25 a ton. The smelting cost is \$4.00 per ton of crude ore with freight \$4.50. The average value of the ore is \$13. A question arises here. Does the