

year of £6,572, mainly owing to the fact that the directors have decided to charge the profit and loss account with the following items: Proportion of mine development account; depreciation of buildings, plant, machinery, etc.; reserve for contingent expenses and legal charges in re Centre Star Mining Company suit.

Owing to the irregular manner in which the values occur in the ore it has been found very difficult to determine the tonnage and value of the ore in reserve, and eventually it was decided that the only efficient way of settling the matter was by shipment of substantial tonnage of ore. Accordingly some 5,000 tons have been shipped and realized at rates showing a profit over the cost of production. Now that the directors possess accurate knowledge as to the positions and values of the various bodies of ore available, the shipment and realization of the latter can be effected with the maximum of benefit to the Company. During the period covered by the accounts shipments have been necessarily limited to three and a-half months, but these will now be pressed forward, and the directors have every hope that vigorous diamond drill prospecting in the lower levels will materially add to the high-grade ore.

On August 15th last it was estimated that the Company possessed ore reserves amounting in all to 35,000 tons, but of this 16,000 only could possibly be handled at a profit under existing circumstances. The gross assay value was \$10.75. The management has turned its attention to some method of concentration, and favours a modification of the cyanide process. In the manager's report he refers to the great difficulty he experienced in making satisfactory contracts with the local smelters. The balance sheet shows that the company has practically used up the working capital which was brought into the amalgamation from the coffers of the Kootenay Company.

GREAT NORTHERN MINES, LTD.

Meetings of the Ophir-Lade and Great Northern Mining companies were held at Camborne during January. A resolution was passed by the shareholders of the former authorizing the sale of the Oyster-Criterion mine and mill to the Great Northern Mines for 500,000 fully paid up shares in the latter company.

At the meeting of the Great Northern Mines, Mr. W. B. Pool was elected president; Mr. F. W. Godsall, vice-president; Mr. Hodge, secretary, and Messrs. F. W. Godsall, W. B. Pool, J. J. Young, W. F. Cochrane, T. Kilpatrick, B. Crilly, and E. M. Morgan, directors.

At a meeting of the Ophir-Lade company the returns of the month's run of the Oyster-Criterion mill were presented, and showed \$2,344, or about \$6 per ton on the ore milled.

COMPANY NOTE AND CABLES.

B. C. (ROSSLAND AND SLOCAN) SYNDICATE.—The report of the British Columbia (Rossland and Slocan) Syndicate for 1903, presented at the meeting on the 23rd ult., states that the Snowshoe mine at Phoenix, owned by the Snowshoe Gold and Copper Mines, Ltd., in which this syndicate is the largest shareholder, has during the year been further extensively developed. Its development has shown up large bodies of ore, and during the year under consideration about 20,000 tons of ore have been shipped to the local smelters. Additional machinery has been installed, and shipments upon an increased scale have since been steadily maintained. The directors have been considering how best to develop some of the other properties owned by the syndicate, or to acquire interests capable of development in such a manner as to yield substantial profit, and in this connection considerable work has been done in various directions, which it is hoped it may be possible to turn to profitable account, as was done in the case of the Snowshoe. Many business proposals, some industrial and some for railway construction under Government charters, have been put before the directors and investigated and one or two of these are being further looked into on the spot. The profit and loss account shows a balance of £63, after writing off depreciation on furniture, office expenses,

directors' and auditors' fees, etc. The reserve fund consists of 79,000 shares in the Snowshoe Gold and Copper Mines, Ltd., valued at £79,000. The nominal capital of the company is £100,000, and of this amount at 31st December last 90,000 shares were issued. Of these 76,648 shares were fully paid, and 13,352 were 12s. 6d. paid, leaving a balance of 100,000 shares unissued.

SNOWSHOE GOLD AND COPPER MINES.—The following circular has been issued by the Company: During the greater part of the current year the directors have been considering certain proposals that have been brought before them by an American company, owning a large mine, together with extensive smelting works and a converter, within a short distance of the Snowshoe Mine, with a view to the amalgamation of the American company with the Snowshoe Company. After preliminary consultation in London with some of the directors of the American company, it was found necessary, in order to bring the negotiations to a satisfactory conclusion, for the deputy-chairman, Mr. G. S. Waterlow, and the managing director, Mr. A. J. McMillan, to make a journey to New York and British Columbia. They have recently returned from this trip, having visited and examined, in company with some of the directors of the American company, both the mines and the smelting works. The negotiations in connection with the proposal have been somewhat prolonged on account of the technical difficulties in arriving at a common basis of settlement. These difficulties have now been overcome, however, and I am pleased to be able to inform you that the boards of both companies have at length mutually agreed upon terms which they are prepared to recommend for adoption by the shareholders of their respective companies. The American company has undertaken to notify us early in the new year as to whether or not the terms provisionally agreed upon have been approved by their shareholders, and upon receipt of this notification, we shall proceed to submit the scheme in fuller detail for your consideration. It is estimated that the amount of ore shown up by development work upon the two mines amounts to considerably over 3,000,000 tons, which ore can be mined and smelted much more profitably if worked on the large scale proposed under the amalgamation. The advantages to be gained by the shareholders of this company by consolidating with the American company referred to, would be the immediate ownership of a smelting and converting plant in successful operation, capable of handling the maximum output from the mines at a minimum of expense. As the scheme provides for our joint ownership of a smelter at an early date the directors consider it unwise, pending the completion of the proposed amalgamation, to continue shipping ore to a smelter in which we have no interest, and which, naturally, makes a considerable profit on the transaction. The Board have, therefore, for the present, discontinued active operations at the mine. The scheme of amalgamation provides for the formation of a company in London to take over the smelter and mines of the existing companies, and for the proper representation of the Snowshoe shareholders upon the Board thereof.

LE ROI No. 2 (Rossland).—From the mine manager's report on the operations at the mine for November: Output—80 cars have been despatched from mine during the month, of an average weight of 26 tons. A copy of the returns will be forwarded as each lot is paid for. Josie Mine.—On the 300 foot level, 10 feet driven in a northwest direction to pick up ore found in diamond drill hole No. 41. Ore seems fairly solid, and is of shipping grade. It is probably a cross lead. On the 500-foot level, 40 feet driven. The porphyry dyke having now been left behind to the east, we are in a position to explore, either by crosscut or diamond drill, for the westerly extension of main ledge. Stringers of ore met with from time to time of exceptionally high grade, but too narrow to attempt to mine for shipping purposes. Diamond drill work done during the month: 300-foot level—A little ore met with at 158 feet, but not of sufficient importance to warrant following same: 500-foot level—Hole No. 43 driven 49 feet in the west end of the mine, to thoroughly explore the country round about porphyry dyke. The object of this exploration