

matter of dividend returns, having maintained the quarterly rate at \$2.50 a share, although the earnings were far in excess of this amount.

Although it has spent more than \$3,000,000 in building up a mining and smelting organization worthy of the name, the Granby management, in the fulfilment of its plans, has other large expenditures ahead for the betterment of the property as a whole and the enlargement of its scope of operations. This will be financed entirely from earnings and at the same time the management expects to be able to maintain the present dividends of \$10 per annum.

Assuming an average cost of production of 14 cents a pound, Granby could, on an output of 40,000,000 pounds a year show earnings of over \$20 a share on 23½ cent copper. The 1917 production will approximate 38,000,000 pounds.

The Omineca Herald says that James Cronin, the well-known operator who of late had devoted himself to interests in the Babine Range, has taken a bond on the Grandview and Emerald groups on Sweeney Mountain. Mr. Cronin acted on behalf of New York capitalists and the property is acquired from B. Sweeney, Roy McDonnell, George Fowler, O. J. Benson, Duncan McGibbin and Frank Madigan. It is understood that Mr. Cronin will have charge of the development work when it starts in the spring. The Grandview and Emerald groups consist of fourteen claims situated on the north side of Emerald Lake. The location is about sixty miles by road and water from the railway. The mineral possibilities of the properties concerned in this deal, and of the whole district are such that the transportation problem is not of serious consequences at this time. The surface showings on the two groups are admitted by all who have seen them to be the biggest yet discovered in the north. J. D. Galloway, the provincial mineralogist, spent most of the summer last year in that part of the country and his report to the Government is most encouraging. The veins are wide, long and well defined. The ore is chiefly galena and assays very high. The ore outcrops at intervals and in other places has been exposed by stripping and trenching.

The Canadian Collieries' mine at South Wellington, which will be known as No. 5 is already shipping coal, and will continue to increase its output from day to day. Two weeks ago a record drive was made. This was 60 feet long, 16 feet wide and 9 feet high. Great care has been taken to have the timbering of the best quality. A ventilating fan capable of renewing 6000 cubic feet of air every minute has been installed, and the mine will be modern in every respect. Grading for trackage to connect with the E. & N. Railway is under way and all coal will be shipped through Ladysmith. Before many months a large quantity of coal will be mined at No. 5, and the people of Vancouver Island will reap the benefit of the enterprise.

D. J. Williams, manager, Rocher De Boule Mine, was in New Hazelton recently for a few days on business. He reports everything at the mine in good shape and very encouraging. About 65 men are employed and all ore bunkers and cars will be filled before the railway is ready to haul it. The ore in the west drift on the No. 1 vein is rich in silver. This vein has already produced a good deal of ore and is still producing a big tonnage. The raise from the 1200 foot level on the No. 4 vein has been started and

a month's work there will no doubt make a big difference to the mine. The mild weather and rain only interfered with the power plant for two or three days.

C. M. Mohr of Toronto, managing director of the Spokane Mining and Developing corporation was in Nelson recently in connection with business of the company and states that a crew of men has been started to work on the Monarch group of the Falls Creek property with the intention of pushing development with a view to getting cars of ore shipped to the smelter to ascertain if it will be necessary to treat a portion of the ore by concentration.

Hand samples already shipped to the smelter have proven the feasibility of profitably marketing the ore at present in sight. A crew of men has also been put to work on the trail between the property and the railway track at Beasley which will, when completed, make a roadway two and a half miles in length. This will be completed in the course of a week which will enable the easy transfer of ore to the railroad.

Manager Mohr states that there is no doubt of the presence of a big deposit of ore in the Monarch group and he believes the mine will show unusually good returns.

The Northwest Mining Truth of Spokane in its issue of December 4th published the following editorial:

Secretary Walter J. Nicholls confirms the report that former managing director G. Weaver Loper has turned over practically all of the \$150,000 bond issue, which has been the bone of contention between the present directors and former manager for several months and which was being retained by the latter as security for alleged advances to the corporation. All litigation of every nature has been dismissed as part of the agreement under which the bonds were surrendered.

At the time the control passed to Walter J. Nicholls, Frank J. Walker and associates of this city about a year ago, it was agreed that Loper should be paid for any advances legally made to the company. As a pre-requisite to establishment of the amount alleged to have been so advanced. Loper was asked to turn over the books, that a complete statement could be made. Under one pretext and another this request was ignored from time to time and an order of the Superior Court was finally secured and appealed by Loper to the Supreme Court.

Within the past few weeks an expert has been at work upon the stock books and has reported an over-issue, which is believed may reach as much as 2,500,000 shares, equal to the original issue of capital stock. This fact was published in the last issue of Mining Truth and constitutes the first authentic intimation stockholders had received of the very serious conditions of affairs.

The matter of further action regarding the over-issue will come before a special meeting of stockholders to be held in Victoria next month. Meanwhile, local officials refuse to say what action will be taken upon the plea, that they will be guided entirely by advice of their attorneys. There is some suggestion that the capital be increased to \$5,000,000, the additional 2,500,000 shares to be apportioned among holders of surplus stock.

It will be interesting to know what will be done about this alleged bogus stock issue. The guilty parties should be ferreted out and prosecuted.

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