increase in p. portion to the reduction in charges, and cannot be readily estimated.

Mr. Edmund B. Kirby, the manager of the mine, in a report dated Feb. 1, states that almost the entire production of the War Eagle mine has been derived from its main vein, and from a single ore chute in this vein, which is from 300 to 450 feet along the vein, and has now been explored to the sixth level, a depth of 35 feet. The vein area included in the chute carries pay ore in irregular patches, interspersed with barren material or too low in grade for profit. The ore bodies vary in grade from $30 or $40 to the ton down to the pay limit. The irregular distribution of the pay bodies increases the proportion of the development work necessary.

About 640 feet east of the shaft, the main vein is crossed by a smaller vein. In it an excellent ore body, apparently another chute has beem discovered. This body yields over $23 to the ton.

So far as known the first four levels are worked out. There are small remnants, and future prospecting may add something to the tonnage. The fifth level is but partly worked, and it requires more development work to prepare the known ore bodies for stoping. The sixth level also shows the north and south branches of the vein both carrying pay ore. The chute on the sixth level is only partially developed. The developments are still opening pay ground, and it will be some time before the chute is well exposed so as to define the pay ore and establish its quantity and grade. There is so far nothing to indicate that the chute has decreased in size at this depth. The main shaft has now reach the seventh level at a depth of 880 feet. The cross cuts to the vein are now under way.

Extracts from reports of Mr. J. B. Jennings, dated November 3, 1899, read:

Seven hundred and fifty-foot level—When the main shaft reached this level ore was encountered averaging for six feet in width $25 to $60 per ton gold. Two hundred and eighty-one tons extracted while cutting out the station and 566 tons from a new stope started was shipped during the fiscal year it is credited on our record with a gross market value per ton of $22.64 and $18.50 respectively, but the ore was produced in small lots and mixed with large outputs of the mine, and only credited with the general results, entirely too low. The average value of daily face samples from working, producing the 566 tons, was $39.95 gold. The average value of mine samples from the same place since then for month of October was $42, from streak about 6 feet wide.

The persistent high grade of the ore in the stope above the 750-ft level is a most encouraging feature. Meeting the ore in the shaft at this level shows the continuity of the great ore chute which has yielded the values of the mine.

The statement showing cost of ore production gives 1.71 per ton for development and $3.58 per ton for extraction, or $5,29 in all for the period between Oct. 1, 1898, and Sept. 30, 1899.

The corresponding figures from Oct. 1, 1899f to Dec. 31 1899, are $1.80 per ton for development, and $3.42 per ton for extraction, or $5.22 in all.

Add to $5.22, or $5.29, the cost of freight, per ton and we get the sum to be deducted from the gross value of the ore per ton, in order to get its net value to the company. From this has to be deducted the smelter's legitimate reduction rake-off.

The following figures represent the net tonnage of the ore produced and the smelter returns for the same since 1894:

1894— 47	$ 1,145 55
1895— 9,981	289,951 36
1896— 8,920	189 944 38
1897— 7,456	98,896 19
1898—28,873	356,843 98
1899 to Sept. 30—51,243	548,562 03
1899, Oct., Nov, and Dec.—22,693.	265,711 50
1900, January—7,698	69,643 67
Total	$1,770,698 66

The net smelter values per ton of all ore produced since 1894 are shown below: 1894, $24.41; 1895, $29.05; 1896, $21.29: 1897, $13.35, 1898, $12,51; 1899, to Sept 30, $9.92; 1899, Oct., Nov., Dec., $11.71; 1900, Jan., $8.76.

The following is the profit and loss statement for the year ending Sept. 30, 1899:

To cost of mining and developing War Eagle	$284,03. 70	
To Crown Point mine expense	734 09	
To Richmond Group expense	582 70	
To Toronto office expense	1,364 40	
To travelling expense.	428 57	
To legal expense	4,298 18	
To Pender damage suit	1,189 85	
To mine accidents	3,262 56	
To sundry expense	1,342 47	
		$284,238 52
To dividends No 3 to 17	$315.000 00	
To balance carried forward	6,599 59	
		321,599 59
		$605,838 11
By balance brought forward		$ 85,747 23
By net proceeds from ore sales		518,879 31
By interest		568 32
By transfer fees		643 25
		$605,838 11

Following is the profit and loss account for three months ending Dec. 30, 1899:

Cost of mining and developing War Eagle Mine	$118,604 94	
Richmond Group	2 00	
Diamond drill prospecting	658 00	
Hoist and compressor litigation	520 80	
Pender danage suit	2,184 00	
Sundry legal expenses	435 45	
Auditor's fees	550 00	
Toronto office expense.	522 13	
Interest and exchange	127 00	
General expenses	43 11	
		$123,647 43
Dividends Nos. 18 19 and 20	78,750 00	
Balance carried forward	74,989 09	
		153,739 09
		$277,386 52
By balance		6,599 59
By net proceeds from ore sales		270,697 18
By transfer fees		89 75
		$277.386 52

It will be noticed that the total production for the 15 months was $789,578.49; that the expense account was $407,885.95; and that the total dividend charges were $393,750. The last two items total $801,735.95.

The following is the supplementary statement for three months ending Dec. 30, 1899:

ASSETS.

Mines and mineral claims	$1,661,000 00
Cash on hand and in bank	75,358 43
Stores on hand	12,746 57
Machinery buildings and equipment	163,638 11
Furniture of offices	16,623 38
Invested in War Eagle Hotel	12,000 00
Accounts receivable	6,881 58
	$1,933,248 07

LIABILITIES.

Capital stock	$1,750,000 00
Dividend No. 20, payable Jan. 15, 1900	26,250 00
Accounts payable	82,008 98
Profits and loss	74,989 09

THE SLOCAN STRIKE.

Terms under Which The Men Are Returning To Work.

Rossland, Feb. 27.

From a reliable union source it was learned yesterday that the strike in the Slocan is off and that a settlement of the strike there has been arranged on terms which are satisfactory to both parties to the controversy which has been in existence since June last. The schedule of wages under which the miners return to work is as follows, according to the statement of the union men seen: Miners in shafts, $3.50 to $4 machine men, $3.50; car men, $3; hand drillers, $3,25, laborers, $3, timbermen, $3.50 to $4; laborers on the surface, $3 per day. As formerly, men working in unusually wet places and in bad air are compensated by shorter hours. The only reduction made, according to the unionmen, is that hammersmen are to receive $3.25 per day in the Slocan, whereas they receive $3.50 per day in Rossland, but when they work in wet ground they are to be given $3.50 as heretofore in the Slocan. Under this agreement, the miners have and will return to work. This is being done with the consent of the district association, No. 6 of the Western Federation of Miners. The official announcement that the strike has been declared off, it is thought, will be made in a few days by the duly authorized officials of the district association.

So far as the settlement of the trouble in the Slocan is concerned, the union mizers of the Rossland camp take the view that there is no strike here and claim that the laying off the men in the War Eagle, Centre Star and LE Roi mines was for the reasons stated by the companies towit, that enough advance work had not been done and that the taking out of ore would be discontinued until new machinery had been installed and more development work done. They claim that they can see no reason to doubt the words of the managers of these properties who authorized the publication of such statements. As to how Rossland would be affected by the scale adopted by the Slocan silver-lead mine owners and miners they say it remains to be seen. A comparison of figures reveals that the wages in the Slocan are higher than they are here, they say. The muckers, carmen and laborers are paid $2.50 paer day here, while from the schedule adopted in Slocan this class of workers receive $3. In support of the theory held by the union men that there are no differences here they point to the fact that some of the old hands have been taken back in the Le Roi and the Centre Star mines. The mine owners are reticent as to the labor situation here and do not seem to care to talk for publication. As to the silver-lead mine owners, they claim that they have made some points that they were striving for and the union men make the same claim. Therefore, as both sides seem to be satisfied it looks as though matters in the Slocan, at least, have been arranged in a manner satisfactory to both sides that hitherto have been at issue.

THE LEROI DEVELOPMENT.

Mr. Bernard McDonald, the manager of the British American Corporation's mines in this camp recently cabled to the company's office in London as follows:

"Le Roi survey completed, showing that the No. 3 ore chute developed in the lower workings should yield at least 1,000 tons per foot vertically on the vein at the usual smelting ore. Crosscut to the south from the 500-foot level intersected Black Bear vein, which carries four feet smelting ore. The north vein, the outcrop of which carries high-grade ore, has never been tried below the surface. This could be easily and cheaply developed by crosscut to the north from the mine workings when air compressor machinery erected ready for work. Ore reserves practically in sight immense. Could double output if new shaft completed; whilst expenses per ton (2,000 lbs.) could be largely reduced.