

AFFAIRS OF THE LE ROI

The Situation as Shown at the Late Annual Meeting.

Result of Operations in the Past Year and a Half.

One of the plans taken under advisement by the directors of the Le Roi company in connection with the management of the company's interests here was that of appointing John H. Mackenzie, the retiring general manager, as consulting engineer. This would permit of his living most of the year at San Francisco, a desirable end in view of the ill effects of the Rossland climate upon Mr. Mackenzie's health.

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Mr. Mackenzie was approached on the subject last night and remarked: "I declined some time ago to take the post of consulting engineer. Mr. Parrish doesn't need any assistance in the direction of the Le Roi's mining and smelting interests."

The financial times in its comments on the report says: "For a full account of the present board's management of the mine and the fallaciousness (to use a mild word) of the previous accounts, we must refer readers to J. H. Mackenzie's report, which will be found in another column. An important point in regard to the management of the Le Roi mine, as to which the directors' report dealt with above makes no reference, is the fact that the resignation of the general manager, Mr. J. H. Mackenzie, may now take definite effect any day. Shareholders will learn this decision with regret, since Mr. Mackenzie has done splendid work for the company since his appointment at the end of 1901, but his continued ill-health has compelled him to this step."

In his report for the year ending June 30, 1902, during only seven months of which he was manager, Mr. Mackenzie gives the following summary:

"Ore reserves.—Mr. R. J. Frecheville, M. E., in his report dated 4th December, 1901, estimated the ore reserves of shipping grade at that time as 483,872 tons, valued at \$11.75—the basis of values being: Gold at 20 per ounce, silver 60 cents per ounce, and copper 16 1/2 cents per pound. The present prices of these metals are: Gold \$39 per ounce, silver 53 cents per ounce, and copper 11 1/2 cents per pound, which reduces the values of these reserves to \$10.47 per ton. From the date of Mr. Frecheville's report an additional tonnage, amounting to 93,121, of an average value of \$10.26 has been developed. The extraction during the same period was 129,635 1/2 tons, containing gross values of \$1,517,064.86, equal to \$11.70 per ton, making due allowance for the fact that the grade of ore extracted was higher than the average of the mine, the reserves at the close of the fiscal year are estimated at 447,358 tons, of an average value of \$9.96 based on the present value of the metals. A survey of the second-class dump shows that it contains 24,000 tons of ore, and several carloads taken as a sample indicate a value of \$7.50 per ton. A small dump adjacent to the old shaft contains 3,000 tons of ore, which, judging from the returns of a quantity already shipped, carries values equal to \$12.50 per ton. The ore mined and shipped to Northport during the year amounted to 155,765,407 dry tons, its metal values averaging: Gold .373 oz., silver 709 oz., and copper 1,526 per cent per ton. The gross value of this ore was \$1,821,773.05, equal to \$11.895 per ton. The mining operations embrace only a period of 263 days, as during the months of July, August and September practically no work was carried on owing to the "strike" existing at the mine and smelter. There were shipped to the smelters at Trail and Northport during the year 14,333,101 dry tons of second-class dump ore, which contained average metal values of gold .377 oz., silver .485 oz., and copper .827 per cent per ton. The gross value amounted to \$1,475,137.36, equal to \$10.29 per ton. Assuming that the average value of the ore mined during the year was \$11.695 per ton, and deducting the operating expenses for the same period, \$10.652 per ton, a profit of \$1.043 is shown to have been made on the

first-class ore, equal to \$123,460. The gross value of the second-class dump ore treated during the year was \$10.29 per ton, the total expense incurred on ton, netting a profit of \$4.94 per ton, equal to \$70,830. The total profits therefore amounted to \$233,290. Messrs. Price, Waterhouse and Co., the auditors, in their report, gave total operating expenses, which embraced mining, freighting of ore, smelting and realization of matte values for the year ending 30th June, 1901, as \$10,724 per ton. Apparently they failed to make any allowance for the regular metal losses in slag, as is shown by a detailed table of working costs for 1901 and 1902. The total for the former year was \$10,724 per ton, and for the latter \$10,652 per ton, including in the second figure \$0.781 per ton for "metal losses in smelting." Although nearly \$3,000 of the exploration costs carried forward in capital account from the years 1900 and 1901 have been charged to the present year's cost, and an extremely liberal allowance made for the depreciation of the development performed in 1902, the cost of mining and smelting was reduced 74 cents per ton, in spite of the fact that the tonnage mined was nearly one-fourth less than that treated during the previous year. The metal losses in slag, however, which were not taken into consideration in that period more than offsets this saving. The working costs of the year do not provide a correct index of what can be done in the future, as it is believed that under reasonably favorable conditions the costs can be cut down to \$9 per ton. The management has been heavily handicapped by labor troubles, besides high freight rates and fuel costs, which there is every reason to believe will be reduced in the near future. During the year the gross expenditures for operating and equipping the mine amounted to \$555,936.95. The amount expended on revenue account was \$487,009. The amount expended on capital account was \$106,887. The sum charged to profit and loss was \$905,131.78."

As to the financial position of the company at the end of the year specified the report says: "While the Le Roi Mining Company, Ltd., commenced the fiscal year of 1902 with an apparent surplus of assets in its favor, and made a profit of \$233,290 during the nine months in which its mining operations were conducted, the books show that a deficit in assets existed at the close of the year. This paradoxical state of affairs is attributable to four causes, which are: Over-estimate of the value of the stock of metals on hand at the smelter on 30th June, 1901; failure to allow for losses of copper and silver in slag in estimating profits made prior to 30th June, 1901; fall in the price of metals which has taken place during the year ending 30th June, 1902; heavy expenditure made on capital account during the year. In view of the lengthy report already submitted touching the over-estimate of the stock on hand and slag losses, it is merely necessary to state that the assets sustained a reduction of approximately \$200,000 under these two heads. The fall in the price of metals has reduced the estimates which have been made concerning profits very greatly, possibly to the extent of \$80,000—the exact figures are impossible to obtain."

As regards the smelter's prospects are described more hopefully, but at that time the coke shortage was not making trouble. The smelter operations are now summed up as follows: "The matte shipped during the year was 6,779,047 tons, of a net value of \$2,532,302.67, equal to \$373.55 per ton. The ores smelted amounted to 265,761,078 tons, of which 56,073,695 tons were purchased. No profit accrues to the company as a result of the treatment of the latter, owing to the fact that they were almost invariably bought on a falling market, and usually on a metric basis of settlement which left a scant margin in favor of the smelter. It is merely necessary to state by way of illustration that the company's contract with the Le Roi No. 2, Ltd., provides for the purchase of their ores on a basis of 98 per cent of the copper extraction, while the actual recovery is much less; and virtually immediate payment at market quotations, while the company's settlement, with the refiners, fully 100 days later, has usually been on a lower basis of value."

At the present time the properties in Old Gold camp—the Old Gold, Guinea Gold and Primrose—could furnish a tonnage of 150 tons per week, and in the course of a year this tonnage could be readily doubled. On the Duncan side of the divide are half a dozen other well developed properties that can ship ore as soon as economical transportation is furnished. The lumber resources of the country are great, and this would probably be the principal source of revenue for the road at present. Mr. Murray is also very interested in the Molicman mine, owned by the Cariboo Creek Development Syndicate, and believes the property has an exceptionally bright future.

RACING ON SKATES.

Results of the Contests Yesterday at Saranac Lake.

SARANAC LAKE, Feb. 10.—Some of the best skaters in the United States and Canada competed today in the professional and amateur speed skating contests held in the Pontiac club, under the auspices of the Saranac Lake carnival committee. The races were witnessed by 2000 spectators. Morris Wood of Verona, N. J., won the half mile race in 1:22, S. P. St. Marie of Montreal and G. Bellefeuille of Winnipeg being respectively second and third, and G. Boswell of Winnipeg and Benjamin Baker of Saranac dropping out. Wood also won the one mile race, with Bellefeuille second. St. Marie's third time 2:32 1/2. In the five-mile professional race J. Nilsson of Minneapolis and P. Sinniered of Verona, N. J., led alternately for the first mile. In the last mile the latter fell and finished fourth. Nilsson, J. K. McCulloch of Winnipeg and Norval Baptie of Bathgate, N. D., apparently passed under the wire together. The judges gave the race to McCulloch, disqualifying Nilsson for skating inside the line. Time 14:55.

TURKEY SUSPECTED.

Russia and France Keep Their Eyes on the Porte.

PARIS, Feb. 10.—The officials here are not disposed to accept the Porte's assurances that Turkey has no intention of mobilizing a large force of troops. LONDON, Feb. 10.—It is announced in a dispatch to a news agency from St. Petersburg that all the officers of the Russian army reserves have been notified to hold themselves in readiness to rejoin their regiment in 24 hours in the event of mobilizing orders being issued. The measure, it is added, appears to be connected with fears of trouble in the Balkans. James Newman, a well known man of Halifax, N. S., is registered at the Hoffman House.

MORE LINES FOR LARDEAU

How Duncan River Operators Will Bring Out Ore.

Steam, Lake and Electric System Solves Transportation Problem.

The probable construction during the current year of rail and electric lines affording transportation facilities on the Duncan river is likely to be a most important factor in the prosperity of the Lardeau country. A considerable portion of the Lardeau has already been very substantially benefited by the construction of the Canadian Pacific, and operators on the Duncan river side of the Lardeau divide expect to be similarly benefited before the end of the year just opening.

James Carson Murray, formerly of Rossland, and now of Trout Lake City, where he is identified with several of the principal mines in the Old Gold camp, is in the city for a few days on business. He states that while no definite guarantee has been given as to the construction of a road on the Duncan, there is every reason to believe that the enterprise will be proceeded with. All the timber adjacent to the river for miles on either bank, and all water powers of any value have been staked by J. H. Gray, the engineer who made the surveys for the proposed electric road. Various other indications point to the practical certainty of the scheme going through, and Lardeau mines that will be afforded transportation facilities thereby are building high on the outlook.

Mr. Murray believes that the present Great Northern grade from the head of Kootenay lake to the foot of Howser lake will be utilized for an ordinary steam road. From that point up Howser lake to Hall creek on the Duncan is navigable water the year round, and the supposition is that this will be covered by steamers. Then the monoline electric road is to run north to the West Fork, or further if desired. The mono-rail system is approved for this country owing to the heavy snowfall. From the West Fork a lateral line would run over a grade of 2 to 2 1/2 per cent to a point within a couple of miles of the Old Gold camp, where connection would be made by aerial tram. Similar lateral lines could be run to other minor camps along the Duncan.

That there is business for such a line is undoubted. The Canadian Pacific did not expect to do much business for the first year or two with its Lardeau branch, but the actual results so far exceed expectations that steps will probably be taken this spring to place a much more powerful steamer on the Trout lake run than has been employed heretofore. Incidentally it may be stated that the Canadian Pacific has not definitely announced its policy with respect to completing the line from Gerrard at the foot of Trout lake to Trout Lake City, but one of the propositions in this connection is to lower the level of the lake twelve or fifteen feet by deepening the channel of the Lardeau river in the neighborhood of Gerrard, thereby expediting the draining of the lake and giving a roadbed ready to hand on the lake shore instead of the expensive rock work necessary to grade along the side-hill.

GOOD BLOOD.

Is the Secret of Health, Vigor and Happiness. Good blood—rich, red blood is the greatest enemy that disease can have. It stimulates every organ to throw off any ailment that may attack it. Good blood is the only positive cure for such complaints as anaemia, nervousness, neuralgia, skin eruptions, indigestion, rheumatism, etc., because these diseases cannot exist where the blood is good. The secret of good blood—rich, red, life-giving blood—is Dr. Williams' Pink Pills. Where these pills have been used it means life, health and vigor. Mr. Robert Lee, a well known resident of New Westminster, B. C., says: "Before I began using Dr. Williams' Pink Pills, my blood was in a very impure condition, and as a result, itchy pimples broke out all over my body. My appetite was feeble and I was easily tired. I tried several medicines, but they did not help me. Then my wife urged me to try Dr. Williams' Pink Pills. I got half a dozen boxes, and by the time I had used them, I was fully restored to health, and my skin was smooth and clear. The pills are the best medicine I know of for purifying the blood." Sold by all medicine dealers or sent post paid at 50 cents per box or six boxes for \$2.50, by writing direct to the Dr. Williams' Medicine Co., Brockville, Ont. Do not take a substitute, or something said to be "just as good." The "just as good" medicines never cured anyone.

W. Heatley of Helena, Montana, is registered at the Hoffman House.

A BIG HIT IN "JANE"

Dramatic Club Delighted Large Audience at Opera House.

Clever Amateurs Will Repeat Performance on Saturday.

The Rossland Dramatic Club scored a big success last night with its production of the laughable farce comedy "Jane." The performance attracted a crowded house and delighted the audience from start to finish. The members of the club participating in the production covered themselves with credit. The liberal applause bestowed by the audience constituted the laurels for the performers, and indicated in the most practical manner the eminently favorable reception which the performance merited. From the critical standpoint the production compared favorably with anything in the professional line ever seen in the Golden City, and it will go down as a real letter event in the annals of local amateur theatricals.

So successful was the entertainment that the club had no hesitancy in announcing a reproduction at a matinee on Saturday afternoon. The matinee commences at 2:30 o'clock, and it is safe to predict a repetition of the last night's crowded house and even a better interpretation of the bill. In amateur theatricals Rossland easily bears off the honors in the Kootenays, and the Dramatic club has done much to bring about this gratifying result. Their efforts have been practically supported by the public from time to time and after "Jane," interest in this line of entertainment will be substantially stimulated. The liberal measure of dramatic talent which the Golden City possesses is really surprising, and the Dramatic club has earned a place in the estimation of the community generally which it will undoubtedly improve in future attractions under similar auspices.

The club will in the near future essay another production of pleasing intelligence, and the event will be awaited with keen interest. Comment on last night's production of "Jane" would be altogether incomplete without special reference to the extremely arduous and valuable work of Judge W. J. Nelson in the estimation of the community generally which it will undoubtedly improve in future attractions under similar auspices.

The opera house was crowded when the curtain rose on the first act of "Jane." From pit to gallery every seat was occupied, and the boxes contained the full quota of their seating capacity. Among the box parties were those escorted by Mayor Dean and ex-Mayor Clute, Mayor Schofield of Trail, Arthur S. Goodvee, Frank E. Hindsdale and others. The entertainment was of the nature of a social function and the costumes worn in the audience were in keeping with the occasion.

The report is current that labor trouble may be expected at Morrissey shortly. The Crow's Nest Coal company is credited with having introduced a new system of piece work in its coal mines, whereby the men's wages are reduced 30 per cent according to the statements of the men. Full particulars are not at hand regarding the matter, but any reduction in the already meagre fuel supply will work a great hardship on the Kootenays generally.

A most remarkable escape from death occurred yesterday afternoon, when James Woolley accidentally fell from the roof of a two-story house and escaped practically unharmed. Woolley was cleaning the snow from the roof. While leaning over with a hatchet to cut the ice from the eaves he suddenly slipped and fell. He alighted on the back of the hatchet in the midst of a snowdrift. The only injury he received was a sprained hand and a cut in the side.

Nothing has developed here in connection with the contract for the fittings in the new postoffice, and the presumption still is that the contract has been let in the east and that the fittings are being manufactured at one of the eastern manufacturing making a specialty of the class of material required. The delay is vexatious, but the presumption is that the fittings will be of the best quality and fully in keeping with the exterior of the building. It is stated that the work could not be done according to specifications for less than \$10,000, and at that figure something really good in the line of fittings can be supplied.

CITY NEWS

POSTPONED.

RECEIVES A CALL.

TO CURLEW.

A MINER INJURED.

BOUGHT COMPRESSOR.

THE GLAD HAND.

TROUBLE REPORTED.

FELL FROM ROOFTOP.

GOOD WORK.

LEAD DELEGATION.

ROBBED A CHURCH.

NEWARK, N. J., Feb. 10.—Burglars ransacked Grace Episcopal church today, securing jeweled vestments valued at \$10,000.

FRACTURE IN VANCOUVER.

POSTOFFICE CHANGE.

EUCHRE CLUB.

HYDRAULIC MAN.

WILL APPEAL.

NEWTAL ORDERED.

FOR CORONERS.

KETTLE RIVER COAL.

MINERS' UNION AFFAIRS.

NOT KNOWN.

NO GO.

ROBBED A CHURCH.

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Per Year WEEK'S ORE Last Seven Days Was Almost Total No Special Ch... uation at Min... THE O... Shipments from B... for the week ending... for the year to date. Le Roi... Centre Star... War Eagle... Giant... Velyet... Kootenay... Le Roi No. 2... Homestake... Totals... BOUNDARY... Shipments from B... last week were: Granby... Mother Lode... Snowshoe... Emma... B. C... Sunset... Totals... POISONOU... WASHINGTON, Fe... reached the navy de... tula, Samoan island... 14th, fifteen of the... Wheeling were pois... caught over the ship's... fatal. LE ROI N... (Special to... TORONTO, Fe... Thompson of Ro... eral superintend... Roi and Le Roi... a long letter tod... cial News says... substantiate the... statement which... warded to Lond... land over his st... (The statement... foregoing refer... son's statement... the Le Roi No... will be remem... months ago Mr... superintendent o... 2, was responsi... to the directors... the mine had... \$17 ore. Ed.)