

for the Duncan Mines, naming Messrs. Hardman and Bennetts. In your issue of this month you further refer to the subject and exonerate the engineers, whom you now name as Messrs. Hardman and Kendall, and you attribute all the blame to bad management and over-capitalization. The present is scarcely the time to enter into details of the causes which led to the failure of this company, but the figures quoted in your last article are so definite and the impression conveyed by it so misleading that I think it necessary, in the interests of the Duncan Mines, the parent company, to give some of the actual figures and to state the facts as they occurred.

In the first place, Mr. Kendall never reported on the properties for the Duncan Mines; I believe he has described the Poorman mine as it was some three years ago, in an article in your paper, but this mine was not included in the original properties of the Granite Gold Mines, having been subsequently acquired, and it therefore does not affect the subject of this letter. It is perfectly safe to say that had the Granite and Royal Canadian mines (which were those taken over by the Granite Gold Mines) proved, on working, to yield ore of the quantity and quality which the estimates of the engineers stated that they would yield, the company would not now be in the position in which it finds itself.

Mr. Hardman's last report is dated 19th November, 1898, and the Granite Gold Mines was not formed until June, 1899. In this report the working capital required was stated to be £10,000 as you say. This amount was provided by the Granite Co. on its flotation, but, in addition, during the six months that had elapsed between the writing of the report and the flotation of the company, the Duncan Mines had vigorously carried on development work on both mines, spending an additional £7,500 on this work. The whole of the £10,000 provided by the Granite Gold Mines, and a further sum of £9,000 lent by the Duncan Mines were, with the exception of the cost of an eight-drill compressor which it was decided to put in, expended in development. The mines therefore had more than double the amount that the reports called for spent on development before milling was commenced. Mr. Hardman's figures for machinery referred to in the report, a stamp mill, but the Duncan Mines erected and put in a twenty-stamp mill. Moreover they fully equipped the Granite Mine with pumps, hoists, aerial rope tramway, flume, pipe line, etc., and in fact handed over the properties to the Granite Gold Mines as a going concern. That company did not have to spend one cent for machinery with the exception of the compressor already mentioned. As for the machinery it is only necessary to say it was the best that could be got, and no expense was spared in its first cost or in its erection. The contractors were perhaps unfortunate in their choice of an advisory engineer and some mistakes were made, but not more than is often the case. These mistakes the contractors put right at their own cost, and the company therefore only suffered through the delay thus caused.

Since the mill has been working no stamp mill in the country has been run more economically or has succeeded in obtaining such a good percentage of extraction and such a low value in the tailings. The aerial tramway has worked to perfection and no complaint has been made about the plant provided by the Duncan Mines.

My object in writing this letter is merely to satisfy anyone who cares to read the facts that the Duncan Mines are not in any way to blame for the failure of the Granite Gold Mines. In regard to the question of capitalization, which you cite as one of the causes of fail-

ure, it is surely evident that this does not in the slightest degree affect the question, as the company never reached the stage when the effect of over-capitalization would have been felt.

I am, yours truly,
GEORGE H. WHITE,
Secretary.

Duncan Mines, London, June 13th, 1901.

THE MONTH'S MINING.

KAMLOOPS.

(From Our Own Correspondent.)

THE shaft on the Iron Mask, by the time this is in print will be down 300 feet, when exploratory work will at once be commenced at this level. The staff of men has been increased to 22, and this number will be increased as the work progresses. The B. C. Exploring Syndicate intend at once putting a force of men sinking and drifting on the Josie claim which adjoins their Lucky Strike property. This company has purchased over 50 acres of land adjoining the Canadian Pacific Railway and Thompson river, some two and a half miles from the Iron Mask. The site is favourable for the whole of the company's property, being nearly 1400 feet lower and a regular grade between them. The company will first use it as a shipping site and as the camp develops as a smelter site. The dredge at Edwards' Point, North Thompson river, nears completion. The heavy machinery has arrived and most of it is in place on the dredge. The dredge will be completed about the end of July should there be no delay in the remaining machinery coming to hand.

The Clearwater Dredging Syndicate, a local company, have this spring given their leases at the junction of the Clearwater and Thompson rivers, a very thorough and systematic test and are well satisfied with the results. Other lease holders on the Thompson river could follow their example with advantage to themselves and the dredging industry of this part of the Province.

The Glen Iron mine continues to ship 10 to 14 car loads of iron ore per week to the Hall Mines smelter and to give employment to 22 men.

During the month the Cherry Creek Copper Mines, Ltd., has been incorporated with a capitalisation of \$500,000.00 in 500,000 shares of \$1.00 each, to acquire the Copper King, Copper Jack and Edward Seventh claims at Cherry creek. The company is a local one, its directorate being mainly business men of the city.

Mr. Irvine's property, near Sicamous, has been taken over by St. Louis capitalists, and a company is to be at once incorporated to operate the property. The property consists of three claims, and has outcroppings of pyrrhotite with copper pyrites showing fair gold values. The vein has a width of 40 feet and has been traced the length of one claim. Mr. Irvine is erecting buildings on the property for the accommodation of the men.

BOUNDARY DISTRICT.

(From Our Own Correspondent.)

Notwithstanding that many of the business people of the towns in the Boundary district find business quiet, it is evident to those who take the trouble to make careful enquiry that the mining and smelting industries of the district are surely, if slowly, gaining in importance. Probably the chief reason that business men have ground for complaint is that there are more stores and other places of business in the towns than there is a sufficient amount of trade for, that is, to keep all fairly busy. Of course, this undesirable condition of affairs is not chargeable against the mining industry of the district — it is the natural sequence to over-sanguineness at the time of railway building, which misled many to take the inflated state of business that attended the out-

lay of an unusually large amount of money in railway construction and other works as the normal condition of things. With the cessation of the considerable expenditure that the carrying out of these enterprises involved, there was, of course, less money in circulation, and then business men realised that there were more places of business than there remained trade for. But though the transient population of the district is smaller there is an increasing resident population, and since this is an evidence of permanent rather than temporary progress there is room for much satisfaction that improvement of this nature is taking place right along. Too many judge the state of affairs by the amount of railway and stage travel and the patronage the hotels are receiving, but it is well at times to turn to other indications

THE BUSINESS
AND MINES
OUTLOOK.