

STATEMENT OF FACTS

RELATING TO THE CONTRACTS BETWEEN

Mackenzie & Mann and The Government

OF THE PROVINCE OF BRITISH COLUMBIA.

FOR THE CONSTRUCTION OF A

Railway from the Pacific Coast to Midway in the said Province.

In order to properly understand the subject-matter of this statement it is necessary to describe shortly that portion of the Province of British Columbia known as the Boundary Creek District.

This district—as it is commonly known—extends from a point a short distance west of the Columbia River, where it crosses the International Boundary line in British Columbia, westward to a line drawn parallel with Osoyoos lake; and from the International Boundary line on the south to a line which would be parallel with the northern portion of the Slocan Mining division on the north.

It is known to contain a vast amount of very rich mineral. It is expected that its output will very shortly equal that of the district of Kootenay, and there is considerable ground for the belief that it will eventually produce more ore than both the Kootenay and Slocan districts combined. While in the Boundary district the ore is not of so rich a quality as that contained in the Slocan or the Kootenay, it is very much greater in bulk; and it is a well known fact that the production of a large quantity of low grade ore requires a much greater population, and is infinitely better for a country from a manufacturing and commercial standpoint than is the production of an equal value of high grade ore.

A number of mines have been discovered and developed to a certain extent in the neighborhood of Greenwood, Midway, Grand Forks, Cascade City, Camp McKinney and other places near the international boundary line, in the Boundary district.

The only means of transporting merchandise, machinery, etc., to these points heretofore has been by a wagon haul from Penticton,