though specially invited to do so, to discuss the matter at issue with the directors who visited the locality chiefly with this object in view. While, however, the grounds upon which the call is made in this instance may be perfectly justified, the fact remains that this method of raising additional capital in the case of local companies whose shares are placed on the market on the understanding that they are fully paid up, is intensely unpopular, and is likely to have the effect of seriously restricting the successful inauguration of new enterprises of a legitimate character in the local field. The mistake made in the past is that too many local companies have been floated with utterly inadequate working capital, and the inevitable consequences are now beginning to be realised by the public. In the majority of cases these were foreseen by the promoter, but his immediate concern was to make as much money as possible from the flotation of his company, and let the ultimate success of the undertaking take care of itself. The remedy rests with the investing public. If the basis of assessable stock is not acceptable, then to protect his interests the purchaser of fully-paid stock should be careful to ascertain that the company in which he proposes to become a shareholder is financially able, within reasonable bounds, to carry out its objects. The incorporation of the recent additions made to the English company laws with our own would also materially aid in remedying existing evils.

We print elsewhere in this issue an interesting account of the coal and asphaltum deposits of the Queen Charlotte Island, in which the author, Mr. W. F. Best, who recently visited this locality, speaks of the very favourable indications of the presence of petroleum oil on Graham and the adjacent islands of the gronp. During the past few months the discovery of petroleum occurrences, promising an almost inexhaustible supply, in California and other states of the Pacific sea-board, has created, in addition to a more or less wild and in not a few instances, fraudulent stock-jobbing movement, a genuine enquiry and interest concerning localities in the west, where the prospects of discovering oil by boring are sufficiently good to warrant exploration, and it is not therefore unlikely that attention will ere long be directed to the possibilities of the British Columbia field, both on the coast and in the East Kootenay division.

On the hypothesis that the origin of mineral oil was the effect of chemical action on sea-weed and the remains of fish and marine animals, a well-known writer on mining topics, Mr. Theo. F. VanWagenen, E.M., advances the opinion in the course of an article published in a recent issue of the *Mining Reporter*, of Denver, Colo., that petroleum can only occur near ancient shore-lines, and he proceeds to outline these on the North American continent by showing that in the geological era when sea-weeds, as a form of vegetation, were most luxuriant but a very inconsiderable portion of the present land areas were not submerged, and such land as remained above ocean-level consisted mainly of long and narrow islands, among which is included a belt following the existing line of the continental divide, passing through Western New Mexico, Central Colorado, Wyoming and Western Montana, and continuing northward through British Columbia to the Arctic regions, and southward through Mexico. In view of recent discovery this theory is at least plausible.

From further information we have received in reference to the liquidation of the Granite Mines, Ltd., it appears that the engineers who reported upon the property must be exonerated from all blame for the unfortunate position in which the company now finds itself. The engineers who reported on the property, Messrs. Hardman and Kendall, were in practical agreement as to the value of the ore, and their estimates have been borne out by the mill returns. They were also in practical agreement as to the amount necessary to equip the mine. Mr. Kendall placed the cost of milling machinery and power plant at $22,000 ; Mr. Hardman including tools and such equipment in his estimate, at from $25,000 to $40,000. In addition Mr. Hardman estimated that $20,000 spent in development would make a going concern of the mine. He maintained that $50,000 would be ample working capital. However, prior to January, 1901, $65,000 had already been spent on plant and construction. The machinery installed was not fitted for the work it had to do and was not adjusted with any regard to economical management so that not only was the working capital of the company wasted but economical working was not secured. A very simple calculation based on the output estimated as conservative in the reports will show that the profit on this mine could not be expected to exceed $40,000 or £8,000 per annum. Yet the basis on which it was promoted placed £100,000 in the hands of the Duncan Mines, Ltd., while £10,000 only was set aside as working capital. It is true that this is the sum mentioned in the engineer's report as adequate. But there was no engineer's or any other authority for supposing either that the mine was large enough to pay satisfactory dividends on £110,000 or that if it were, that £10,000 would be enough money to develop and equip it on such a scale. The company was overcapitalised, money was wasted by the management and the result is a crippled mine where there might have been a property returning a steady if not considerable profit to its owners.

According to telegraphic advices the sale of the Britannia mine on Howe Sound, negotiatians for which have been in progress for some weeks past between local owners and a London syndicate, represented by Messrs. Bewicke, Moreing, has failed in consummation. If we may rely on this information as correct—and owing to the disfavour in which British Columbia is held at present in London financial circles, it very probable is—the