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THE MONTH.

THERE is already a stirring of the dry bones in London. The attitude of the market is distinctly more favourable to British Columbia. Le Roi No. 2, Le Roi No. 3, the reconstructed Velvet Mines and the Emily Edith in the Slocan have all been introduced to the public there recently. And although the announcements made of successful flotation, like the premiums maintained on the Stock Exchange prior to allotment, are often perfunctory, and like the mimic thunder of the stage manufactured on the premises, there is no question that these properties will receive the recognition from the public due to merit. As to the first of these, Le Roi No. 2, it is recognized not only in London, but in British Columbia also, as a first rate investment. The properties represented by this company possess bodies of ore blocked out sufficient to guarantee good profits on the capital and possibilities arising out of future development which make the shares a most attractive speculation as well. A very wide distinction must be drawn between this issue and Le Roi No. 3, a distinction not likely to be sufficiently appreciated by investors at a distance from the scene of operations. If the Le Roi No. 3 is a mine at all, it is a mine capable of paying dividends on the issue of shares. And doubtless the capital from that point of view is not excessive. But at present the best that

can be said is that it has excellent prospects of becoming such a property. But investors have often discovered to their cost that the booming stage is not one which justifies a premium upon shares. The reconstruction of the Velvet is a happy augury of improved market conditions in London. It is evident from the report submitted that Velvets have never been in favour with investors and that the parent company has been carrying the baby, up till now too infirm to stand upon its own legs. In view of this the rig which carried the Velvet shares up to £2 3s. cannot be too severely condemned. It was a market operation beneath the dignity of a company controlling so fine a property, and one that cannot fail to react unfavourably upon the legitimate prospects of the new issue. Particularly as it is well known that such operations are carried on as a rule, not for the benefit of the company involved, but to enrich a few individuals who manipulate the rig. Nothing succeeds, however, like success. Having made a mine of the Velvet, everything must needs be forgiven to those in control of the property. It seems to be one of the exigencies of the London market to keep the small end of the telescope directed towards the property controlled and to bring a magnifying glass to bear upon the financial conditions at home. Otherwise it is inconceivable that the directors of the Velvet should have decreed that it was more advisable to borrow money for development than to build a road and market their ore for cash. What is being done now, namely, the construction of a waggon road to the nearest point on the railway, should have been done as soon as the ore was located on the 160-foot level. The credit of the company would have been higher had the mine been producing even a small tonnage during the last year, as it well might, than on the strength of claims that the company owned a Le Roi in the backwoods. It must also be admitted that the criticism of some of the shareholders that a report made by an independent engineer should have been submitted as well as that of Captain Morrish is well made. This is not said in detriment of Captain Morrish's honesty, impartiality, accuracy and experience. But an independent report would have greatly strengthened the credit of the company in appealing for funds to the British investor. In short, the directors of the Velvet have handled the company's property precisely in the same manner as a group of ingenious but unscrupulous manipulators would handle a wildcat enterprise. They have shown no anxiety over production and transportation. They have not really tested the productive capacity of the mine (because the shipments made of carefully selected ore were not a real test). They have allowed the shares to be rigged on the market, and they have had no independent examina-