

of mining transportation, reduction and marketing their product. Assuming a net profit of \$1.00 per ton, this means on the year's output of say 650,000 tons a total of \$650,000. Since the total cash capital invested in the mines and smelters of these two companies cannot be above \$4,000,000 it is easily seen what the percentage of interest return is. As to future possibilities—leaving entirely out of consideration the probability of the Dominion Copper and Snowshoe companies shortly maturing their plans for the provision of smelting facilities for their own ores, also of the requirements of half a dozen other district mines, and taking into account only that the Granby Co. intends to put in two more furnaces shortly, and the B. C. Copper Co. expects to this year add a third, there is every probability that by the end of 1902 the aggregate treatment capacity of the three district smelters will be not less than 3,800 tons a day, or at the rate of 1,387,000 tons a year. Taking the above-mentioned rate of profit this would give a net return for a year to the three companies concerned, on an investment that by then will hardly not have exceeded \$5,000,000, of \$1,387,000. There is this further fact (for it will shortly be an accomplished fact) to keep in mind, viz.: That the total cost of mining, transportation and treatment of their ores, will, in the case of these two companies be reduced to between \$2.00 and \$2.50 per ton. It may be added that this last statement is made only after careful enquiry from those well informed on the subject."

"WILD-CATTING" IN THE SIMILKAMEEN.

THE fact that "wild-cattling" methods are again becoming prevalent in British Columbia is from a certain point of view a favourable sign. During the past two years or more there has been little outside speculation in the mines of the Province, the lack of interest being largely attributable to an inevitable reaction following the Rossland "boom" and the consequent wholesale wild-cattling from 1896 to 1899. During that period hundreds of worthless companies were promoted and thousands of people in Eastern Canada and elsewhere were impoverished by purchasing stock which had no intrinsic value whatever. The bubble at length burst, and with it confidence was entirely withdrawn. Speculation ceased, and the most legitimate undertakings were hampered by the difficulty of securing the necessary capital to carry on operations. In the interim, however, the mining industry has become established on a firmer and a more permanent footing, production has steadily increased and speculation has given place to investment on the part of individuals or syndicates, with, in the majority of instances, more gratifying results. Most of the capital thus invested has originated from the United States, but American promoters of an unscrupulous type have not been slow to recognize the disposition of their countrymen to look upon British Columbia as a rich and promising mining territory, and a number of largely capitalized "wild-cat" companies

have been recently floated in New York, Minneapolis and other large centres, with the alleged object of exploiting mines in this field. A most flagrant example is that of a concern styling itself the Olalla Copper Mining and Smelting Co. of New York, modestly capitalized at eight million dollars in \$25 shares. This company's shares are being extensively advertised in the New York daily papers, 20,000 shares now being offered for public subscription at \$12.50 per share, in "easy monthly instalments." To quote from the advertisement in the New York *Sunday World*:

"The present allotment is being rapidly sold. The next allotment will be offered only at a largely advanced price. This is done (sic) to enable people of moderate means, who are ordinarily excluded from participating in safe enterprises of this magnitude, to invest in the practically unlimited profit-producing resources of our mining properties in Olalla, B.C. Our faith in the enterprises we are championing is such that we are quite willing to take payment for stock in easy instalments, well knowing that the substantial values of the property will bear out this policy with profit to everybody concerned. Many a man with a small bank account has wished to identify himself with the great modern enterprises, but the terms have been so close that he has been unable to do so. We have opened a new way to wealth for the man with a short purse and a long head. The man who knows that large enterprises like this must be built up carefully, step by step, is the man we want, and who wants us. One thousand shares of "Olalla" will be worth an independent fortune and earn a permanent income of from \$2,500 to \$7,500 per year within five years, but one share will be worth equally as much in proportion. If you can secure 1,000 shares do so, but subscribe for at least one, five, ten, twenty-five, fifty or one hundred. But by all means secure an interest in the company and make that interest as large as possible."

In large type above is printed:

"A practical mining man writing us says: 'If I owned two of your properties I would undertake to pay the national debt of Canada in ten years,'"

and after a description of some mining claims held by the company, the following:

"In addition to our mining properties we also hold a valuable railroad franchise, entitling us to build and operate a railroad through the mining fields, besides the telephone and telegraph franchises of the district, and a charter for the townsite of Olalla, B.C. With these remarkable permanent money-making sources at our command, our experts have formulated the following conservatively correct estimate of the net earnings of our combined properties per annum, each particular estimate being as low as it can consistently be made:

Profit on the company's preliminary mining operations—	
1,500 tons per day, yielding a net profit of \$2 per ton	
equals	\$ 900,000
Profit on smelting operations	900,000
Railway earnings (net)	690,000

Net annual profit

\$2,490,000

"This sum of almost two and a half million dollars will enable us to pay an annual dividend of 25 per cent. on the capital stock of the company, besides creating a reserve fund of nearly half a million dollars a year."

The whole thing is so transparently and grotesquely ridiculous that it appears almost a waste of time to do more than laugh. But, strange as it may seem, there are many who will swallow a hook even so unskillfully baited as this, and it is the duty of the press of British Columbia to do what is possible to remove the bait altogether, so that nothing is left but the naked hook, and if any foolish gudgeon is prepared to bite at that, he can blame no one when he suffers the necessary penalty for his rashness. It will have been noticed from the advertisement that the Olalla Copper Mining & Smelting Co. desires an impression to be conveyed that it already is in possession of property capable of immediate profitable operation. The mineral claims are described as "Sixty-three high-grade copper-gold mines, situate in Similkameen and Keremeos valley . . .