

# THE EXCHANGE NEWS.

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## MINING NEWS.

### THE VALUES OF MINES AND MINING STOCKS.

The Mining and Scientific Press of California, in a recent editorial, compares the Mining Exchange of San Francisco with the Colorado Exchanges handling Cripple Creek stocks, and shows that the stocks in San Francisco sold for hundreds of dollars per share when the mining properties they represent not only did not pay dividends, but did not even pay running expenses, and says that twenty-five years ago Bullion Mining Company's stock was sold at \$50 per share. The mine is still being assessed, fifty-five assessments have been paid since then and it has never paid a dividend. It says: "No invidious reference is intended." The mine mentioned is merely typical of the way mining stocks went then. No one minded much so long as there was a stock to play with.

In marked contrast is the present condition in the one lively mining share market of to-day—that of Cripple Creek, Colorado—where the singular anomaly is presented of a higher cash price being paid in actual purchase of mining properties than the valuation of the stocks of those properties in the mining stock market. The Comstock mine stocks were manifestly too high; the Cripple Creek mining stocks are as manifestly too low.

There are several causes for the difference in mining stock market conditions past and present. The Comstock era was one of reckless speculation, a plethora of money and a general craze—the same frame of mind that now makes a man mortgage his home and start for Cape Nome—hope told a flattering tale, and men confused their dreams with static facts. Then, too, in those days were masters of mining stock manipulation. Not even Rhodes or Barnato outshone the old "bonanza crowd" of California and Nevada in ability to "boom" stocks. Again, in the old Comstock days there were cliques and combinations constantly clamoring for control of certain mines, and they kept prices up of adjacent properties that profited by such contiguity.

Cripple Creek's mines are worth more than the market buying price of their stocks to-day because of lack of that warring element; because of cessation of speculative demand in the East; because of absence of such past grand manipulators as dealt the Comstock game; because of more active legitimate investment in mining property and development as a legitimate business proposition; because, too, the trend of the times is to hold possession of

control in a more direct way than by the intermediary methods of the stock brokers and, finally, because the increase of the value of the mines themselves outruns the belief of the outside buying public. The pendulum now swings the other way. The servant girls and clerk, the waiters and vegetable peddlers who bought Comstock shares, no longer invest their surplus money that way. Men who rightly understand the great value of Cripple Creek's gold mines are getting control themselves, and they don't do so much business with the stock broker. It is not so good for the stock broker, but, eventually, it means bigger sales of mining machinery, more men at work, greater mining areas discovered and developed, and more general prosperity for the state.

### CRIPPLE CREEK NEWS.

#### THOSE CONSOLIDATED MINE.

Elkton, Raven and Tornado,

Elkton, Raven and Tornado are still the chief objects of discussion around town, and the stocks are the centre of interest on 'change.

The question above all others, however, which is argued on all sides and which threatens to cause as much heated discussion as the controversy over the beginning of the century is, what will the new stock sell at, and the town has been figuring and calculating and chewing pens and pencils in perplexity, and still no very satisfactory prediction has been heard. The closest figuring may prove to be altogether wrong in view of the fact that one of the most uncertain things in the world will settle the question—the stock market.

The fact remains that Elkton will have twice the property it had before, but will, at the same time, be burdened with nearly three times the capitalization, and the question seems to resolve itself into this: Will the additional territory acquired prove sufficiently valuable to the company to more than relieve it from the burden of the added capitalization?—so that the stock of the new Elkton can sell at a price above the one at which it is selling now. It is clear that if it will take longer for the three mines to earn dividends on 2,500,000 shares when combined, than it did for the Elkton alone to earn its dividend on 1,125,000 shares, Elkton is going to be worth less after the consolidation than it is now. But on the other hand, if Raven and Tornado together will produce enough ore so that the new Elkton will be able to earn the \$67,000 (a three cent dividend on 2,500,000 shares) more quickly than it earned \$33,750 (a three cent dividend on 1,125,000 shares), the stock will obviously be worth more after the consolidation than it was before.

So it all depends upon what the Raven and Tornado properties are really worth, what they will be capable of producing, and that is a very hard nut to crack. There are many who claim that Tornado has been selling too high, and that the company has not been on a dividend-paying basis, litigation pending, or not pending; and it is also heard said that the 34 acres now owned by the Raven and Tornado, are not as valuable as the 34 owned by the Elkton.

The fact remains that the Elkton is going to be able to work the two properties which it will acquire to a great advantage, and it seems reasonable to suppose that if the Tornado and Raven are not worth now, with their comparative small development, what the Elkton is, that the work which will be prosecuted from the deeper workings of the Elkton mine, will soon make them far more valuable than

they are at present. This, however, does not apply to what the stock will be worth right after the consolidation, but what it will be worth after development work has been undertaken, which is another matter altogether.

Elkton has been much stronger on 'change during the last few calls, selling up as high as \$1.29. This is due to a general opinion that Elkton is getting much the best of the deal. The advance is also due to the fact that a dividend of 250,000 shares of the new stock is to be paid to the stockholders of the Elkton, and so the stock now will be stronger until after the books close previous to the payment of this dividend after which the stock will decline, again.

The following figures may be of interest:

For 100 shares of Tornado stock, there will be paid to Tornado stockholders 43.5 shares of the new Elkton stock. Tornado is now worth \$48.00 a hundred. If the new stock sells at, let us say \$1.10, which seems to be the average of different predictions, Tornado stock will be worth \$47.85 of the new stock.

For 100 shares of Raven stock, there will be paid to Raven stockholders 62.5 shares of the new Elkton stock. Raven is now worth \$67.50 a hundred. With the same price for the new Elkton as used above, Raven stock will be worth 68.75 of the new stock.

For 100 shares of Elkton stock, there will be paid to the Elkton stockholders 122.2 shares of the new Elkton stock. Elkton is now worth \$127 a hundred. Taking the same price for the new stock to sell at, Elkton stock is now worth \$134.75 of the new stock.

### CRIPPLE CREEK MINING STOCKS

April 25, 1900.

| Capital.  | Par Value. | Asked                         |
|-----------|------------|-------------------------------|
| 1,500,000 | \$1.00     | Acacia . . . . . 28½          |
| 2,500,000 | 1.00       | Battle Mt'n . . . . .         |
| 800,000   | 1.00       | Ben Hur . . . . .             |
|           |            | Black Belle . . . . .         |
| 1,500,000 | 1.00       | Bob Lee . . . . . 5½          |
| 2,000,000 | 1.00       | Croesus . . . . .             |
| 2,000,000 | 1.00       | Columb-Victor . . . . . 16    |
| 2,000,000 | 1.00       | C. C. Cons. . . . . 13½       |
| 2,000,000 | 1.00       | C. C. & M. . . . . 10½        |
| 1,250,000 | 1.00       | Dante . . . . . 14½           |
| 2,000,000 | 1.00       | Damon . . . . . 21½           |
| 1,250,000 | 1.00       | Elkton . . . . .              |
| 1,500,000 | 1.00       | Flower . . . . . 4½           |
| 1,250,000 | 1.00       | Findly . . . . . 15½          |
| 1,000,000 | 1.00       | Gold Coin . . . . .           |
| 3,000,000 | 1.00       | Gold Sovereign . . . . . 10   |
| 2,000,000 | 1.00       | Gold Stone . . . . .          |
| 1,000,000 | 1.00       | Gould . . . . . 39½           |
|           |            | Hart . . . . . 16½            |
|           |            | Hayden . . . . .              |
| 1,225,000 | 1.00       | independ. T. & M. . . . . 79½ |
| 2,250,000 | 1.00       | Isabella . . . . . 126½       |
| 500,000   | 1.00       | Ida May . . . . .             |
| 1,250,000 | 1.00       | Jack Pot . . . . . 67½        |
| 1,500,000 | 1.00       | Keystone . . . . . 17½        |
| 1,500,000 | 1.00       | Kimberly . . . . . 8½         |
| 1,500,000 | 1.00       | Lexington . . . . . 15½       |
| 1,000,000 | 1.00       | Maton . . . . .               |
| 600,000   | 1.00       | Moon Anenr . . . . . 68       |
| 1,250,000 | 1.00       | Magnet . . . . . 3½           |
| 1,250,000 | 1.00       | Maria A. . . . . 4½           |
|           |            | Midway . . . . .              |
| 1,000,000 | 1.00       | Mt'n Beauty . . . . . 9½      |
| 1,000,000 | 1.00       | Nugget . . . . . 21           |
| 1,500,000 | 1.00       | New Haven . . . . . 08½       |
| 1,250,000 | 1.00       | Oriole . . . . . 4½           |
| 2,000,000 | 1.00       | Pappoose . . . . . 07         |
| 3,000,000 | 1.00       | Portland . . . . . 2.65       |
| 1,000,000 | 1.00       | Princess . . . . . 06½        |
|           |            | Raven . . . . . 67½           |
| 1,250,000 | 1.00       | Silver State . . . . . 2½     |
| 2,000,000 | 1.00       | Pinnacle . . . . .            |
| 1,000,000 | 1.00       | Sacramento . . . . .          |
|           |            | Tornado . . . . .             |
|           |            | Union . . . . . 49            |
| 1,500,000 | 1.00       | Work . . . . . 33             |
|           |            | Zenobia . . . . . 16          |