

regarded as workable at a profit. The third class are simply

"WILD CATS,"

they are being organized solely as speculations of the thimble-rig order, in which the promoter is certain to win all the money paid in and the investor just as certain to lose all he invests. Before any capital can be prudently invested in an undeveloped property, certain conditions must be proved to exist which are difficult to establish as undoubted facts. Mere specimens of the ore alleged to exist in the property are utterly valueless. When genuine they are selected for exhibition purposes. Specimens taken from a mine in operation are hawked about, or displayed as specimens of the ore existing in a property where has never sounded the blow of a pick-axe, or a blast of dynamite, or powder. To suppose that non-experts can judge the value of a mining property by specimens of ore extracted from it, is the wildest delusion. A man acts just as wisely who buys a horse with no other information about the animal than a hair from its tail. The very prominence given to specimens of ores as an attraction to investors is enough to discredit any enterprise which makes use of this mode of impressing investors with its prospects.

THE VITAL QUESTIONS

needing to be fully and satisfactorily answered by a mining engineer of high repute, before the value for investment purposes of any mining property can be judged, are quite numerous. They comprise enquiries into (1) the cost of the property, and its title; (2) the standing of the expert who advised its purchase; (3) the results of assays of the ores; (4) information as to, by whom the assays were made, and where, and when; (5) the cost of reaching the ore by tunnelling or otherwise; (6) the cost per ton of mining it and delivering it to a mill, or smelter; (7) the yield of metal per ton of the crude ore extracted; (8) the net cost of the metal; (9) the market value of the metal and any bye-products of the mine; and several other matters which must be known in order to judge whether a mining enterprise is making or losing money, or likely to do one or the other. Answers to these vital questions can only be made by an experienced expert after an examination on the spot of the geological, and topographical, and other conditions, such as the local roads, the water supply, the facilities for reaching the mine, for erecting machinery and for shipping the output. Not one of these points can be safely overlooked by those who desire to act with ordinary business prudence and intelligence before buying shares in a mining company. It is manifest that only

PRACTICAL EXPERTS

can draw reliable conclusions from such information. Yet we find persons who could not tell a lump of gold ore from one of iron flecked with shining pyrites, or a piece of silver ore from one of lead, persons who never even saw a mine, are putting forth glow-

ing statements about the value of mining properties, respecting which their opinion is not worth a cent. Names are found of persons as directors of mining enterprises who have neither money nor credit, persons who are mere professional promoters of joint stock companies, whose glibness of tongue and colossal assurance are their only capital. The names on some prospectuses are only

DANGER SIGNALS.

"Will you walk into my parlor said the spider to the fly," would be an appropriate motto for some of the mining schemes being so lavishly advertised. There are companies being promoted solely to take over properties at an enormous advance on the cost, properties bought for no other purpose than for use in creating a "wild cat" scheme for fleecing innocent, unsuspecting investors who are deluded by extravagant promises of high dividends. New companies are issuing shares at a few cents each. Investors are excited into subscribing by statements that after a certain date the price of the shares will be advanced. By this device the promoters are appealing to a class of persons of small means, so clerks, widows, small store-keepers, workmen, and others who, having no knowledge of business affairs, fall an easy prey to prowling wild cats. Money is now so plentiful that capitalists are waiting for opportunities to provide all the capital which can be safely and profitably invested in opening and for operating gold and silver mines in this country.

CAPITALISTS,

however, know how to avoid visionary enterprises, and schemes they stand aloof from may be very justly and very prudently suspected as unsound.

Were all the mines and mining properties now being pressed on public attention as certain to pay high dividends, really sound undertakings there would be no need for any lavish advertising of their merits and values, nor would there be any need to invite subscriptions for stock by splitting capital into fractions of a dollar. Such merely speculative schemes as we have described and criticized must end in serious disappointment to investors, to some indeed they will bring disaster. Their collapse will tend to bring Canada as a field for investment into disrepute. To protect those who are liable to lose their limited savings by such schemes, and to protect the reputation of Canada from reproach, we have deemed it our duty to sound a note of caution and of warning.

THE TEMPERANCE AND GENERAL LIFE ASSURANCE COMPANY.

A WELL DESERVED PROMOTION.

The shareholders and policy-holders of The Temperance and General Life Assurance Company, who were present in large numbers at the recent Annual Meeting of the Company, showed their appreciation of the faithful and successful work done by the manager, by electing him without a dissenting voice to a position on the Directorate of the Company, and mak-