

### IMPROVED TONE IN AFTERNOON TRADING

#### Newray Continued Upward Trend to New High Record.

Some slight comfort was afforded the bulls in the mining market yesterday when the slightly improved tone was detectable towards the close after further recessions in some of active traders had occurred earlier in the day, which established the low level. The liquidation which developed this week seems to have pretty nearly run its course, according to well informed brokers and the improvement was interpreted as a turn for the better. It was a noticeable feature that when buying came in there was little or no stock offered. A feature of strength in the market was Newray. This stock continued its upward trend independent of the rest of the market, establishing a new high record at 14 1/2.

Big Dome opened at the previous day's low at \$18.50 and receded to \$16. This is the lowest stock record since 1915. Dome Extension was heavily liquidated in the morning session, and in sympathy with Dome moved down to a new low of \$12.50. The afternoon rally caused a recovery in price to \$20, which was the high for the day. Apex encountered a further selling pressure, which brought about a further recession to 8, a new low for some months. Good support was forthcoming around the figure, however, some ten thousand shares being taken up. Hollinger was supported at \$5.25.

McIntyre opened a little higher at \$1.84, sold off on liquidation to \$1.81, but closed stronger again at \$1.83. Porcupine Crown closed a little better at \$4. Vipond was heavily traded in, but withstood the general downward trend, yielding only one-half point from the opening at 45. Thompson-Krist took a further slump to 16, closing at 15 bid. This is a new low for this issue also. West Dome Consolidated came in at 17, but selling, but a former feeling developed in the late afternoon.

There was not much change in the silver stocks from the preceding day. Beaver firm. Little from the opening to 40 and Timiskaming closed at the high for the day at 50 1/2. Hargraves were actively due to the fact that during the operations of these two companies there was no scientific prospecting of the property, or in fact, anything which by any outcrop on the English language might be called prospecting of any kind. Work was begun and carried on largely at random. The entire property was not examined, even in the most general way, and when the Connel or No. 1 vein was discovered, the owners appear to have rested from their labors. For a length of three hundred feet, No. 1 contained much visible gold, and on it the Kingsmill shaft went down 425 feet.

### SPECTACULAR SAMPLES DOWN FROM HARGRAVES

#### Manager Shaw in Town—Good Progress Reported.

Manager Shaw of the Hargraves mine of Cobalt spent two days in Toronto this week, bringing with him some of the prettiest specimens of ore ever brought out of Cobalt. This ore is estimated to contain 100 to 150,000 ounces to the ton. The news Mr. Shaw brings from the mine is of the most satisfactory nature. On April 2 the management started a shaft to pay all expenses during the month of April, a day's work which could hardly be duplicated under any other high-grade precious or rare metals mine. It will be remembered that Hargraves resumed operations and started shipping ore from the mine about the middle of November last. However, the real activity of the mine did not start until the first of the year, when the company has \$15,000 in cash in the treasury and \$20,000 worth of ore sacked up ready for shipment, more on hand than at any time in the history of the mine. The properties are \$10,000 better off than they were when operations started. Ore bagged up averages 3500 ounces to the ton. Mr. Shaw states that by May 1 a winze sinking at No. 2 shaft should be down from the 275-foot level to 425 feet. There is ore showing in the bottom of the winze now down 18 feet, and there are also outcrops at the 375-foot level in several different places.

### WORKING AHEAD AT LOWER CONTACT

#### Beaver Workings a Year Ahead of Timiskaming.

According to President F. L. Culver of the Beaver and the Timiskaming of Cobalt, the development of the Beaver at the lower contact is just a year ahead of that at the same level on the Timiskaming. The shaft on the latter property has been sunk to 1800 feet and the cases dropped to this level for the first time last Saturday. In the meantime a crosscut has been run from the Beaver to the Timiskaming and crosscut also pushed out in both directions from the Beaver shaft, and a few drifts run on the veins encountered. Although the Beaver has advanced 100 feet of lateral work has been done by the Beaver at the lower level since the shaft was sunk. In addition a winze has been started on the initial high grade vein which was picked up a couple of months ago, and a raise is also being made on the same vein system with very satisfactory results to date.

### DRIFTING ON VEIN AT LORRAIN CON.

Cobalt, April 11.—The drift on the vein recently picked up on the 263-foot level of the Lorrain Consolidated in South Lorrain is being continued rapidly, and the vein bears every appearance of developing silver values in the near future. It is composed of calcite and smeltite and averages five inches in width, so that if silver values should be encountered ore would be made rapidly. The contact on the keewatin and monzonite also dated 10th Aug., 1914, came in at a depth of approximately 250 feet in the shaft. Crosscutting was started toward the east to pick up the vein located on the surface, which it was anticipated would be found to be silver bearing in the diabase rock. About 80 feet in from the shaft, however, the diabase dipped sharply and keewatin again appeared. Crosscutting was then started in the opposite direction in order to explore the ground below the contact, and it is in this working that the vein now being drifted on was encountered.

## THE RIGHT OF WAY MINE AND PLANT AT COBALT



### INADEQUATE DEVELOPMENT RETARDED GROWTH OF NEWRAY

#### Efficient Management Would Have Made the Property a Producer Long Ago.

From World Special Commissioner. Newray Mines, Schumacher, Ont., April 11, 1917.—Your correspondent made a recent visit to the Newray, to-day. The spring thaw has exposed the higher and harder rocks, while the frost at night forms a solid crust. Work can be easily traveled in the early hours of the morning. It is therefore not difficult for one who examined this great property before the snow of last year to understand the prominent geological conditions. The serious mistakes made by the old Rea Cons., and later by the Mines Leasing and Developing Company, can be readily seen, and these mistakes were entirely due to the fact that during the operations of these two companies there was no scientific prospecting of the property, or in fact, anything which by any outcrop on the English language might be called prospecting of any kind. Work was begun and carried on largely at random. The entire property was not examined, even in the most general way, and when the Connel or No. 1 vein was discovered, the owners appear to have rested from their labors. For a length of three hundred feet, No. 1 contained much visible gold, and on it the Kingsmill shaft went down 425 feet.

### MAY ERECT MILL AT BOSTON CREEK

#### Ore Reported to Be of Very High Grade.

The plans of the Boston Creek Mines are reported to be taking very strong shape of late. It was originally thought that the management would start shipping ore in the near future to a mill at Porcupine, but it now appears that the management has decided to erect a mill on the ground, unit by unit, to treat the ore there and convert them into gold. This change of plans, should it so result, will prove the strongest possible testimonial to the bonanza character of the Boston Creek system. The same holds true of the Kirikand Lake and Porcupine ores. They are also very much like the Kirikand Lake, the same molibdenites and tellurides. It is noted that the ore is not so hard as those of Kirikand Lake, but in other respects they resemble Kirikand Lake ore more than they do those of Porcupine. The ore is easily milled, and only crushing and cyaniding are required, but the exception of this, the ore is of a high grade. The idea of shipping the ore undesirable from the company's standpoint.

### McINTYRE PRODUCTION RECORD IN MARCH

#### In Spite of Breakdown in Power—Average Grade Higher.

As was anticipated, the output of McIntyre for the month of March was a record, surpassing that of February by approximately \$4000. The gross production for March is reported as \$147,792. The average grade of ore showed an increase, running at \$10.82 per ton, as against \$10.88 in February and \$10.60 in January. The tons milled came to 14,377, as against 12,500 in February and 14,317 in January. During the month great difficulty was experienced in the matter of obtaining power, and from a well-informed source it is learned that the mill is now running on its capacity of 600 tons.

### NEW MILL FOR MILLER INDEPENDENCE

The new ball mill for the Miller Independence arrived at Boston Creek station on Saturday, and the work of transporting the machinery from the station to the mine is being rushed with all possible speed in an endeavor to complete the job before the break-up. It is anticipated the installation of the mill will be completed early in July, and will be that time commence treating 20 tons of ore daily. The ultimate capacity of the mill will be 45 tons daily.

### NIPISSING PRODUCTION.

Cobalt, April 11.—At the Nipissing mine during March ore valued at approximately \$256,958 was mined. During the same period bullion from Nipissing and Ontario ore contained an estimated net value of \$401,038.

### PRICE OF SILVER

London, April 11.—Bar silver, 38 1/2. New York, April 11.—Bar silver, 73 1/2c.

### PREPARING TO MILL WEST DOME ORE

#### Effort Being Made to Come to Some Arrangement With Dome Lake.

There is a probability that inside of a month the West Dome Consolidated will have been placed on a producing basis, according to an official of the company. With a dump of approximately 10,000 to 12,000 tons of ore, averaging from \$9 to \$10 per ton, the management is endeavoring to come to some arrangement with the Dome Lake company, by which West Dome ore can be treated in the mill of the former concern. It is understood that the plan is to divide the mill in two parts, one of which will treat West Dome ore and the other Dome Lake ore. Whether this plan is agreeable to the Dome Lake company remains to be seen, but in case no agreement is reached it is the intention of the West Dome company to commence work on the erection of a mill of its own, and this concrete sample funds in the treasury will be started as soon as the frost is out of the ground.

It is anticipated that if the arrangements for the partition of the mill are satisfactory to the Dome Lake company, an output of from 60 to 80 tons daily can be made by the West Dome from its part of the mill. In case the West Dome builds a mill of its own, it is likely to be a one-unit plant with a capacity of from 100 to 150 tons per day, and it is estimated that it would cost in the neighborhood of \$50,000 to \$100,000. There are still sample funds in the treasury to look after such an undertaking and to leave a substantial balance. With the mill in operation the production will develop which is in progress at the present time.

The action of the stock on the local mining exchange seems to be at some points to the favorable developments and progress which are being made at the property.

### EFFECT OF WAR ON SILVER MARKET

#### Theorists Looking for Remonetization of White Metal.

Theorists in regard to currency problems are contemplating the possibility of the remonetization of silver following the cessation of the European war. This is a subject which has been discussed in the past, and it is held that the conflict has had a profound effect on the market for the white metal. In February of last year the price arose to a record level for the past quarter century, and while rapid declines from that point quickly followed this feat, many authorities are still free in their predictions that silver will advance to at least one dollar an ounce after the war.

In this view they are influenced by the fact that the conflict abroad has created a world-wide demand for the white metal for coinage purposes and has established beyond dispute that if people cannot get gold, they vastly prefer silver coined by their respective governments rather than paper money.

Another factor which it is considered will work toward the remonetization of silver is the fact that China will be a logical field for the commercial expansion of European nations and the trade struggle after the close of the physical conflict. Business conditions are so peculiar in China that to do business with Chinese merchants is to speculate in the changes in the price of silver. In purchasing goods from China, many dealers buy a large quantity of silver at the same time as they draw a bill of payment, so that if Chinese exchange rises before the bill falls due, they will be protected by the proportionate advance in the price of silver, which rises or falls with Chinese exchange.

Since it would be practically impossible to place China on a gold basis, this metallic hedging can only be eliminated by changing silver's status. However, it was on account of its lack of stability that the white metal lost caste as a monetary standard and as this handicap still remains, as is evidenced by the radical changes in price that have occurred in the last few months, it may serve as the deterrent which will restrain the remonetization movement wholly within the realm of theory.

## MARK HARRIS ON MINES and MINING

The other day a gentleman whom I meet occasionally accosted me in the hotel lobby with the question:

"Mr. Harris, what is the best class of stocks, everything considered—investment, semi-investment and speculation—to buy? I have been reading your articles in the press and your paper, but I would like you to tell me personally, if you will."

"The best class of stocks to buy, in my opinion, considered from every standpoint, are mining shares," I answered. "There are a few essential things to be looked into regarding mines, but when these essentials are assured, it is generally safe to go ahead and buy."

"Buying the right kind of mining shares is as safe as buying real estate in a small country town, with the added statement that there is a live, open market for the shares upon some recognized Stock Exchange, you always have the opportunity to close out your holdings if you want to liquidate them and raise ready cash."

"Mining and farming are the two great basic industries of the world. They are the pillars of our civilization. So, if they are fundamental industries—as they are—they furnish fundamental investments to those who are in the investment market. I would advise you to buy slices of mining real estate, so to speak, under proper conditions above all other classes of stocks."

"Of course, you have to watch your step in this as in every other line of business in which you engage. But the risk of mining has been reduced enormously within the past five years."

"Diamond drills and churn drills have helped managements to find out years ahead of actual development whether there are commercial ore bodies at depth in ground under consideration. This alone has eliminated nine-tenths of the hazard of the business."

"There are porphyry copper deposits in the Southwest, the tonnage and values of which are known for 25 years ahead of actual development. This, you see, simplifies mining and makes it just as safe as country real estate and a great deal more attractive."

"The advance of metallurgy has made mineral deposits profitable, which a few years ago were thrown into the rejects. Cyaniding, flotation, better methods of concentration and smelting, have brought the mining business up to a state of approximate perfection, using the word 'perfection' always in its human sense."

"Now that it is possible with the use of drills to tell the character of a formation and the distribution of values years ahead of workings, we have brought the mining business within the scope of reliable industries and taken it out of the domain of hazard and hit or miss."

"Wildcat mining has really been relegated to the rear. The good old days when a flashy Wallingford with a pavement block shirt would appear on the scene with a few samples of ore—picked up, heaven knows where!—and would talk the sale of mining shares on the basis of a few fancy assays, are past."

"Nowadays, to talk to an intelligent man—and most people who are interested in mining today are intelligent—about a few picked assays is just as sensible as to show the hairs of a horse's tail and in that way tell how fast the horse can trot. Nobody today who has any experience in selecting mining share investments will pay any attention to assays unless they have been made under conditions which are known to be thoroughly representative of the mine."

"Well, Mr. Harris, I have never heard a man talk about mining investments just the way you have. It pleases me and satisfies me. I am beginning to see mining in a new light. Will you please tell me when is the best time in the development of a mining proposition to buy stock?"

"Granting that what I have just told you is true, that by systematic drilling you can tell ahead the character and value of a mineral deposit, the time to buy mining shares is in the early stages—just as soon as you are satisfied that the mine, the management and the financial provision and plant are ample to meet the requirements of the situation."

"The development stage is the line of least resistance in picking stocks for profits. When a company has reached its producing and earning and dividend-paying stage, there is an arrested market development. The stock starts on a seasoning process, and unless there should be some very surprising developments, you cannot expect the appreciation in price that you can look for with a stock which is a development, rather than a producing, issue."

"Take Newray in Porcupine. About a year ago that stock was selling under 40c a share. It is now selling \$1 a share better than its price of a year ago. Calculated in percentages, the appreciation is better than 300 per cent. This would pay un-compounded savings bank interest for 100 years. I am not saying anything against 3 per cent, which is well enough in its way, but I am calling attention to what can be produced under development conditions."

"Now, Newray is still under development. The fact that the mine has in the past produced not far from \$250,000 in gold through its small experimental mill, does not affect the idea that it is still under development. Because it is a development—a junior—issue, rather than a matured producer and dividend-payer, I look for it to advance at least another dollar or two in price."

"It would not do this as a producing issue unless it should make a tremendously big strike or increase its earning power. But every development at the mine now—whether by the drills or the cross-cut, or the drifting at depth in adjoining properties in the same formation—is a factor in influencing the market value of the stock. As there are about a million shares outstanding against approximately four million of McIntyre and five million of Hollinger and two and a half million of Plenary—and the neighboring properties—there is big room for an advance in the price of the stock. It can advance from \$2.50 to \$3 a share and still stand comparison with Hollinger Consolidated or McIntyre Consolidated in the market."

"I find I must be going. I have simply thrown out a few thoughts to you. If you are interested in making up a list of investments—for I counsel for safety's sake a distribution of investments—then call at my office at any time and I will be glad to take up the matter with you."

NOTE—An article on mines and mining by Mr. Harris will appear every Thursday.

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