The Coleraine Mining Co.

To the Editor :—

For the benefit of investors whose attention may be directed to the chromic iron industry of this section, a few lines respecting the remarkable business methods of this company may be of interest. The Coleraine Mining Co., in which Lieut.-Governor Chapleau and Senators Desjardins and Lacoste are directors, owns a large block of land in the township of Coleraine, Que., and on the discovery of deposits of chromic iron upon its property, the Secretary, Mr. Papineau, granted working leases of areas to a number of operators. These leases, it is worthy of remark, were signed only by Mr Papineau as Secretary of the Company, and were accepted in good faith as a *bona fide* and binding agreement with the Company. A considerable amount of development followed and large quantities of chromic iron, commanding a good market, were raised. But the Company, finding the value of its land greatly enhanced by these operations, cooly repudiates the leases of its Secretary, and claims that they are invalid, inasmuch as they have not been ratified by the Company. A nice state of things this for the unfortunate operator who has been allowed to spend considerable money on his area and who seeks a recompense from the sale of his ore. And now, forsooth, he is compelled to accept new terms or lose his all. The new agreement provides for the lease of small areas, some twenty-eight acres in extent, at *a royalty of one-half the selling price of the ore.* Out of the remainder (say nine dollars), he has to provide his working expenses and costs and recoup himself as best he may. This sharp practice will not commend itself as worthy of the eminent and Honourable gentlemen who preside over the affairs of the Company, neither will it conduce to the speedy development of their lands, which they so earnestly desire. The goose will lay one golden egg and then die. I may say that Dr. Reed, who owns probably the best chromic iron property in this section, is quite content with five dollars per ton, a royalty, by the way, in itself high enough in all conscience.

Thanking you for the space.

R. S.

BLACK LAKE, 22nd Nov., 1894.

Prospecting on the Rainy River.

The Editor:

A few notes respecting a prospecting trip to the Rainy River country may be of interest to your readers. We arrived at Rat Portage on 19th June and purchased our provisions and camp outfit. It had been our purpose to go direct to Rainy Lake, but on hearing of the discoveries of gold in the vicinity, we determined to spend a few days in and around Rat Portage. We examined a great many islands and found many promising leads, but on learning of the rich finds being made on Rainy Lake, we left for this point on 25th June, and arrived at Fort Francis three days later. Fort Francis is an old Hudson Bay fort at the head of Rainy River, about 190 miles from Rat Portage. Between these points there is a very fair steamer service, the boat making the round trip once a week. Leaving Fort Francis on the 29th with two canoes we went to the North-West Bay, about 26 miles away, and here our party divided—my brother and a half-breed going farther north-east, while I went south-east, or towards the Seine river. On reaching Shoal Lake, some 42 miles from Fort Francis, I found the surrounding country promising enough to warrant the establishment of a permanent camp. We discovered some very promising leads, some of them showing free gold and all panning very well. About this time a great many prospectors were coming into this region from the Manitou district. By the 15th October we had taken up about 1,000 acres of promising country. All the land round Shoal Lake has been taken up by the numerous parties in the field and development is being rapidly pushed ahead. Five stamp mills of various sizes have been contracted for to be in running order by the 1st of June next year, and altogether the outlook for practical results next season is very promising. The only thing necessary to make this a great gold producing region is confidence, capital and enterprise, as there is no doubt of the existence of gold in paying quantity.

Yours etc.

BUSH WINNING.

PLANTAGANET, Ont., 21st Nov., 1894.

Drilling for Oil at Gaspe Que.

The Editor :—

Can you give any particulars respecting the operations of a company reported to be drilling for oil in the Province of Quebec? If any such work is being done what results are being obtained? Any information you can give through the medium of your columns will be esteemed.

J. T. PLATT.

New York, 21st. Nov., 1894.

[An English syndicate named the Petroleum Oil Trust, Ltd. has, we believe, a large force at work near Gaspe. A number of wells, each equipped with an expensive plant, have been drilled, some of them to a considerable depth, and oil found in very small quantities. The head office of the company is at 22 Henrietta Street, London. The authorized capital is £430,000 sterling, in ordinary shares of £1., and £100,000 in preference shares of £10. Of the ordinary capital £345,940 has been allotted and paid, £314,988 having been issued to the vendors, and of the preference capital £39,490 has been subscribed and called up. The outlay on the equipment and drilling of the wells must have been very large and the prospects of finding oil in any quantity are generally regarded to be visionary by those geologists who have visited the field. Althogether the concern is regarded as a very doubtful enterprise—EDITOR.]

LEGAL.

Tobin vs. The New Glasgow Iron, Coal and Railway Co. Ltd.—This is an action to recover $5,000 damages for the death of an employee named Peter Tobin. The deceased, whose duties were to attend the ore washing machinery, was found dead, jammed in the machine, the first night he was on duty. No one saw the accident nor can it be explained. It is claimed that the ore when washed came out through spouts projecting from the front of an iron tank filled with lumps of ore and water in which ponderous cylinders revolved. The size of these spouts was 9 x 11 inches. The lumps of ore were sometimes larger than the opening, and consequently would not pass through. If the spouts clogged the tank would soon fill with ore and the cylinders in their turn would clog, and if not cleared out some part of the machinery would break. Among other things it was Tobin's duty to keep these spouts clear. The only platform was the one above the tank, but this platform was on a higher level than the spouts, being 3 feet 9 inches above them. When a lump of ore was forced down by the revolving cylinders to the front end of the iron tank too large to pass through the spouts, it had to be lifted by hand out of the mouth of the spout and over the front of the iron tank which projected above the spouts, by a person standing on the upper platform. This could not be done by a straight iron bar 3 to 4 feet long, the only tool provided by the company to do the work. The spouts could not be reached by hand from the upper platform. The only standing place from which Tobin could reach the spouts was the end of a beam which formed part of the trestle work. This beam extended out from the end of the frame work or butment on which the ore washer rested 2 feet 2 inches, and projected over a pit ten feet deep. This beam was near enough to the cylinders to be covered with mud from the asher and was slippery. Standing on this projecting end of a beam Tobin could only reach the mouth of the nearest spout by bending over a revolving shaft connected at that particular place by a coupling with bolts. A line drawn from the beam on which his feet rested up over the revolving shaft and down to the spout would be over four feet in length. The revolving shaft with the coupling bolts was uncovered. The work was carried on at night. There was no building over washer, simply a trestle work erected, no railing around it, no light in front where the spouts were; only one dim light above on the platform. No means of signalling the engineer who was on duty at his engine; was fifty feet away in the engine house and on a lower level, and could not be seen or heard from the place where Tobin stood. No one saw Tobin at the time he was killed, but it is conceded from the position in which his body was found, "his head jammed between the coupling on the shaft and the screen, his coat wound round the coupling and his legs hanging down below the shaft," that he was standing on the projecting beam endeavoring to clean out the spouts, and by losing his footing on the slippery beam his clothing was caught in the machinery. The defendants deny that the ways, works, machinery and plant were negligently constructed, defective or dangerous, or that they were operated in a negligent or dangerous manner. They also claim contributory negligence on the part of the deceased. The case was first tried before Mr. Justice Ritchie and a jury and dismissed, but this judgment was reversed and a new trial ordered by the Supreme Court *in banco.* On appeal to the Supreme Court of Canada this verdict was confirmed a few days ago and a new trial ordered in the court below.

George W. Stuart vs. Charles F. Mott—Stuart, who is a well known gold miner in Nova Scotia, brought a suit for the performance of an alleged verbal agreement by Mott to give him one-eighth of an interest of Mott's interest in the Dufferin gold mine, but failed to recover, as the court held the alleged agreement to be within the Statute of Frauds. On the hearing Mott swore that he had agreed to give Stuart one-eighth of the proceeds of the mine when sold, and after the sale Stuart brought another action for payment of such share of the proceeds. In an appeal to the Supreme Court of Canada judgment has been given in favor of Stuart, with costs, reversing the decision of the Supreme Court of Nova Scotia. In rendering judgment Mr. Justice Gywnne said: I am of opinion that this appeal should be allowed with costs, and that the judgment of the court of first instance in favor of plaintiff be restored. The only real defence to the action urged before us was that the plaintiff's cause of action was estopped and barred by a judgment rendered in favor of the defendant in a former action at suit of the plaintiff which, as was intended, operated as *res judicata* upon the matter of the present action; but concurring herein with the learned judge of first instance, I am of opinion that there is nothing in the former action which operates as a bar or estoppel in the present.

Tilley vs. Walker—Several years ago Mr. W. H. Walker, Ottawa, induced plaintiff to invest in his plumbago mine at Graphite City, near Buckingham, and there was an agreement by which Tilley was to furnish more capital if necessary. The plaintiff believing that he would be throwing his money away did not complete his engagement and Walker sued him. This suit was settled by Tilley forfeiting the greater portion of what he had put in and abandoning his claim against Walker. Walker on the other hand entered into an agreement whereby he acknowledged himself indebted to Tilley to the extent of $5,500, which he promised to pay in five years with interest at six per cent., giving Tilley a mortgage upon his mine, which, however, had been previously mortgaged to the extent of over $50,000. This was on the 12th January, 1892. In May last, having received nothing on account, although there was two year's interest overdue, Tilley entered the present action for $752.50, the amount of interest due at that time and also for $5,500 of principal, which was not due, but alleging that Walker was insolvent and the security worthless by reason of the prior mortgages, and that on this account the principal was now exigible. Walker contests the suit and claims that he has spent a great deal of money on the mine recently and that it is worth $300,000. The suit will be tried in Hull on or about the 20th inst.

The Bank of Ottawa (plaintiff in court below), appellant, and **A. Lomer** (defendant in court below), respondent in the Court of Queens Bench in appeal.

The appeal is from a judgment of the Court of Review which reversed a judgment of the Superior court. The judgment of the Superior court condemned the respondent to pay the bank appellant the sum of $911.56 being the amount of two sterling bills of exchange drawn by respondent upon the Kingston Phosphate company, and accepted by that company. The judgment of the Court of Review reversed this judgment and dismissed the appellant's action. The Bank of Ottawa, appellant, sued the respondent on two bills of exchange drawn by Lomer, Rohr & Co., on the Kingston Phosphate company. Appended to the signature of the drawers were the words "Mg. Agts." The appellant alleged in its declaration that the abreviation "Mg. Agts." stood for mining agents, and that the respondent bound himself personally as drawer of the bills. The contention of the respondent was that the abreviation "Mg. Agts" did not stand for "mining agents," but for "managing agents" viz., managing agents of the Kingston Phosphate company, on which the bills were drawn and by which they were accepted. The respondent pleaded that he did not sign the bills of exchange in his individual capacity and never intended to become personally liable upon them, but that he drew the bills in his representative capacity of managing agent of the Kingston Phosphate company, which alone was liable on the bills. The Court of Review, reversing the judgment of the Superior court, held that appellant was well aware of the meaning of the words "Mg. Agts." underneath the signature of the firm of Lomer Rohr & Co., and that it discounted the bills with full knowlege that the firm was only binding itself as agent of the company on which the bills were drawn.

Judgment was reserved.

Lauchlin Mclean vs. Dominion Coal Co., (Ltd.) Appeal to the Supreme Court of Nova Scotia. Plaintiff, a farmer, claims $2,014 damages for value of