

# THE EXCHANGE NEWS.

ISSUED DAILY AT FOUR-THIRTY O'CLOCK P. M.

A Financial Newspaper for Investors, Operators, Business Men and Corporations.

323 St. James Street, - Montreal,

SUBSCRIPTION PRICES:

One Year, \$6.00. Six Months, \$3.00. Three Months, \$2.00

Weekly Review Issue, Issued every Friday.

Subscription \$2.00 per year

PAYABLE IN ADVANCE.

Advertising Rates on application.

Editorial communications to be addressed to the Editor, Exchange News Publishing Co., 323 St. James Street, Montreal. Telephone Main 2037.

If irregularities in the delivery of the paper are reported immediately by subscribers, the publishers will be better enabled to locate the trouble. Telephone Main 2037.

## MINING NEWS.

### CRIPPLE CREEK NEWS.

THE THREE BIG RAVEN HILL COMPANIES ISSUE A CIRCULAR TO THEIR STOCKHOLDERS TELLING THEM ABOUT IT.

It has been stated that the Elkton stock would be called in and the new stock re-issued together with the stock bonus, but it now appears that another plan is to be used, namely, that each old Elkton stockholder keep his certificate which will entitle him not only to that amount of shares in the new Elkton, but also to his share of the stock bonus, which will be mailed to him when the deal is ratified. The Raven and Tornado stock will be called in and new certificates issued.

To the Stockholders of the Elkton Consolidated Mining and Milling Company, The Raven Gold Mining Company and The Tornado Gold Mining Company:

For several months past the directors of the three companies above named have been considering the advisability of consolidating the properties and assets of the three companies. It has seemed obvious to all of the directors that the best interests of all stockholders of the companies required such a consolidation, provided it could be made upon a basis equitable and fair to all parties. After many consultations the directors of all three companies unanimously agreed to recommend to the stockholders the plan of consolidation hereinafter set out, and in pursuance of this agreement the special stockholders' meetings, of which notice is herewith enclosed have been called by the directors of the several companies. The following is the

#### PLAN OF CONSOLIDATION.

Authorized capital of new company \$3,000,000, to be divided into 3,000,000 shares of par value of \$1 each.

This stock is to be distributed as follows:

To present Elkton stockholders, 1,375,000 shares.

To present Raven stockholders, 625,000 shares.

To present Tornado stockholders, 500,000 shares.

To treasury of new company, 500,000 shares.

Under this plan of distribution, the present Elkton stockholders will receive 1,222 new shares for each 1,000 of the old. Raven stockholders will receive 625 new shares for each 1,000 of the old.

Tornado stockholders will receive 43 1/2 new shares for each 1,000 of the old. No fractions of shares will be issued.

In order to compare the proposed new company with the existing companies, we direct your attention to the following statement of the

#### PRESENT STATUS OF THE THREE COS.

	Acro- age.	Capital.	Stock Outstanding.
Elkton . . . .	33	\$1,250,000	\$1,125,000
Raven . . . .	24	1,500,000	1,000,000
Tornado . . . .	14	1,250,000	1,150,000
Total . . . .	71	\$4,000,000	\$3,275,000
The new company will have . . . .		3,000,000	2,500,000

Making a reduction of . . . . . \$1,000,000 \$ 775,000

The above mentioned acreage is in a compact body on Raven hill. The consolidated company will own other claims of about 30 acres.

The Elkton and Raven companies have been paying dividends at the rate of 1 cent per share per month on 2,125,000 shares, and the Tornado company is rapidly approaching a dividend basis at the same rate. The aggregate cash surplus of the combined companies at the time of consolidation will be approximately \$200,000.

Each company will continue the production of ore to the time of consolidation without the payment of further dividends, but the payment of dividends will commence at once after consolidation.

The properties and assets of the three companies will be represented under the plan of consolidation by a much smaller capitalization — whether authorized or outstanding, as has been noted above — than is now charged against them as separate organizations. Under their present separate managements, two of the companies paying a dividend of 1 cent per month on 2,125,000 shares, and are producing ores to pay much larger dividends. The amount saved on account of reduction of expenses and economies in the management by the consolidation will, of itself, be more than sufficient to pay the dividend or the difference between \$2,125,000 and 2,500,000. The present condition of the mines of the three companies practically assures us that the new company will be able to pay a dividend of not less than one per cent per share per month for many years to come.

The mere statement of this plan of consolidation of itself seems sufficient to commend it, to the approval of every stockholder of each of the companies. It is obvious that a great reduction in operating expenses will result from the placing of all the mines under one management; but there is another reason why the plan commends itself so strongly to the directors of the several companies — about 70 acres of the combined properties lie in one compact body on Raven hill. The axes of several very rich veins are found in the claims of the various companies in such relations as to make it almost certain that expensive and complicated litigation must arise concerning the underground vein rights of the several companies; indeed, such litigation is already impending. The ore bodies in all the properties are increasing in richness and extent with depth, and it is therefore all the more important to compromise and adjust the doubtful vein rights without further delay.

It will be seen from the foregoing statement that the chief advantages anticipated from the consolidation are the avoidance of expensive litigation of doubtful and uncertain questions of law, economy in mining expenses and assured basis for the regular payment of dividends, and the formation of a very strong company with ample resources with which to increase

the extent of its mining property from time to time, as may be deemed expedient.

We earnestly request that you appear in person or by proxy at the stockholders' meeting of the company in which you are respectively interested, when the plan will be discussed in all its phases by those most concerned.

The Elkton Consolidated Mining and Milling Company, by its directors,  
George Bernard,  
William S. Jackson,  
J. W. Graham,  
William Shemwell,  
Richard Clough,  
S. S. Bernard,  
J. H. Avery.

The Raven Gold Mining Company, by its directors,

E. M. De La Vergne,  
Thomas Stark,  
M. F. Stark,  
E. R. Stark,  
C. E. Noble,

The Tornado Gold Mining Company, by its directors,

J. W. Graham,  
E. P. Shove,  
Sherwood Aldrich,  
J. J. Cooper.

#### MORNING GLORY.

The recent rapid advance in the price of the Work stock is due to a strike which has recently been made on the Morning Glory claim of that company. The strike was made in the old Davenport shaft in a drift run from the 65-foot level. A good body of ore has been encountered in the vein which returns average values of two ounces, although there is a rich streak which runs much higher.

The strike was made in the Jack Pot vein, which has not been carrying pay values, although the managers have been confident that such a strong vein would sooner or later be found to carry good ore, and this strike has now proved the correctness of their expectation. These workings are held by the Morning Glory Mining and Leasing company, which is also putting down the large shaft on the Work property, but are sub-leased to Coggswell and West. The details given above are furnished from Mr. H. E. Woods, one of the officers of the Morning Glory Mining and Leasing company.

#### DANTE.

Rudolph & Stewart, lessees on the south end of the Dante, drifting at a depth of 150 feet on a well defined vein of medium grade ore toward a known cross vein, have entered a rich shoot. Assays taken to-day across two feet of the vein gave values of \$160.80 to the ton. They believe they have a big thing. Stewart & Stewart, the sheriff of Teller county and his brother, are other fortunate lessees.

#### GOLD SOVEREIGN.

Some heavy shipments are being made by the different lessees on the Gold Sovereign properties on Bull Hill. Snyder & Co., will complete a 100-ton shipment of mill ore to-morrow. It is confined to the Arqua mill and will average up about \$20 to the ton.

The Jackson lease shipped 75 tons or more Tuesday morning.

At the Myers, Slumph & Allison lease on the Whisper shaft, no ore has been hoisted for some days, but the lessees are stripping in the 375-foot level.

Returns from a 20-ton lot sent out from the Davis lease on this property last Friday show values of three ounces to the ton.