

In common with all mining experiences, the year's work has not been without the usual disappointments. Some ore bodies running high in silver, months ago, have not maintained their high silver value with the continuity which was hoped for, but, as will be seen by extracts from Mr. Loring's present report, there is every reason to expect a recurrence of high values at present and lower levels.

The treasury stock remaining on hand, unsold, is 84,412 shares.

Feeling assured that the shareholders of the company would be glad of information at this time, your directors again commissioned Mr. Loring to make a report of the property, and the following are extracts from this report:

"Vein No. 5—Between levels 1 and 2 there are probably 600 tons of ore, carrying more than ten per cent. cobalt per ton. So far as development shows, this ore is low in silver, not more than 40 ounces. Possibly, however, at any point between these two levels, rich silver ore may be encountered.

"On vein No. 8, an underhand stope is being mined from first level downward. From this stope the same rich ore which was mined above this level is being taken out. As to the depth this rich ore will continue, it is impossible to say.

"On vein No. 1, second level, should the copper sulphide ore there exposed continue to any great extent, it could be profitably mined for the copper contained, and the silver contained therein.

"On vein No. 1, at surface near lake, ore may continue down for some distance, and several carloads may be extracted therefrom. It is, however, impossible to predict what quantity of high grade ore can be expected.

"Therefore, so far as ore that can at present be marketed profitably is concerned, ore reserves consist of:

"Ore high in cobalt, low in silver, on vein No. 5 between levels 1 and 2;

"Ore high in cobalt, low in silver, on vein No. 8 above second level;

"Ore rich in silver, having a present length of about 30 feet below first level, vein No. 8;

"On vein No. 1, at surface, ore extending southeasterly from lake for a distance of about 80 feet, and probably extending into lake. The depth and extent of this ore body is unknown, but may yield a considerable quantity of high grade ore.

"All development work, timbering and buildings, have been done and constructed in a substantial and miner-like manner, giving evidence of skill and intelligence in operation, and for the best interest of the shareholders.

"Development work, especially on veins Nos. 1, 5 and 8, gives additional proof that these veins are strong and will continue to great depth, and there is more reason than there has ever been before for continuing development to far greater depth, with a strong probability that ore bodies high in silver will be encountered at some point. I, therefore, recommend vigorous and extensive additional exploration in depth, especially on veins 1, 5 and 8.

"It should be borne in mind, however, that this work is necessarily expensive, consequently ample provision should be made

by maintaining large cash reserves, that any possible contingency or delay in the encountering of rich ore bodies may be provided for.

"(Sgd.) FRANK C. LORING,

"Mining Engineer."

"Toronto, Ont., May 29, 1908."

Your directors feel that they have every reason to proceed with the development of the property along the well-defined lines already followed, and while still refraining from making definite predictions as to the values to be recovered, they have every reason to feel the greatest encouragement from results already obtained, and that the prospects are very favorable.

Reports which are absolutely untrue have been circulated in some quarters regarding the mine. Your directors cannot meet such incorrect statements every time they are made, nor can directors of any mine be expected to reply to all the misleading paragraphs which appear from time to time regarding most of the Cobalt properties.

The facts concerning "Foster" are given above, and it is hoped that the shareholders will feel, as the fact is, that the above report is not only true, but conservative in every respect.

Shareholders are invited to inspect maps and details of workings on file at the head office of the company.

The directors of the Dominion Coal Company met in Montreal on May 27th and declared the regular quarterly dividend of 1 per cent. on the common stock, payable July 1st.

On June 2nd the directors of the Granby Consolidated Company decided to resume dividends, and declared 2 per cent., payable June 30, to stockholders of record of June 12.

The Granby Company during 1906 paid quarterly dividends of 2 per cent. and 1 per cent. extra in January, May, September and December, and in 1907 in March, June and September.

Dividends stopped then, for the bottom dropped out of the copper market. This is the way Granby stock fluctuated during 1907:

	High.	Low.
January	140	130
February	151	130
March	146	120
April	136	125
May	139	125 $\frac{1}{4}$
June	125 $\frac{1}{2}$	117 $\frac{3}{8}$
July	127 $\frac{1}{4}$	121
August	115	99
September	100	80
October	92	60
November	90	70
December	80	70

The directors did not make a statement, but it is presumed that the stock is now on an 8 per cent. basis.

STATISTICS AND RETURNS.

The Transvaal gold output in May, as estimated by Kaffir houses in London, was 580,00 ounces, fine. The April output was 565,832 fine ounces; that of May last year 524,477.

If it proves correct, says The Post, this May estimate of the Rand will match all records. The total of last December was 583,526 ounces, but included a large amount "taken from reserves." Value of the May output calculated on the basis of the above estimate, compares as follows:—May, 1908, \$12,325,

000; April, 1908, \$11,924,000; March, 1908, \$12,210,000; February, 1908, \$11,510,000; January, 1908, \$11,900,000; December, 1907, \$12,393,000; May, 1907, \$11,139,000; May, 1906, \$9,795,000; May, 1905, \$8,843,000; May, 1904, \$6,679,000; May, 1903, \$4,973,000; May, 1902, \$2,943,000.

Shipments from the collieries of the Cumberland Railway & Coal Company for the month of May were 24,710 tons.