

OLD TIMERS LOOK FOR NEW COBALT

Generally Admitted That the Old Camp Has Passed the Zenith.

PRODUCTION DECLINING Cobalt Ores Richest Found Anywhere in Hundred Years—Still Very Active.

Mining has been proceeding at Cobalt for the past twelve years, and the total output of silver is about \$135,000,000. This would mean an average production of \$11,250,000 per year. But the total for 1914 was only \$11,387,100. In fact, mining did not get really started until 1909, when \$12,476 was secured. The maximum was reached in 1912, with a total output of \$17,408,985. Since then there has been a gradual decline, and the Ontario Bureau of Mines express the opinion that the decline cannot be checked. No doubt concentration, oil flotation and new discoveries will prolong the life of the camp, but its glory has departed. Everyone now recognizes that there is a limit to its vitality.

Dr. Willott was probably the only man who sounded a note of caution in 1905. In doing so he lost popularity, in fact, he brought down on his own head a great deal of criticism, which has scarcely yet been lifted, but it is now apparent that his views were correct so far as it is humanly possible for any geologist to be correct.

Different Formations. Dr. Miller distinguished between the fragmental conglomerate, the diabase, and the hard tough keewatin and diabase, and his conclusion was that large rich ore bodies would not form or live in the latter. In confirmation of his opinions we find that only about 15 per cent of the silver has come from igneous rocks. The Kerr Lake has been by far the most successful of the diabase mines. In fact, it is the exception which proves the rule. The Timiskaming and Beaver seem to occupy a zone of special fracture or shattering, and it is not likely that many other properties in the diabase or keewatin will be markedly productive.

The Nipissing leads the producers mainly from its large conglomerate areas, but it has one important vein in the keewatin. Cobalt has proved to be the greatest silver camp in North America. Its ores were the richest known within the last hundred years. They outcropped on the immediate surface, and the percentage of profit from mining was unusually large. But the conglomerate mines do not go to depth. The high silver values usually disappear when the basement igneous rock is reached.

Upper and Lower Contact. In the diabase mines we hear of the upper and lower contact. If these are the objectives, in fact, they are probably confined to these particular horizons. If Cobalt were a deep mining camp its output would be over a billion dollars.

In regard to the outlying areas where smaltite and "blom" have been found, South Lorrain has not as yet become important, while production at the Cassey is materially falling off within the past year.

The Elk Lake-Gowganda district would seem to present the most favorable opportunities now that the cream has been taken from the Cobalt mines. A sensational strike has been made at the Miller Lake and O'Brien, and there is a wide distribution of silver in the area. It is believed that very large ore bodies will be found in depth. Lack of adequate transportation has heretofore retarded development. What is urgently wanted is a branch from the Canadian Northern at Ruel to West Shining Tree, thence to Porcupine. If this were connected with the T. & N. O. Railway at Elk Lake it would give access to a large portion of the gold and silver areas of Northern Ontario. It would also shorten the journey from Toronto to Porcupine by 85 miles.

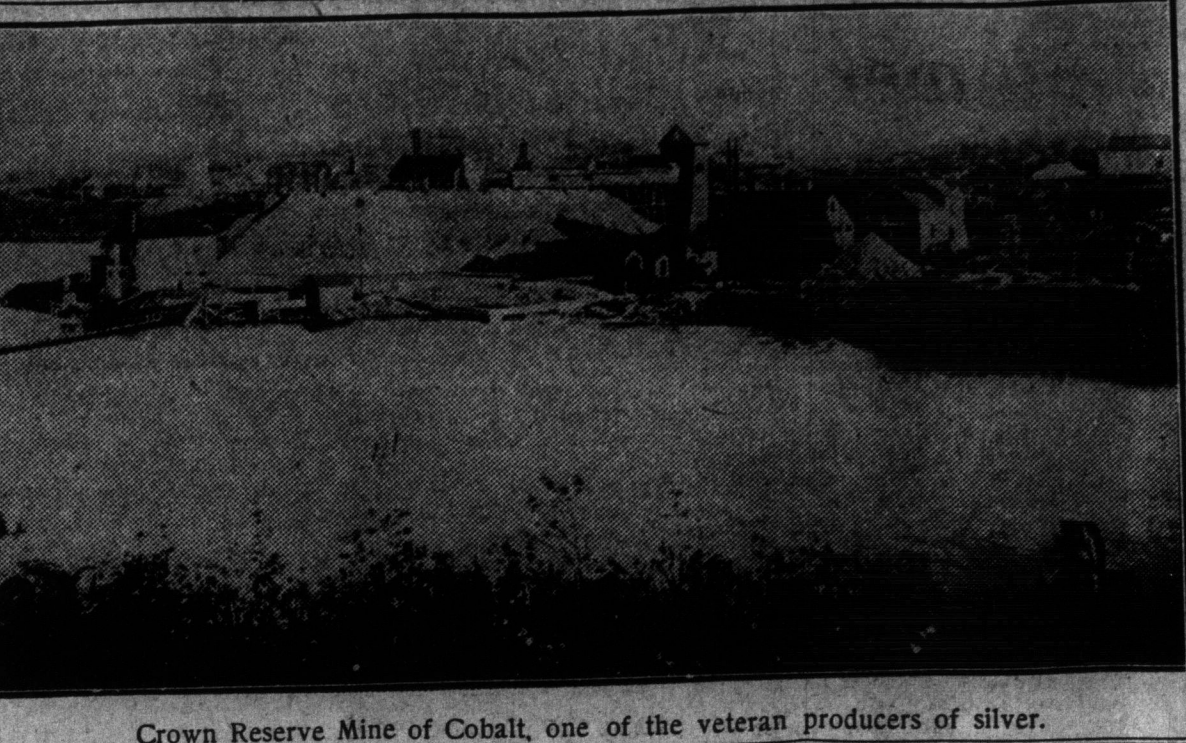
Roads Necessary. Mining is dependent on roads and railways just as much as agriculture or manufacturing. At Cobalt there are now excellent automobile and wagon roads, besides an electric railway from Halleybury to the east end of Kerr Lake. The rock dumps at the mines, and the tailings from the mills have been used in building up excellent highways, which are entirely unaffected by the weather.

It is not alone in facilities for transportation that the modern Cobalt differs from the primitive Cobalt of 1905. Then we had probably 1000 prospectors, some of whom could be seen wherever one went on the trails around the mines and the railways, and in the hotels; now there is hardly one to be seen anywhere, the whole energies of the camp are directed to mining, not searching for the precious metal.

Warning Unheeded. In 1905 there was an atmosphere of optimism permeating all classes. Dr. Miller's warning note was unheeded. The silver was coming out of the mines in huge sheets, chunks and nuggets. It was hard to realize that some day Nature's bounty would be overdrawn. Even capitalists caught the fever. One day John McMartin bought the University for \$1,000,000 without any previous examination in the ordinary way. It is now well known that he paid more for it than it was worth, and even then the vein would not stand up under careful sampling.

With the increased price of silver there has come greater activity in Cobalt, about seventeen additional properties being under development. It is possible that a few new producers may be brought in, but the old-timers think they knew all about Cobalt in 1905. In fact, the production of the Timiskaming and Beaver, there has been nothing of importance discovered since then, and it does not follow that other mines will succeed in the same vicinity.

We are all looking for a new Cobalt, a counterpart of, and fully equal to, the old. With the experience now available much better use could be made of grand opportunities such as existed in the Cobalt of 1904-5. The precambrian rocks occupy seventy per cent of the total area of Ontario. This great expanse has immense possibilities, and it may be that some day a fortunate prospector will bring to light a new and greater Cobalt.



Crown Reserve Mine of Cobalt, one of the veteran producers of silver.

DAVIDSON CROSSCUT HAS STRUCK GOOD ORE

Recent Developments Indicate Possibility of Mine Becoming Big Producer.

A wire was received from Porcupine yesterday afternoon stating that the crosscut from the main shaft on the 300-foot level of the Davidson Gold Mines property had cut the ore body, which appears to be of a similar character to that which has been developed on the upper levels.

Sampling of the ore is now in progress and the results should be known in a few days, but from its general character and appearance of the ore there is every reason to expect it will grade as high as that on the two upper levels.

It was a little over a month ago, after having done considerable lateral work on the main vein on the 100 and 200-foot levels, that the development on the lower level was commenced. Despite the fact that the drilling was held up on several different occasions because of minor breakdowns, rapid progress was made, and the management is now being congratulated that success was achieved in so short a time.

The location of the vein on the lower level is an important development in the company's record, as it brings the production of considerable reserves. It means that the management have now demonstrated the existence of an extensive ore body from the surface to a depth of 300 feet, and as the values on the upper levels ran considerably higher than the average in the camp, it is believed that the property will prove a high grade mining proposition of unusual merit.

The development program calls for the immediate opening up of the vein on the lower level, and this work will be rushed as it is desired to put into sight as large a tonnage of ore as possible before a mill is installed. On the basis of what was found on the 200-foot depth, it is believed that the vein on the 300-foot level will provide this tonnage, as on the upper level it has been crosscut for a width of 42 feet, and the wall rock has not yet been reached.

Meantime the development of the new vein on the lower level, where the shaft is down about 40 feet, holds out great promise, as up to the time that the lead dipped from the shaft the ore assayed \$115 to the ton. Should the values be maintained when the ore body is developed at depth, this will put into sight a considerable tonnage of high grade ore.

An offer has been made by American interests for the purchase of a block of treasury stock, and the proposal is now being considered by the board of directors. The deal calls for the sale of about 700,000 shares on a graduated scale up to a dollar a share, which would net the company close to \$375,000. If it is decided to accept the offer, the company will be put in a remarkably strong position as the funds would provide for the installation of an extensive mill which would enable a production basis in keeping with the known possibilities to be attained. At the present time the treasury is in shape to take care of the entire development program, but with the ore reserves developed to such a remarkable extent as has been indicated, it will be only a matter of time until a mill will have to be installed, and this will call for a certain amount of financing.

Work Started on New Shaft at West Dome

Homer L. Gibson, in his forthrightly review, has the following on West Dome Consolidated: Also delays in delivery of machinery and other materials necessary for a start on the new shaft have caused a slight postponement of original plans in this connection, everything is now ready for such start, and drilling was expected to begin last Monday. The pipe line is all in, foundation for new electric hoist, which is on the cars at South Porcupine, is complete, and a contract has been let for the first 300 feet of the new working, which it is stated, will be done until a 300-foot depth has been reached. A drift from the 300-foot level to the present shaft is being extended as rapidly as possible to a point under the new shaft site, which is about 1400 feet directly west of the old shaft. It is expected that both of these workings will reach this point at about the same time. In addition to an extensive underground work, diamond drilling will be continued, a contract calling for an additional 7500 feet having recently been closed, with a mill being installed at the present incline shaft which will greatly facilitate hoisting of rock from development. From the above it can be understood that preparations are being made for a big program of development during the winter months, and on the results of this work depend the creation of a mill which has been stated, will be provided when needed and proven to be justified. The weakness in the stock is no doubt accounted for by the limitation of the stock of the stock by interests connected with the estate of one of the original promoters, now deceased. From both mine and market standpoint, this stock would appear to be an attractive speculation.

NEWRAY CROSSES PAR

Newray stock stood 99 bid on the Standard Stock Exchange the whole of yesterday morning without an offering, and consequently no transactions occurred. This was regarded among brokers as a remarkable record, considering that within a few months the price had risen from 33. The only explanation accepted was that the large number of holders had resolved themselves into investors rather than speculators and were satisfied that the developments at the mine warranted them in keeping their shares until further operations had given a larger intrinsic value to their holdings. In New York the stock sold at 103, and during the afternoon a few of the shares sold here as high as 101. Seldom indeed has a mining stock shown such a steady advance and held with such tenacity. There can be only one conclusion from the record and the present market position, and that is that any new buying of the shares must be made at such prices as the holders are willing to sell at and at the moment these are indifferent to releasing holdings. Having crossed par, Newray enters a new and important stage in its history.

DIAMOND DRILLING AT INSPIRATION STARTED

Operations Commenced on Property Adjoining Those of Hollinger.

After a couple of days spent in setting up the diamond drill rig at the Inspiration Gold Mines, information was received from the Porcupine camp last night that the drillers have started on their downward course in the search for the continuation of the Hollinger Consolidated vein system. These operations are being carried along at two points, along the southern lines of Hollinger Consolidated and the Moneta, and daily results of this important work will be eagerly watched by the miners at the surrounding producers, as well as by other interests at Timmins.

The work in Inspiration Gold continues to climb gradually, with more than 75 per cent of the buying reported as coming directly from Porcupine, where, it is agreed, success will quickly be recorded in drilling, owing to the excellence of property location. Another factor upon which dependence is being placed is the strong interests in whose hands rests control, as past records of every individual of the Inspiration board failed to show a single instance of being connected with a mining property which did not make good under development.

Following favorable reports by engineers representing influential interests in New York and Boston, several offers have been received in this city for large blocks of Inspiration Gold stock at slightly below the current prices, but without avail, as the treasury of the company is now sufficiently strong to complete the present diamond drilling campaign in desired and desirable underground development. It is probable, however, that as quickly as these interests realize there is no chance of getting in below the market, they will commence buying as the reports received were couched in strong terms that a stock-coupled expansion is being installed as a direct result of this, it is likely this stock will be listed shortly on the New York Curb.

MONEY RATES

Glazebrook & Crown, exchange and bond brokers, report exchange rates as follows: Buy, Sell, Counter. N.Y. fds. - 1-64 dis. par. 3/4 to 3/4 Mont. fds. par. 1/4 to 1/4 Ster. dem. 475.40 475.60 Cable tr. 475.25 475.45

NEW YORK COTTON

J. P. Bickell & Co., 402-7 Standard Bank Building, report cotton Exchange fluctuations as follows: Cotton. Open. High. Low. Close. Prev. Jan. 19.43 19.55 19.31 19.44 19.12 March 19.51 19.69 19.46 19.55 19.23 May 19.59 19.82 19.58 19.78 19.39 July 19.70 19.79 19.70 19.76 19.11 Dec. 19.40 19.54 19.37 19.45 19.11

MR. R. P. GOUGH DIRECTOR HOME BANK

Mr. Richard P. Gough, president of the Sellers-Gough Fur Co., Limited, has been elected a director of the Home Bank of Canada.

PRICE OF SILVER

New York, Nov. 8.—Bar silver, 71 1/2. London, Nov. 8.—Bar silver, 84 1/2.

MINING MARKET STRONG HIGH RECORDS BROKEN

New Levels Reached by Some Active Stocks—Silver Up Again.

Owing to the fact that the price of silver advanced again yesterday to 71 5/8, a three and one-half cent rise inside of a week, more interest was displayed by traders in the silver stocks at the Standard Exchange. The bulk of the trading was still maintained in the Porcupine list. The market closed strong with new high records made by several of the active issues. Newray, Davidson and Inspiration all made further ground. Inspiration sold up to 24 1/2. Newray exhibited considerable strength during the day. In the morning session an advance in the bid price to 99 1/2 failed to entice holders to sell, and the demand in the afternoon consisted of a sharp return, the stock establishing a new high at 101, crossing par for the first time. This stock has had a remarkable advance, but from all appearances the end is not yet, and those in close touch are confidently expecting to see still higher prices for the stock. McIntyre was very active and extremely sensitive. It opened at 180, went up a point, back four, and closed at the opening price. There was a rumour on the street that a find had been made on the property at the 300-foot level, but no official confirmation of the story could be obtained. A new high level was reached by Davidson, which touched 88. Developments at the property are said to be highly satisfactory, and there is some talk of building a mill. Dome Extension was fairly active at 30 to 31. Dome Lake was stronger, going up to 60. Hollinger Consolidated displayed considerable strength, advancing to \$6.95 for an odd lot. Teck-Hughes was strong at 40 to 41. West Dome Consolidated received a point from the previous day's high at 35 and recovered 1-4. Vacuum Gas started a real "come back," selling up to 110, closing at 100. After its natural reaction this stock is quite liable to better its high record of 113.

Table with columns: Ask, Bid, and various stock names including Porcupine, Apex, Dome Extension, etc.

STANDARD SALES

Table with columns: High, Low, Close, Sales, and various stock names including Apex, Davidson, Dome Lake, etc.

GOOD NEWS ON DAVIDSON

The announcement of the picking up of the main vein on the Davidson at the 300-foot level was not received from Porcupine until just before the close of the markets, but in the last few minutes' trading on Wednesday the shares of the company rose to a new high record at 58 cents, and the close of the market, the location of the ore body on the lower level marks an important stage in the company's development, and is taken to prove conclusively that a mine has been demonstrated to be a mine and not a prospect. With the vein proven to exist at depths of 100, 200 and 300 feet, Davidson promises to pass into the list of producing mines before many months have passed.

MINING MEN

Between West Shining Tree Gold Camp and Nipigon (400 miles) several mining belts cross the continent, especially the west. The Porcupine Gold Belt, Dominion and Province, and the Timiskaming and Beaver, have this summer been mapping out the formation of the line all the way through, so that later we can present maps showing the exact economic formation. This work, together with what we know from our land and timber cruisers who were selected from men having Cobalt, Porcupine and Sudbury experience, makes it possible for us to save mining men weeks of useless prospecting by their men out on the ground.

Engineers Enforce Inspiration

Now that diamond drilling is under way at Inspiration Gold Mines, the demand for this stock is increasing daily, as a result of which prices are advancing steadily and considerably higher prices may confidently be expected.

Miners Buying Heavily

Owing to the ideal location of this property—directly adjoining two of the largest producing gold mines of Porcupine, in whose reliance can be placed, agrees that Inspiration has every indication of making good in a big way and becoming

A Gold Mine of Size

Nothing is to be gained, in my opinion, in withholding buying orders in this stock as when news of a favorable strike in the diamond drilling leaks out, which may come without warning—there is no doubt a sharp advance will follow. If you ever intend to buy Inspiration Gold, it is my candid opinion.

Now is the Opportunity Time Get Your Order to Me at Once HAMILTON B. WILLS (Member Standard Stock & Mining Exchange). Direct Wire to New York. 45 New Street, 1504 Royal Bank Bldg., Toronto. 251 White Bldg., Buffalo, N.Y. 35 E. Main St., Rochester, N.Y.

MARK HARRIS on MINES and MINING

A man walked into my office the other day and told me, among other things, that he greatly enjoyed reading my articles in the World, but had one fault to find, which was that I did not tell the public what to buy and what to sell.

I explained to him that the chief reason for this was the fact that, in making an investment, it all depended on what a man really wanted, and that what would suit one investor would not suit another.

Porcupine is the greatest gold camp in the world, and, being the greatest, it offers the investor more genuine opportunities than any half-dozen camps put together.

This is a broad statement, but it is one that will stand up after a most searching investigation, because it is founded on facts, and facts, after all, are the only thing that really count when you are investing money.

Porcupine offers the investor a wide choice from the absolute safe investment, paying regular dividends, to the rank speculation that can only be classed as a gamble.

Between the safe investment and the rank gamble, there are many investments and speculations that could be graded into a dozen or more classes, each representing a different degree of safety and possibility.

For this reason, I always endeavor to ascertain an investor's circumstances before recommending a stock, as it makes all the difference in the world whether you worked hard to save a few hundred dollars, which you cannot afford to lose, or whether you have a hundred lying idle that you are willing to take a business risk on.

Some like one thing, while others want something entirely different. For instance, you may purchase a stock to lay away as an investment, while your neighbor may buy the same stock for the purpose of selling again when it shows a substantial profit, no matter what you want in the way of an investment, Porcupine can accommodate you, and if you will only write me frankly and fully, I will gladly advise you to the best of my ability.

I wish the investors of the United States and Canada to Porcupine as I do, for, if they did, they would never invest a penny in outside camps, at least not while conditions remain as they are today.

I never advise my friends and clients to invest in a mining stock while a boom is on, for in boom times prices become greatly inflated, and you usually pay twice as much as you should.

Porcupine had her boom five years ago, and if you compare prices prevailing in those days with today's figures, you will see I mean.

Of course, some stocks, like Hollinger and Dome, have increased in value; but these increments are based on intrinsic value and not on wild, excited markets.

Every new camp must, sooner or later, go through this melting-pot process, which is nothing more or less than a true test of intrinsic value. Porcupine had her boom, followed by a reaction that must come, and, since then, the market price of a share is, in most cases, a barometer of its value.

Gold mines are not made in a day; it takes several years of large sums of money to develop a good prospect into a producing dividend-paying mine.

Investors, as a rule, want quick action, and, for this reason, often sell a good security that is in the development stage, and the proceeds in a proposition that is still a prospect.

If investors understood mining, they would never do anything. To make this perfectly clear, I must explain that mining is divided into three stages: 1st—The Prospect Stage. 2nd—The Developing Stage. 3rd—The Producing Stage.

All properties are classed as prospects until they find ore, if the ore is found in quantity, the prospect advances to the development stage, which is the least understood by laymen. A mine can remain in the development stage anywhere from five to ten years, because, as a rule, gold mines do not attempt to produce in quantity until sufficient ore is blocked out to insure a supply for the mill for years to come. No man can see down into the ground; consequently, a conservative management always endeavors to secure, by its operations, a plentiful supply of raw material (which is ore) for commencing to operate the mill which is to grind the ore into particles of gold that bring stockholders their dividends. The great Hollinger mine spent more than one million dollars before they earned a nickel for their stockholders; but, in the time when they did start, they had such a vast amount of raw material blocked out for their big mill that the proposition was nothing more or less than a manufacturing one; and this big mine will continue to manufacture gold for its stockholders for many decades to come. In gold mining, the best dividend-payers are always low propositions, and this means an expensive equipment as well as intensive development, which, of course, takes time to complete. If investors will bear all these details in mind when they make their investments, they will find that disappointments in the business are fewer in number than in any other industry, while profits are many times greater. Knowing the mining business as I do, I hesitate to advise an open article, for, until I know exactly what an investor wants, it is practically impossible to give advice that will suit every particular person. In sending out bulletins to friends and clients, I always plainly the character of the investment I recommend, and then giving all of the available facts, without gloss or embellishment, are in a position to judge whether it suits your requirements, or not.

NOTE: An article on Mines and Mining, by Mark Harris, appears in The World each Thursday.