

USING THE HAMMER

Canadian Mining Review Knocking War Eagle Shares.

THE WORK DENOUNCED

Local Brokers Say the Stock is Worth \$3 per Share and Some Predict a Higher Price—The Writer Set Down as an Ignoramus.

A recent number of the Canadian Mining Review, a monthly periodical published indifferently at Ottawa, Toronto, Montreal and Quebec, contains a long article aimed against the present market quotations of War Eagle stock. The article commences by calling it lunacy which has led to the present quotation of the stock, and goes on to urge that the property is worth nothing like a figure which would justify the ruling market prices for the company's shares. The whole tone of the composition is to the effect that somebody is boomeraging the stock for the purpose of making a profit out of it. The prediction is made that a crash in the stock is bound to come, and that the people who have purchased the company's shares at the present figures are bound to get nothing for a good round sum. What adds particular interest to the article is that it is one of a series appearing in the Review, all of which are very evidently aimed to knock War Eagle shares. On every occasion the periodical in question has taken the chance to abuse the War Eagle company, and all the connected with it, from the promoters to the managers. The Review, however, has not bound itself to facts in premises its opinions, and the result is unusually more humorous than important. The paper does not so much as maintain a correct position in this camp, and all information that it obtains relative to the district comes second hand. Regarding the War Eagle, all the articles which have appeared in the journal since a year or 18 months ago. The mine is totally ignorant of the enormous changes which have taken place in the property since that time. Nevertheless he pounds bravely away on his misfit information, and puts out counsel regarding the property on the basis of the mine's condition when the Gooderham syndicate took possession of it. Coming from a presumably responsible paper, the article reads no little interest in eastern mining circles, where the position could be had. Rossland brokers and mining men have been in receipt of frequent inquiries regarding the situation at the mine, while at the same time writers asked for the same information to determine definitely the feeling of the camp relative to the matter. The Miner last night secured an expression of opinion from a large number of the prominent brokers of the district, without exception the answer was emphatic in their denunciation of the article and the animus that prompted it. In order to appreciate the article, however, it must be read, and it is reproduced below in full. "A phase of lunacy, sometimes exhibited by business men, has been on exhibition in Toronto and Montreal for nearly a month. We refer to the sudden and unwarranted jump of the War Eagle stock from 90 cents to nearly \$3 per share. We say 'sudden' because, although fully cognizant of the fact that the bulk of the trading has been done on legitimate stock lines—a man buying to run at several points in the selling tomorrow in the expectation of selling tomorrow at a profit—no living man, competent to judge, believes in the rise in the value of the stock. The highest quotation reached quite a value in the market of about \$3.00, and we believe that we are quite within the mark in saying that no engineer of reputation or prominence in his profession would endorse the property today to his clients at one-half that figure. "Buyers for investment are certain to get badly left at present prices, for the return is barely 7 per cent, with no possible guarantee of its continuance. The world's most staple mining stock in the world (Calumet & Hecla) is returning better dividends than the War Eagle and the Anaconda, which are paying double this percentage, is not quoted above par. "For a mine that but lately showed more of \$10 ore than of a higher grade, that made a loss on last year's operations of over \$50,000 and whose past history has shown its pay ore to lie in comparatively restricted chutes, the present value given to it must be regarded as purely hypothetical and unguarded as purely hypothetical and unguarded as a mine of such an uncertain character as the War Eagle should be expected to return from 15 per cent to 20 per cent yearly upon its par value, and upon that basis the stock today intrinsically is not worth more than a street value of \$1.00. "The whole of this phenomenal rise savors of Toronto's vagaries, and not the least significant feature is the fact that this stock could not be boosted until a certain Toronto bank announced that it would lend upon its shares. The crash will come, and when it comes it may be found that certain Torontonians are not beneath; they will be found on top of the ruins, praying louder than ever and donating churches and missionaries to the heathen. "The latest advices are to the effect that that the British America corporation will not obtain the Le Roi after all. If this large mine with a dividend record of nearly \$1,000,000 cannot be sold for \$3,000,000, what a travesty to give a street value to its neighbor of \$5,000,000." What the Brokers Say. F. J. Walker of the Reddin-Jackson company, said: "The Review seems to think that the value of War Eagle shares rests entirely upon the value of the War Eagle mine. The mistake is plain. Besides the War Eagle, the company owns the Crown Point group and the Richmond group in the Slovan, which raise the price of the shares considerably. "As to the War Eagle mine the Review seems to be altogether ignorant of the development that has taken place in the property since the issuance of the report which the paper has evidently used as a basis for its article. The mine now has one reserve unutilized

in the camp, and is in a position to ship ore indefinitely. On the 500-foot level an entirely new chute of ore has been opened for a width of 26 feet, every ounce of which is of paying grade. The mine is now shipping 200 tons a day, and the shipments are averaging \$26 in value. The net returns for the ore shipped last month were \$82,000. During July the company paid dividends of \$30,000, and it could easily have doubled that figure, and there is now over \$100,000 cash in its treasury. With the completion of the new galloways, which will probably be in shape about the first of the year, the production of the property will be increased to 400 tons per day, and the dividends will accordingly be doubled. "The company is incorporated for \$2,000,000, and with dividends at the rate of \$60,000 per month, or three cents per share, the investment will yield 12 per cent annually on stock bought at the rate of \$2 per share. "As to the Review's accusation that the company lost some \$56,000 last year in developing the property, there is no point to it, as the mine was on a level of 200 feet, and simple, and no effort was made to produce ore. The same methods have been followed in the opening of great mines all over the world, and the management of the War Eagle is to be congratulated upon its farsighted policy. John Boulthbee, of the brokerage firm of Boulthbee, Rankin, said: "The man who wrote that article certainly did not know what he was writing about when he penned that foolish article. The last strike in the 350-foot level of the War Eagle is about nine feet wide and it goes \$50 to the ton. It is my opinion that Mr. Gooderham by his what he is doing, and he shows knowledge of the investments in this section. He and his associates invested over a million dollars in the purchase and development of the War Eagle. When they place that mine on a level of 200 feet, and the Centre Star, a property that adjoins the War Eagle, they pay \$2,000,000 for the Centre Star, a property that adjoins the War Eagle. This shows that he and his friends are satisfied with the results attained by the money he has put into this camp. This is the very best answer that can be made to the criticisms of the man who wrote that article running down the investments in the shares of the War Eagle." Would Buy All He Could Get. Said William I. Reddin, of the firm of O'Brien Reddin & Co.: "What do I think of the value of War Eagle as an investment around the \$3 mark? I only wish that I were in a position to take up all the stock offering at that figure. Not only have the recent wonderful developments in the mine justified that price, but the future that is before the company will, I am sure, send the stock to a higher price. A few weeks ago I sold a cautious mining man 1,500 War Eagles at \$1.50. Since then I have repeatedly made offers to him for the stock at prices ranging as high as \$2.85. He has refused to sell in every case, and the last time I saw him he told me that he would not let go his holdings for \$3.85, much less at the ruling quotation. The man has watched the development of the mine most closely and he is satisfied that the property has a magnificent future before it. "The Review seems to be acting on the supposition that the stock is being primarily boomed for the benefit of somebody on the inside who would unload at the same time it assumes the stock now being bought is purchased for speculative purposes on the chance of a rise. Both propositions are wrong, for nobody is offering to sell the War Eagle, and it is with difficulty that even small lots are being secured. Does that look like somebody is unloading? On the other hand what stock is picked up is bought, not for speculation but for investment, and the buyers believe that it is a good permanent investment. One of the most remarkable features in connection with the rise in the quotation of the stock is that there has been nothing sudden or spasmodic about its appreciation. It has been a steady, continuous rise, that has been a steady, continuous rise, that has lasted for only about a fortnight." The Speculative Value. S. Thornton Langley said: "Aside from the value of the War Eagle at \$3, based on the actual ore reserves of the mine, there is a speculative value about it which alone makes the stock a fascinating purchase at the present figure. With immense sulphide deposits such as are found in the mine, such a thing as ore pinching out is practically unknown, and the values are sure to be at least permanent while which may make it be encountered in value. With the modern appliances it is possible to work a mine to the depth of a mile or more, and as the greatest depth that has been reached in the War Eagle is only 650 feet, it is impossible to conjecture the value of the ledge lying beneath the present bottom of the workings. It is absurd to limit the value of a stock to the value of the ore actually in sight in the mine at any given time, and the investor who tries to secure himself on that basis will get left every time." Will Go To \$4. Said R. N. Grogan, of the firm of Rolt & Grogan: "War Eagle, far from being overvalued at \$3, will in my opinion go over valued at \$4, as soon as the new host is in shape and the increased dividends make a doubling of the dividends an assured fact. There is any amount of Canadian money now awaiting investment, and the fact that the Gooderham mine is an absolutely reliable buy. It follows that the result will be a still further rapid increase in the price of the stock when the shipments are raised, as they will be very soon." Dempster, of M. E. Dempster & Co.: "There might be some logic behind the Review's criticism if the present purchases of War Eagle were being made for speculative purposes. On the contrary, however, all the sales that are being made are for investment and the demand for the stock is far in excess of the supply. It is almost impossible to fill orders for it. The Review is actually paying a very poor compliment to the people of Toronto, when it accuses them of being either lunatics or designing schemers in handling the stock at the present prices. I fancy that the people of that town will resent the tone of the paper's article in no light terms." The Review's Amazing Ignorance.

PUG PROPERTY SOLD

J. B. Chapin Purchased It for the Sum of \$775.

HISTORY OF COMPANY

It Got Into Financial Difficulties and Finally Came Into the Hands of the Sheriff, Who Sold It to the Highest Bidder—Mining Notes.

After an adventurous career in court, lasting over a year, the Pug, near Wapta, was sold Thursday by Deputy Sheriff Robinson for \$775 to J. B. Chapin of Sault Ste. Marie, Ont. The sale was in accordance with a judgment against the property secured by J. B. Miller, the former manager of the Columbia & Ontario Gold Mining company, which formerly owned and operated the claim. The sale yesterday took place in front of the office of the Rossland sub-registrar of the supreme court, on Lincoln street. The auction had been adjourned for five different times because of the lack of buyers, but yesterday there were three bidders present, and the sale was not lacking in interesting features. J. B. Chapin, the successful purchaser, was represented by J. S. Clough, Jr., while C. R. Hamilton and W. J. Whiteside were also present in the name of the company. The sale was opened by a bid of \$300 for the claim, but the price was quickly raised until \$775 was offered by Mr. Chapin's solicitor. There the figure stood for some time and as the opposition did not seem disposed to raise their price the property was knocked down to Mr. Chapin at the price named. There were mechanics' liens of \$493.74 against the property and these came out of the proceeds at once. There were also various other costs in connection with the sale, which altogether amounted to the amount to be realized towards the original judgment secured by Miller will, thereby, be merely a trifle. It is understood, however, that the successful purchaser, Mr. Chapin, has secured an assignment from Mr. Miller for the amount of the latter's claim against the company. The sale of the Pug yesterday is the final act in the history of the Columbia & Ontario Gold Mining company, which formerly owned the claim. The company was extensively advertised and much stock was sold, especially in the east, where the promoters were known. Machinery was put in place and a tunnel was driven nearly 200 feet, but so say the minority owners the company was badly mismanaged. At any rate Mr. Miller, who was in charge of the corporation's affairs even after the sale of the property, was and was superintending the work, brought suit against the company for work done and in his getting a judgment, to satisfy which the claim has just been sold. Being without a claim and without funds or organization, the company is practically defunct.

Harris, Kennedy & Co. Mining Brokers and General Agents.

ROSSLAND, B. C. P. O. BOX 328. We are in a position to negotiate the sale of some of the most promising properties in West Kootenay. Stocks bought and sold on commission. Are prepared to act as local agents and keep the necessary office, etc., for Foreign corporations as required by the 1897 Companies act. Under bond if desired. Correspondence solicited. Best English, Canadian and American references. Clough's Moring & Neil Cable Address "Graham," Rossland, B. C. TELEPHONE 73. P. O. BOX 578

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Brokers for the Mines Development, Trust & Guarantee Co., Ltd. Insurance and Real Estate. Stocks Bought and Sold on Close Margins Correspondence Solicited. Cable Address, "Bendigo." Codes: A. B. C. Moring & Neil, Clough's. ROSSLAND, B. C. LINCOLN STREET, S. W. J. L. PARKER, Consulting Mining Engineer. JOSEPH B. DABNEY, Mining Broker.

DABNEY & PARKER MINES AND MINING.

Mines Examined and Reported On. Special Attention Given to the Placing of Mining Properties and the Management of Mines. Box 64. Rossland, British Columbia. Cable Address, "Parker," Rossland. Moring & Neil's and Bedford McNeill's Codes.

O. K. GOLD MINING COMPANY

Limited Liability, (Foreign). In Liquidation. The Undersigned Official Liquidator Will Sell by Private Treaty Subject to Ratification by the Court IN ONE LOT. The property known as the O. K. Mine and the buildings belonging to the said company also the entire mining and milling plant of said company, the whole situated on the south slope of O. K. mountain, in the Trail Creek Mining Division of West Kootenay, Province of British Columbia. The claim is surveyed and crown granted and known as the O. K. mineral claim, official number 259. The property is about two and one-half miles west of the City of Rossland and close to the main wagon road and Red Mountain railroad, both leading from the City of Rossland to Northport, in the State of Washington. The principal buildings include the following: The new mill building containing a stamp mill, but designed and built to accommodate 35 stamps; engine and boiler house, office building, mess room, cook house, store room and manager's residence. The development consists of three main tunnels, with one winze and numerous drifts, together aggregating over 1,500 feet of work. The property is open to inspection, but an order for that purpose must be obtained at the office of the liquidator, Richard Plewman, Rossland, B. C., where further information can be obtained. Under an order of the court heretofore issued the undersigned is authorized to give a short option or working bond on the mine. RICHARD PLEWMAN Official Liquidator. Telephone and cable address, Plewman, Rossland, B. C. Bedford McNeill's Code.

Gold Cup Group of Claims

IN THE PEND D'OREILLE DISTRICT. The MARGUIRETE GOLD MINING AND SMELTING CO., now operating this valuable property, offer for sale 125,000 shares of Promoters' Stock at 5 cents per share in blocks of not less than 500. Considerable development has been done with splendid results. The ore now on the dump will be shipped as soon as possible. Certificates can be obtained at the office of the Company. W. B. TOWNSEND, Prest. No. 230 Columbia Avenue, Opposite to the Mining Recorder's office

Burlington Route TO CHICAGO NEW SHORT LINE FROM MONTANA, IDAHO AND PUGET SOUND A. C. SHELTON, General Agent, 250 Washington St., PORTLAND, ORE.

SMOKE THE GREAT CRUSAIDER CIGAR J. RATTRAY & CO. MONTREAL.

An Ontario Farmer Rescued by Paine's Celery Compound.

WELLS & RICHARDSON CO. GENTLEMEN—It is with very great pleasure I testify to the value of Paine's Celery Compound. For nearly two years I suffered from indigestion and kidney and liver troubles. After trying several medicines that did not cure, I decided to try your compound. Before I could eat or sleep. I could not lie in bed owing to pain in my back, and it was only by resting on my elbows and knees that I was able to obtain a slight degree of ease. Before I had fully taken one bottle of your medicine I began to improve. I have now taken all fourteen bottles with grand results. I am a farmer and am now working every day. I am a living witness to the worth of Paine's Celery Compound. Yours sincerely, G. J. SNEY, Sheffield, Ont.

THE LE ROI INJUNCTION

It Was Partially Held in Spokane on Wednesday.

Spokane, Wash., Aug. 18.—The Le Roi injunction case was up for hearing in Judge Richardson's court yesterday. This is not the case wherein the heavy damages are sought to be recovered. It is the hearing of the application for a permanent injunction restraining the British America corporation from acquiring the majority of the stock of the Le Roi company, which the Peyton faction has contracted to sell; restraining the Le Roi company from transferring the stock, and restraining the B. A. C. from selling it, and the B. A. C. is alleging as a reason that the B. A. C. is a foreign corporation and cannot therefore hold stock in a Washington corporation under the laws of the state. The hearing was not completed and was adjourned until tomorrow morning at 10 o'clock. There are few sensational features connected with the case, and the Peyton faction does not seem disposed to make a determined resistance to the order. It is said that the order will not interfere with the sale of the stock which is being transferred to the B. A. C. direct. It is said that this is really the thing that the vendors of the stock have under a corporation has not purchased the stock and that the action of the Turner faction will be of no effect even if the prayer be granted by the court. The Turner faction came into court with a strong array of legal talent, evidently anticipating a warm fight, but the other side did not show any disposition to contest the case, and the proceedings were devoid of the usual dramatic side lights which accompany the acts of the Le Roi company and its officials. The Friday session may prove more lively.

SMOTHERED TO DEATH

George Roberts, a Miner, Smothered in the Ironsides Shaft. GRAND FORKS, Aug. 17.—[Special.]—Word reached here this evening from the Ironsides mine in Greenwood camp, that George Roberts, a miner, was suffocated in the main shaft of this shaft on Tuesday morning at 11 o'clock. It is reported that Roberts entered the shaft along with another miner named Atkinson, when both men were overcome by the smoke and gases, Roberts dying before help could reach him. As the rescue men shot down the shaft to the rescue, when it was found that Roberts was dead and Atkinson unconscious. It is claimed the latter will recover.

MINING NOTES

On the Abe Lincoln shaft is now about 183 feet, and it will be driven at once to the 200-foot level, when drifts will be run to open the ledge. The shaft is a vertical one, and no attention has been paid to the course of the vein. The workings have been carried straight downwards regardless of the lead. The Miner has received word from Toronto that the Rossland & Red Mountain Mining company is being organized as an extra-Provincial company. The head office of the company will be in Toronto. The capital on reorganization will be \$1,600,000, of which one-third will be put in the treasury. The stock will be non-assessable. It is the intention of the company to commence development of its property in Rossland with as little delay as possible. Early in the week a force of men left here for the northern part of the Trail creek division for the purpose of resuming work on the Keystone, which is said to be the banner mining property in that section. There are a number of prospects staked in the Burnt Pass and considerable development work is in progress there. The Keystone has an enormous surface showing, and the ore, which went a trace on the surface, now that some depth is attained, shows easy returns of \$12 to the ton. The work is to be pushed through the fall and winter. The Cariboo, Camp McKinney, is to be reorganized and will be known as the Cariboo Consolidated Mining & Milling company. It is said that the Toronto people will be in the directorate of the reformed company. The directors will be Robert Jaffray, S. W. McMichael, A. Ansley, Henry M. Pellatt and G. B. Smith, all of Toronto, and James Monaghan and George B. McLaughlin of Spokane. The new organization will also be capitalized for \$1,250,000 instead of \$800,000, the capital stock of the present company. It will own five claims in addition to the two which constitute the property of the present company.

Honest Help Free to Weak Men.

THE ROSSLAND MINER is authorized to state by Rev. A. H. Macfarlane, Franktown, Ontario, that any man who is suffering from troubles resulting from nervous work, excess or abuse, such as nervous debility, lost vigor, unnatural losses, etc., can write in confidence and be instructed free of charge how to be thoroughly cured. Knowing, in his sorrow, that so many sufferers are being injured by unscrupulous quacks, this clergyman considers it his duty to give his fellow men the benefit of his experience and assist them to a cure. Having nothing to sell, he asks no money. Any man who sends for his advice can follow it and be cured. Of course, only those actually needing help are expected to apply, enclosing a stamp. Address as above and refer to THE ROSSLAND MINER.

S. G. Faulkner, general agent of the North American Life Insurance company, left Saturday for Vancouver, whether he went to meet General McOsburn, who is on a visit to the coast from Toronto.

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