

would not be a good delivery in this country. By this means, those who might be induced to make a market for the shares in this city would be safeguarded against a deluge of shares, which they might be both unable and unwilling to digest.

There has been no cessation of the registration of Canadian Mining companies since my last letter, but as you will gather from the list, promoters are still chiefly concerned with the fine field presented to their energies by the Klondyke and British Columbia. The B. A. Corporation has through its solicitors filed particulars of a number of concerns with huge capitals which it is proposed to form with the object of acquiring the chief properties bought at Rossland by Mr. MacIntosh. Ontario finds little favor with the English promoter, and the Companies already in existence have hitherto been such "silent" workers that this is not surprising. Ontario has a few friends in the city, but where there are probably twenty people interested in the Pacific Province and the North West Territories, there is not more than one concerned in the exploitation of the mines of Ontario. Is this because the Government of the latter does not advertise sufficiently? It looks very much as if this were so.

Asbestos and Asbestic Co., Ltd.

THE POSITION AND OUTLOOK AS DEFINED AT THE FIRST ANNUAL MEETING OF SHAREHOLDERS.

The first annual meeting of shareholders of this company was held in London on 27th ultimo, Mr. Gilbert Bartholomew, Chairman, presiding.

The Chairman, in moving the adoption of the report and accounts, said that some shareholders had written expressing regret that the directors had not published the details of the company's profit and loss account. The Board's only reason for having refrained from publishing those details was that they did not wish to furnish the company's competitors with the particulars of their business. (Hear, hear.) Every detail, however, was at the disposal of the shareholders. The Chairman then handed several copies of the profit and loss account to those present. Proceeding with his remarks, he explained the items contained in the balance sheet in detail. In reference to the investment in the American Asbestic Company's shares taken at cost, £3,101, he wished to explain that, in accordance with the contracts originally made with the H. W. Johns Company of New York, that company had the right to pass on its asbestic contract to another company to be formed for the purpose of working it, and in the early days of the existence of the Asbestos and Asbestic Company the H. W. Johns Company decided to exercise that right, and the American Asbestic Company was formed with a capital of \$250,000. \$100,000 was subscribed by the Johns Company, \$50,000 by the managing director of the Asbestos and Asbestic Company, Mr. Bay, \$50,000 by the Asbestos and Asbestic Company, and the remaining \$50,000 of stock was held in reserve. It was held out to them at the time of the formation of that company, not only by their managing director, but also by Mr. Martin, the present president of the Johns Company, that the American Asbestic Company had very bright prospects, and would be likely to make large profits; and inasmuch as the Asbestos and Asbestic Company were naturally very largely interested in the sale of asbestic, they thought it right, acting upon those recommendations, to take the interest stated in the American Company's capital. Unfortunately, however, the sale of asbestic in the United States, although it was considered by the American Company to be going on satisfactorily, had proved very much lower than was anticipated, and consequently that company was not able to take delivery from the Asbestos and Asbestic Company of the contract quantities of asbestic. At first they felt they ought to compel the American Company to take delivery of the full quantity specified in the contract, and that they should request the American Company to call up such further capital as was necessary for this purpose, only 30 per cent. of the capital having been called up at that time. They soon found, however, that they could not do this, for the Johns Company absolutely refused to pay any more calls on account of their shares. Much against their wish, therefore, they were compelled to make other arrangements, which, however, they hoped would ultimately prove to their material advantage. They had taken over the balance of the Johns Company's interest in the American Company, which gave them control of the latter company's affairs. As a result they were now chiefly interested in the sales of asbestic, which would be made by the American Company at higher prices, and a larger proportion of profit would come to them. Since they had assumed the control of the American Company their managing director had been devoting himself to the establishment throughout the States of agencies for the sale of asbestic. Several agencies had been already established and were working satisfactorily, and it was anticipated that large quantities of asbestic would be consumed as a result in the near future. Although, therefore, this investment had as yet been unproductive, he was sanguine enough to hope that asbestic would find a free sale in the States in the near future, and if it did they would benefit very largely.

With reference to the profit and loss account, he was certain the shareholders must be very disappointed, because the profit was so small. The directors not only shared that feeling, but were even more disappointed than the shareholders could be. The reasons for the smallness of the profit were easy to understand. They had neither produced nor sold a sufficient quantity of asbestos and asbestic. They had failed miserably in their deliveries of asbestos to the Johns Company, that failure being due to the disorganization and interruption which was occasioned in putting in the new machinery. In the early days it was intended that they should generate electricity by the water power they proposed to acquire on the River Nicolet, but as soon as they had taken possession of the property and got to work, they discovered that they could not get possession of those water rights for a long period. Their managing director therefore advised that they should for the present, at any rate, give up the idea of working by electricity and that they should immediately put in a duplicate steam plant, so that they might produce the larger quantities which they expected to require. The quantities produced, however, had been very small, especially of the Nos. 1 and 2 grades, of which they had not produced sufficient to fulfil their contract with the Johns Company. He had himself been to Danville and inspected the property, where he had seen abundant indications of the presence of these grades of fibre, but he was of opinion that by their present method of getting the fibre out of the rock they were not likely to produce very large quantities. They had therefore instructed their managing director to revert to the old method of getting out the longest fibres, but it could not yet be said whether sufficient would be obtained to enable them to fulfil the Johns contract, although the managing director himself was sanguine that he would be able to accomplish this before long. So far as the fourth grade was concerned they had reached their contract quantity, and there were indications that in the very near future they would also reach their contract quantity in respect to the third grade. They had, in fact, exceeded the contract quantity in the production of the fourth grade fibre, and within the last ten days, for the first time in the existence of the

company, they were in a position to offer to other buyers that grade of asbestos. With regard to asbestic they were now producing more than sufficient to satisfy the contract, although the buyers were not in a position to take the full quantities. Under these circumstances they had been looking about very energetically for fresh fields and markets for this article, and he was pleased to say that up to the present time asbestic had received no set-back.

Every architect and every builder who had tried it, whether in this country or elsewhere, had expressed unqualified approval of the companies asbestic as being the finest wall-plaster known. The prejudice among architects and builders, however, against new materials was very strong, and tremendous difficulty was experienced in inducing them to take up this fresh wall-plaster. Therefore their sales up to the present had been miserably small, but they had received many promises of custom, which they had reason to believe would be realized. The new Carlton Hotel at the bottom of the Haymarket—a very large building—was to be plastered throughout with their asbestic, and this was a matter of very considerable importance to the company, because if they once got their material used in some substantial building they would experience much less difficulty in getting it into general use. They had established a very good agency in Germany, where their asbestic had been put to a very severe test, and had come out magnificently. The leading authorities were represented at the test, and were all delighted to find out how great were the fire-resisting properties of the asbestic. The authorities there had already taken a very considerable quantity of the article. They were now very busy in France, where an agency had been established, and where they were very hopeful of good results. Tests both in Paris and Lyons would be completed within the next three or four weeks, and upon their satisfactory determination they had every reason to believe that a contract would be immediately forthcoming for the buildings to be used in connection with the Paris Exhibition in 1900, as well as for other important work in Paris and elsewhere. He wished to express the Board's thanks to shareholders who had interested themselves in the use of asbestic, and he hoped other shareholders would do what they could in this direction. They might recommend its use with perfect confidence, for no fault whatever could be found with it. It was a magnificent wall-plaster, answering everything they claimed for it, and he felt certain that those to whom they recommended it would be in every way satisfied. It was a matter of patience, and, he was afraid, of much more patience than he originally expected. Still, the property was undoubtedly there—the asbestos and asbestic existed in it—and if they could only make sufficient sales, which he felt confident they would do if they gave themselves time, he had little doubt the result would be satisfactory to the shareholders. Considering the smallness of their sales and the unexpected difficulties with which they had to contend, they could not be surprised that their first profit was not larger, but they saw clearly that, given a larger sale, their percentage of profit would be sufficient to enable them to pay a reasonable dividend, even though they might not fully realize the anticipations of those experts upon whose reports and assurances the statements in their prospectus were based.

Mr. A. Naylor seconded the motion.

In reply to questions, the Chairman repeated that he did not think there was much prospect of their being able to produce sufficient of the higher grade of asbestos to fulfil their contracts, but if they could produce and sell sufficient of the lower grades they would still be able to earn a satisfactory profit. In producing the lower grade of asbestos they also produced far larger quantities of asbestic than they could at present sell. It all depended, therefore, on how far they could find the market for the asbestic, and he had every hope that with patience they would succeed in pushing the sale of this article. There was no question as to the solvency of the Johns Company: they had faithfully fulfilled their contract and had taken all the asbestos that this company had been able to deliver.

The resolution was then unanimously carried, and Messrs. Tarquand, Youngs & Co. having been re-elected auditors, a vote of thanks to the Chairman closed the proceedings.

MINING NOTES.

Ontario.

LAKK OF THE WOODS.

RAT PORTAGE, July 12.

There is not among the mines, or in mining matters generally, much that is fresh to record. A new company, however, is commencing operations on their property in Camp Bay, where they have a gang of men putting up camps and doing other preliminary work, preparatory to the inception of active mining. I hope to say much more about them in my next.

Cameron Island.—Drifting has begun on the 2nd or 120 ft. level. The mill run of 220 tons, made some time ago, averaged over \$12.00 to the ton—so I was informed by Mr. Caldwell, the manager at the mine. Besides this, the concentrates showed a value of \$4.80, making the total value about \$17.00.

The Sentinel.—The most important mining deal made in this section this spring was effected last month when an option on mining locations W. A. 7, 8 and 9 was given by the owners, the Coronado Gold Mining Company of Rat Portage, to the Sentinel Consolidated Gold Mining Company, Ltd., of Toronto, represented by Nassau B. Eagen, barrister, of that city. This property has an area of about 120 acres and is situated on the south shore of Labyrinth Bay of Shoal Lake, being about two miles, as the crow flies, south of Ash Rapids. The deal was negotiated by John McAree, M.E., and L. C. Smith, barrister, of Rat Portage. The terms of this option are somewhat unusual for this district, but they are along common sense business lines for this species of transaction. Nothing is paid on the option until the expiration of three months, when one-tenth of the purchase money becomes due; three months later a further one-fifth is payable; three months after this another one-fifth, and the remaining half at the end of twelve months from the date of the option. This refers to W. A. 7, being the location upon which the only development work had been done; the price of this is to be \$9,000.00. The option on the other two locations runs for thirteen months, payment being made at the end of that time if they are taken; the price of the two is \$6,000.00, or \$4,000.00 for either one singly. The optionees are to develop the property by continuing the shaft begun on W. A. 7 to a depth of 60 ft., the shaft being already 10 ft. deep. Work was begun at once and is to be carried on continuously and the depth of 60 ft. shall be attained within three months; the shaft is to be timbered. Favorable terms have been granted with regard to mill tests of the ore.