

not till 1907 that the case was ready for the Court. Counsel for the Crown went over the evidence and reported that as to one or more of the O'Brien properties, it did not look as if the patents could be successfully attacked, but as to the other there seemed a fighting chance. **The O'Brien interests at this stage proposed compromise,** and as the spectacle of the province attacking its own patents in the Courts was one to be avoided in the interest of the provincial credit if possible, negotiations were opened. The O'Brien interest proposed a ten per cent. royalty, to which the Government would not listen. Fifteen per cent. and twenty per cent. royalty was offered and refused, and finally the O'Briens as a condition of the Government withdrawing the suit, accepted Mr. Cochrane's proposal for a royalty to the Government of twenty-five per cent. of the whole output of the mine, valued at the pit's mouth. Under that arrangement the Government have so far received \$240,000 in royalties out of the O'Brien mine.

MATERIAL ASSISTANCE RENDERED BY LAROSE PEOPLE.

Then the question came up of what settlement should be made with the LaRose people. Figures being called for, the LaRose people showed that they had spent \$31,000 in following up witnesses, who were scattered everywhere from Cape Breton to California, in procuring evidence, and in preparing the case. **As it was entirely upon the evidence which they had provided that the Government had based its case,** they thought that the least the Government could do in fairness was to pay their costs in getting the evidence, and split the royalty even. Mr. Cochrane did not think so, and after a good deal of negotiation, proposed a settlement by which the LaRose people were to get \$30,000 in payment of their bill of law costs, and ten per cent. of the Government's twenty-five per cent. royalty on the mine, the Government getting the other fifteen per cent. until such time as the LaRose Company should have got \$100,000, after which they would get no more. The \$100,000 was to come out of the royalty on the mine and from no other source, and if the mine should peter out before the LaRose people got the whole of the \$100,000, they were to have no claim on the Government for the balance. This settlement was accepted by the LaRose people, and the case was thus closed.

HOW THE \$100,000 WILL BE PAID.

Some misapprehension exists as to when this payment is to be made. It is not so that it comes out of the royalty already paid in.