

prices such lands as it may by its energy and expenditure demonstrate to be of value.

AN OBJECTION ANSWERED.

The only serious objection to the proposal is the withdrawal from market of a large area of land for a considerable period of time. This objection would have some force if the auriferous area of the Province, or even of the Rainy River district, were limited or small, in which case it might not be expedient to withdraw from public exploration a block of 46,000 acres. But when it is borne in mind that gold has been found at various places over an extent, as stated by Prof. Coleman in his report, of 260 miles long, by 120 miles wide, or 20,000,000 acres, the comparative smallness of the area asked for is at once seen, and it must be further borne in mind that discoveries are daily being made in the Algoma, Thunder Bay and Nipissing districts.

Strong objection has been made to what is technically called "blanket applications," which means in general acceptance the making of applications for land on a large scale without any payment in localities where minerals are known to occur, and holding the same for considerable periods without exploration or development as a matter of speculation. Nothing of the kind is intended in the present application. There is to be immediate, energetic and close exploration, followed by development.

There is no doubt that the work of this company, if successful, will stimulate exploration and development all around the vicinity where its operations are carried on, and will be a great advantage to the district and to the Province. Even if the lands or any part of them are shown to have no mineral value there will be no loss to the Province, and the time, money and energy of small explorers, which might have been wasted there, will be directed to other and perhaps more promising fields. As to the benefits which will accrue from the operations of the company in Ontario, there are many beyond merely proving the mineral value of the areas examined. The formation of such a company in England will give our gold-bearing regions a standing which they have not hitherto reached, and should the operations of the company prove successful great interest will no doubt be awakened in the mining capabilities of the Province. The company will give employment to a large number of men in exploration, and later on, will, if successful, be the means, directly or indirectly, of providing work for a large number of miners and laborers, and markets for the produce of the farm. Such a company, surrounded by conditions and regulations which will oblige it to perform its contract, will be an object lesson in exploring on a large scale such as this country has never seen. Of course no company or person will invest capital on a large scale and undertake an enterprise such as Col. Engledue projects without some hope of return, and the obtaining of reasonable facilities and opportunities for carrying it into effect. And a company whose proposed capital is \$2,500,000 cannot be considered unreasonable in asking for a tract of 46,000 acres upon which to carry on its work of exploration unobstructed and freely, particularly as it proposes to purchase at full price the lands which are proved to be of value.

CONDITIONS SUGGESTED.

The undersigned are further of opinion that the application is one which might be granted with advantage to the public interest if surrounded with proper conditions, and if ample guarantees of good faith are given

by the company for the performance of its promises and engagements. The following are some of the conditions which, in the opinion of the undersigned, should be insisted upon:—

(1) That a substantial deposit be made in one of the chartered banks of Canada to the credit of the Commissioner of Crown Lands as security that the company will expend in exploration, development and mining in the first year \$30,000; in the second year, should one not be sufficient for its purposes, \$40,000, and in the third year, should that extension of time be necessary, \$50,000; the period to commence with the opening of navigation, say, about the 1st of May next.

(2) That the company shall have the right to purchase or lease under the provisions of the mines act such lands or locations as it may desire to obtain within the areas set apart during the period of three years at the usual prices and on the usual conditions.

(3) That the deposit shall remain at the credit of the Commissioner of Crown Lands during the period of three years, except any portion of it which may be applied in the purchase or lease of lands within the area in which the explorations are carried on.

(4) That the failure to carry out the covenanted expenditure or other conditions of the agreement shall entail forfeiture of the deposit.

VERIFICATION OF EXPENDITURE.

(5) That full particulars of the expenditure shall be furnished to the Commissioner of Crown Lands at the end of each year in detail if desired, and shall be subject to verification by such proof as he may call for, or by inspection and audit of the books and accounts of the company.

(6) That while \$30,000 is to be expended on both locations the first year, the expenditure shall not be all on one location, but so divided that at least \$10,000 will be expended on both.

(7) That such title by license of occupation or otherwise shall be given to the company as shall confer upon it exclusive possession of the locations or areas specified for the period named, except as to any right, claim or interest which any person may have acquired in lands contained in either of said locations before the execution of this agreement, which right, claim or interest shall not be interfered with or disturbed by the company, nor shall it impede, obstruct or harass any such claimants in exploring and developing the lands to which the department may give them title.

(8) That no ore shall be removed from either of the said areas, except for the purpose of assay or experiment, until the land from which it is taken is acquired by the company under lease or purchase.

(9) That should the company have fully explored one of the areas within the first year, and desire to surrender its rights under the license of occupation or other authority, it shall be refunded a proportion of the deposit, but no refund on account of the abandonment of any less area than one location shall be made.

(10) That any agent or officer of the Commissioner of Crown Lands or the Bureau of Mines shall have the right to enter upon the said locations during their occupation by the company and inspect the works of the company, and he shall not be in any way impeded in such inquiries or examinations as may be called for by the Commissioner or the department.

(11) That all timber upon the locations shall be reserved to the Government, except such timber, other than pine, as may be necessary for exploration or development

purposes, and the Crown timber agents, forest rangers and fire rangers of the department shall have the right to enter upon the said lands in the exercise of their duties.

(12) That the department shall have the right, should the same be necessary in the public interest, to construct any road or other works through the locations, and to enter upon them for that purpose.

The undersigned are of the opinion that with the above conditions the application of Col. Engledue and his associates might be granted; but as it is a novel application, and the powers to be conferred by the license of occupation are larger than have heretofore been conferred by such license, it would be well to obtain authority by order in Council for the action proposed to be taken. (Signed)

AUBREY WHITE.
A. BLUE.

TERMS OF THE CONCESSION.

The license is issued upon the following conditions:—

The said licensees shall expend in actual exploration, development and mining upon the said lands and in shipping or in opening up, in sinking shafts or other actual mining operations during the first year after the 1st day of May next not less than the sum of \$30,000, during the second year not less than the sum of \$40,000, during the third year not less than the sum of \$50,000, and shall give proof of such expenditure at the end of each year to the satisfaction of the said Commissioner, and shall furnish such details of said expenditure as the said Commissioner may require, and of the said expenditure of \$30,000 in the first year not less than \$10,000 shall be so expended in one of the blocks of land aforesaid and the remaining \$20,000 may be all expended on the other of the said blocks of land. The said licensees shall not interfere with or disturb in any way any right or interest which any person or persons may have already acquired within the limits of either of the said blocks of land, and shall not cut or remove or dispose of in any way any timber of any kind on the said blocks of land or any part thereof, except as may be necessary in the process of actual exploration and mining as aforesaid. The said licensees shall not remove from either of the said blocks of land or any part or parcel thereof any ore for purposes of experiment unless and until the parts or parcels from which said ore may have been extracted shall have been actually leased or purchased, and the rent or purchase money, as the case may be, actually paid. The said sum of \$20,000 shall remain in deposit during the first two years, the term above mentioned, and in default of such expenditure as aforesaid in exploration, development and mining during the said first two years the said sum of \$20,000 on deposit as aforesaid shall be absolutely forfeited to her Majesty for the uses of the Province.

The Department of Crown Lands agree to sell or lease to the said licensees the said blocks of land or either of them or any parts or parcels thereof which they may select at any time within the said three years upon the usual terms if purchased or leased as provided in the mines act of 1892 and amendments thereto, and will apply the said sum of \$20,000 or so much thereof as may be requisite towards the payment from time to time of such rents or purchase money as may become payable in respect to the said blocks of land or either of them or any portion thereof during the said three years. Such blocks or parcels as the case may be, shall be surveyed at the expense of the said licensees by an Ontario land surveyor, and