causing much satisfaction to Montreal shareholders and directors of the company, prominent among the latter of which are Sir Edward Clouston, Messrs. H. S. Holt, C. R. Hosmer, F. W. Thompson and J. E. Aldred. Much of this stock is held by London interests.

THE LA ROSE DIVIDEND.

Official Reasons for Its Reduction—Special Statement by Directors on Property's Condition—Will Develop New Territory at Once.

Messrs. D. Lorne McGibbon, president of La Rose Consolidated Mines; Shirley Ogilvie, Alex. Pringle and Victor E. Mitchell, directors, have returned from Cobalt, and the following official statement of the results of their inspection of the various properties of the company has been issued:—

The directors visited the main properties belonging to the Consolidated Company and thoroughly inspected their underground workings and the new veins on the surface. They discussed fully with the company's general manager, Mr. R. B. Watson, the future development of the various properties.

The properties of the La Rose Consolidated Mines Company consist of La Rose, La Rose Extension, Princess, Lawson, Fisher, Eplett, Silver Hill, Violet, and over a ninety per cent. interest in the University mine.

La Rose.—The original La Rose claim, consisting of forty acres, has been systematically developed since it was taken over by the company, and the results have been so satisfactory that after yielding a million dollars profit during the first year of the Consolidated Company's existence, it still showed ore reserves equal to the reserves at the time the company was taken over. This claim is the only one of the properties which can be said to have been fairly well developed, and has been furnishing almost exclusively the money necessary for the development of the other properties of the consolidation, as well as providing the dividends. At the close of the first year's operations, June 1, 1909, the estimated ore reserves in La Rose mine were close to 5,000,000 ounces, not taking into consideration the large amount of milling ore on the dumps of the property.

La Rose Extension.—The La Rose Extension adjoins the original La Rose claim on the north, and consists of forty acres lying on the conglomerate. This claim has been partially trenched on the surface, but no underground work whatever has been so far done on it. Considering its location, and the fact that the La Rose veins strike towards this ground, it is reasonable to expect that the claim will develop well.

Princess.—This mine is situate at the south end of Cobalt Lake, between the McKinley-Darragh and the Silver Queen. This property is on the conglomerate, and has been prospected to a very small extent on the surface, and developed through one shaft to a depth of 135 feet during the last year. The results of this work have been highly satisfactory. In these workings several high-grade veins have been found, and this claim is now in a position to become a regular shipper. Up to date a very small portion of it has been explored, and the ground justifies a considerable amount of money being spent upon it

Lawson.—This claim was acquired last April, and surface trenching was at once started. The result of this work has been that seven new veins, in addition to the five known to exist at the time it was taken over, have been uncovered. Several of these have wonderfully rich outcrops, and have materially enhanced the value of this claim. The exploration of the property has been delayed by lack of power. The Cobalt Hydraulic Power Company originally promised to deliver air on the 1st of July, and have since been making promises from time to time, and now the management do not expect that power will be available before January. On the main vein work has been done through two shafts and a level driven joining them at a depth of 88 feet. While the vein was found strong at this level, the values were low-grade. While this result is disappointing, it by no means follows that the small amount of development work so far done has exhausted the possibilities of this vein being a large producer.

Work has been started on three other veins, but has not advanced far enough to give a definite idea of their value. Several other veins with good surface showings have not yet been touched. Considering the wonderful surface showings of this property and the record of the adjoining properties, the Kerr Lake and Crown Reserve, it is confidently believed that this claim when fully developed will prove a most valuable property.

University.—This mine is at present closed down for lack of power. The original owners extracted a considerable amount of high-grade ore from the mine, and the new company has sunk one shaft to a depth of 100 feet, with fair result.

Violet.—This claim adjoins the O'Brien on the east. The former owners extracted about $30,000 from a shaft next to the Colonial property, but this is all the underground work that has been done. The Consolidated Company has done some trenching, but otherwise the property is undeveloped. The claim is well situated near the centre of the district, and justifies the expenditure of considerable money in development.

Fisher, Eplett and Silver Hill.—These claims lie in the southern part of the district, near the Temiskaming mine. A large amount of exploration work is being done on adjoining properties, and it is the intention of the management to trench this ground thoroughly next season.

The directors were well pleased at the extent to which the development of the La Rose claim itself has been carried, but were somewhat surprised that so little money has been spent up to date on the development of the other properties of the consolidation. After full consideration the directors have decided to pursue at once a conservative, yet vigorous and aggressive policy in the simultaneous development of the properties of the company. While the reserves in La Rose mine are still very large, it is not to be expected that this one mine of thirty-seven acres can furnish indefinitely the sums necessary to pay dividends at the present rate, and to develop and bring to the productive stage the other valuable properties of the company. With this object in view the board have determined:—

(1) To put aside a largely increased amount for the development of the various claims, so as to place them as rapidly as possible on a productive basis.

(2) To increase the cash reserve in the company's treasury.

(3) To increase the company's ore reserves.

Until these objects have been attained the board have decided to reduce the dividend to eight per cent. per annum, payable quarterly, believing that this policy will best safeguard the interests of the shareholders.

The directors have the utmost confidence in Mr. R. B. Watson, the company's general manager, whose ability and integrity are beyond question, and the shareholders are to be congratulated upon having the management of their properties in such capable hands.

The policy of the board as outlined above has his hearty support and approval, and will be carried out by him as expeditiously as possible. The shareholders have every reason to look forward with confidence to the future development of their properties, which are among the most valuable in the whole Cobalt camp.