# M'KINLEY-DARRAGH HAS GOOD OUTLOOK

Hundred Thousand Ounces of Silver Placed in Sight During Year.

### REVENUE WILL GROW

New Flotation Plant is Expected to Be in Operation by May.

Kiely, Smith & Amos yesterday re seived the following private wire from

"The annual report of the McKin-ley-Darragh should be in the hands of the stockholders in the course of the next week, and will dissipate many wild rumors about the property that have no foundation.

"We understand on good authority that the report will be much the same as last year. The developments of the fault vein demonstrated that it was much the same as on the adjacent Cobalt Lake property. However, developments during the past twelve

despatch from Porcupine says: A despetch from Porcupine says:

"The satisfactory and gradually improving situation at the Hollinger-Concoldated mine is causing a fairly general belief here that the resumption of dividends will take place before long.

The Northern Miner says: "Quite a lot of men have been let out by some Cobalt unines during the past two months. With the Dome practically closed, and curtailed operations at several other Porcupine mines, the labor market seems to be much better supports." It has been stated that the company now has a surplus of considerabily over one million dollars and that the net earnings are sufficiently large to make regular substantial dividend disturgements. It has also been intimated that a nelicy simpler to that formarly that a nelicy simpler to that formarly tursements. It has also been intimated that a policy similar to that formerly followed will be adopted, that is, the making of disbursements every four weeks. With the new milling equipment installed and for the greater part tried out, the only thing between the company and the greatest rate of cividend disbursements in its history is labor. During the past few months satisfactory improvement has taken place in the labor market, and the outlook at the Hollinger is a great deal better than generally supposed."

#### **OUTPUT IN ONTARIO** OF PRECIOUS METALS

Silver Production 87 Per Cent. of Entire Yield of Canada.

In an article in The Canadian Min-

ing Journal, John McLeish says: The Ontario production of gold was \$8,916,118, being about 58 per cent. of the total production for Canada. and altho it shows a decrease of 12 per cent. from that of 1916, it was the second highest ever recorded.

The silver production in Ontario inted to 19,254,616 ounces, valued at \$15.676.531, or 87.0 per cent. o total production for Canada. In 1911, the year of its maximum production, the percentage was 93.8. The production was from the ores of Cobalt and adjoining silver camps, with the exception of 80,863 ounces, the the exception of 80,863 ounces, the output of the gold and copper mines.

Of the Cobalt district, production amounting to 19,173,753 ounces, 85.3 amounting to 19,173,753 ounces, 85.3 per cent., or 16,363,605 ounces were recovered in smelters and reduction works in Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, Canada and the balance, 14.7 per cent., or 2,810,148 ounces, 14.7 per cent. 14.7 per cent., or 2,810,148 ounces, was exported for smelting. Of the bullion produced in Ontario 9.929,326 ounces, or 60.7 per cent., was recovered in the mills of Cobalt and 6,-434,279, or 39.3 per cent., recovered in southern Ontario smelters.

#### **GOLD MINES FIGHT** TEN PER CENT. IMPOST

A Vancouver despatch says: Strong efforts are being made to modify the present 10 per cent, tax on profits in the Province of British Columbia, G. P. Jones and V. N. Merrill, general manager and president, respectively, of the Hedley Gold Mining Company, recently met the attorney-general to lay before him the case of the gold mining companies against the taxation system. They pointed out that the 10 per cent, levy on gross profits was ruinous to the industry because of the fixed gold values, which prevent such companies as the Hedley concern from increasing their charges. Increased cost of operation during war-time forced the gold mining companies to rob their mines by taking out only the most valuable ore contents in order to preserve a dividend ontents in order to preserve a dividend or stockholders. This made it a hard-hip to have to pay a 10 per cent. gross profits charge. profits charge.

It is believed that special treatment will be given the gold companies.

U. S. MINING DIVIDENDS.

Dividends paid in February, 1918, by 22 United States mining and metallurgical companies making public reports total \$12,767.611, as compared with \$12,812,268 paid by twenty-five similar companies it in any way. In fact, its having February, 1917, according to compilations of The Engineering and Mining Journal. Canadian and Mexican companies paid \$1,534,963 in February, 1918, as against \$2,186,851 in 1917.

## WEST DOME'S ORE TEST.

The Dome Lake is very shortly to make the test run of 1000 tons of ore the Dome Lake thru the West Dome latter to get at its ore bodies easily and quickly.

Open. High. Low. Close. Close. Mar. .. 22.16 32.38 32.00 32.29 32.15 May. .. 21.60 31.80 31.45 31.79 31.64 July ... 21.60 31.80 31.45 31.79 31.64 July ... 21.60 31.80 31.36 31.46 31.79 31.64 July ... 23.93 30.36 29.85 30.35 30

## LA ROSE'S SHOWING

Altho the price received for silver by the company during the last calendar year showed an improvement of nearly 20 cents per ounce, the earning of the La Rose Mining Company showed a decrease of \$93.402, according to the annual report, as compared with the previous year, say Hayes, Markham & Co, Earnings during 1917 were \$71,372, as compared with \$164,774 in 1916. The decrease is attributed to rising costs due to war-time conditions and labor troubles near the first of the year.

A comparative table showing the company's relative position to past years follows:

	follows:				
ij		1917.	1916.	1915.	
	Profits	\$71,372	\$164,774	\$ 230,662	
8	Production			4 405 000	
		437,337	740,065	1,135,000	
	Production	328.751	449,734	526,996	
	(value)		440,104	320,330	
	received				
	silver	82.94c	64.89c	50.8Sc	E
	Surplus	485,286	727,169	926,644	E
	Dividends dec.				
	during period	299,725	328,000	328,000	

Mill Will Be Second One in Oper-

### **POWELL ORE BODIES** GIVE GREAT PROMISE

Camp May Become One of Biggest in North Country.

"If Powell ore bodies prove at depth to be anything like what has been found on the surface, after careful assays, the area should develop into one of the biggest camps in the north country. A body of porphyry runs parallel to one of schist over a known length of two miles. The schist is 300 to 400 feet wide, is heavy in pyrites and highly silicious. There are liberal occurrences of quartz. The porphyry body is also from 300 to 400 feet wide and carries good average milling values."

The above statement has been made by Frank C. Loring, who examined the Otissa and Davidson properties in the Fort Matatchewan district for the vendors.

### FAME OF ONTARIO'S MINES TRAVELS FAI

Mining Men of International Reputation Look Over Field.

some very important positions in the mining world, among them being that of superintendent of Strattons Independence Limited, and of the Portlam Mines, both of Cripple Creek, two of the large producers in the United States Mr. Garvin was also superintendent of the Guycenheim properties at Sierra Ma. the Guggenheim properties at Sierra Ma jada, Mexico.—Cobalt Nugget.

## DISTINGUISHED MINING MAN VISITS ONTARIO MINES.

## PETERSON LAKE PLANT.

The equipment for the new flotation plant at the Peterson Lake is under stood to be of the most modern con-

## NEW YORK COTTON.

J. P. Bickell & Co., Standard Bank Building, report New York Cotton Ex-change fluctuations as follows:

# **BIG YEAR IN PROSPFCT** FOR ONTARIO'S MINES

Output of Silver and Gold Is Expected to Be Very

## **GREATER EQUIPMENT**

Milling Facilities Are Added Enormously and Labor Conditions Better.

According to estimates based on the output of the silver and gold mines of Ontario during the first two months of the year, also taking into consideration the additional miling facilities installed in the gold camps, the output of silver and gold for 1918 will approximate the record attained during 1917.

The year 1917 was one of the most prosperous in the history of the norther district, which fact is remarkaby significant. If such a record can be maintained during such a period of general economic strain, it is contended the peaceful years to come will be brimming over with prosperity. When mining men recall the unsettled condition of labor just one year ago, and the general increase ir wages or bonuses recorded last spring, they find it difficult to believe that after all the year's operations, as a whole, were so satisfactory.

With the present good feeling between the mine operators and the mine workers, and with the price of silver ching ing to a point well above the average for 1917 this year's Cobalt record will be a big one.

Increased Facilities.

All Lake property. Beast twelve forments during the past twelv

# NO NEW ORE BODIES Favorable Developments on

Work is Being Continued, However, Says President Seybold in Report.

In the annual report of the Right of Way Mines, Limited, President E. showed considerable contraction yes-Seybold says:
"Work done during the year was in and inclined to heaviness for the most and inclined to heaviness for the most and inclined to heaviness for the most have and the vicinity of shaft No. 2 (north end), the total ore production of \$54,441.18 part, but with a firm spot here and there. This amo

an expenditure of \$12,220.00, and is a known that the directors would ex- 1914 continuance of the operations referred ercise their option on the Bilsky proto in our 1916 report in regard to ex- perty and would undertake an ag- 1917 ploring the property at lower levels. No. 2 shaft has been deepened some 82 feet and considerable drifting done development. Twelve thousand shares, Totals 1.950,121 \$19,728.383.03 \$8,194,000 in different directions at this depth. nearly one-fifth of the day's total Ore has not been encountered in these transactions, changed hands yesterworkings, but the work is being continued so that no portions may remain

#### undeveloped." STANDARD STOCK EXCHANGE.

16	Davidson 351/2	341/2
10	Dome Extension 101/2	09/2
1-	Dome Lake	934
	Dome Mines8.75	24
	Eldorado 3	8.00
	Gold Reef	11/2
	Hollinger	11/8
D	Homestake	5.10
R	Homestake 45 Inspiration 5	
	Respiration 5	
	Keora 12	
n	Kirkland Lake 30½ Lake Shore 40	25
	Lake Shore 40	
	MCINIVIE	138
n	Moneta 8 Newray Mines 20	534
·e	Newray Mines 20	19
m		
g	Porcupine Gold 11/4	
to	Porcupine Imperial 2	1%
t	Forcubine Tisdale 9	134
10	Forcupine vibond 25	20
13	Preston 4 Schumacher Gold M	31/2
1	Schumacher Gold M	24 1/4
ie	Teck - Hughes 59	1 49
of	Thompson - Krist 934	91/4
1-	West Dome Con 131/4	1234
d	Wasapika 38	
		36
s.	Silver—	
	Adanac 9	81/2
of	Bailey 5	4
1.	Beaver 27 Chambers - Ferland 12	261/2
	Chambers - Ferland 12	10
	Conlagas	3.25
	Crown Reserve 25 .	20
	Chillord 31/	3
	Great Northern 4	31/4
	Hargraves 75%	71/4
of	Hudson Bay36.00	. /*
it	Kenabeek Con 31/4	3
	Kerr Lake	5.30
d	Lorrain 2	1
	La Rose 38	34
nt	McKinley - Darragh 42	41
1e	Mining Corp3.75	3.60
30	Nipissing8.65	
le	Ophir 10	8.50
200	Peterson Lake	
m	Dight of Way	91/2
0,	Right-of-Way	31/2
) -	Gilven Took	52
	Silver Leaf 11/4	261/4
1-	Provincial, Ont.         53           Silver Leaf         1½           Timiskaming         2634           Tracks         128	261/4
7 C V	Trethewey 17	16
3,	Wettlaufer 51/2	5
1-	Miscellaneous-	
e	Vacuum Gas 91/2	
s	Silver, 86½c.	
0		
	STANDARD CALES	

STA	NDA	RD S	SALE	s.	
~	Op.	High.	Low.	Cl.	Sales
Gold-		1 44			
Apex	51/2	534	51/2	5 5%	12,00
Boston Ck	18		d		1,000
Davidson	35	351/2	341/2	35	5,00
Dome Lake	241/2			/	1,000
Holly Con5	.26*	:	5.10	6	40
McIntyre	139				50
McIntyre Newray M	19	191/2	19	191/4	9.90
P. Crown	18				1.50
P. Imperial	17/8				1,00
P. Tisdale	13/4				5.00
Teck - H	50				1,00
W. D. Con	1334		1234	13	3,70
Silver-	/**		/-		0,10
Adanac	9				50
Beaver			271/		1.50
Buffalo	100	•••	2176	***	10
Hargraves		784	71/	• • • •	
La Rose	24				2,50
Mor Don	49		****		1,00
McK. Dar Provincial	50	F01/	411/2	*****	5,30
Minimina 6	54	02 72	01/2	02 1/2	
Nipissing8					35
Ophir Timiskaming.	9		*****		1,50
*Cash	26 1/2	•••	261/4	•••	1,50

## AT KIRKLAND LAKE

About two weeks ago word came lown from the north to the effect that the downward continuation of the ore oody at the Ellictt-Kirkland had been located again in the crosscut at the 425-foot level. Since then crosscutting has been continued and it is now found that ithe vein matter has been cut thru for a distance of 28 feet. This is understood to be heavily mineralized and should carry very satisfactory values. The average gold content has not as yet been determined.

A full force of men is employed

the Elliott and development work is being carried on rapidly with an efectrically-driven mining plant. It will be recalled that at the 100-foot level the Elliott had only a narrow vein, but as is characteristic of the Kirkland Lake veins, it widened out to 11 feet

has been planned and, with the show-ings as favorable as they are reported be expected.

Buying Movement.

Bar silver closed unchanged yesterday at 43d per ounce in London and 86½c in New York.

Dealings on the Standard Exchange

cludes a considerable quantity of high- ous feature on a continuation of the 1911 ... there. Apex was the most conspicugrade ore located during the removal buying movement which began on 1912 "Development work accounted for Tuesday when it became definitely 1918 day, the stock touching 5% and reacting only 1/8, the closing quotation showing a gain of %.

While early resumption of Hollinger dividends is taken for granted, the Bid. recent rise to 5.20 seems to be regarded as having discounted the prospect for the present, and the shaves fell back to 5.10 yesterday. West Dome's flurry has invited profit-taking, and at 13 the shares recorded a loss of another point. Interest is being shown in the preparations for the test run of West Dome ore at the Dome Lake mill, and for driving in on the West Dome from the 400-foot level of the Dome Lake. Davidson reacted 34 to 35, and Newray 1/2 to 191/4, while McIntyre at 1.39 showed no change. The announcement made at the Preston Dome 1/2 to ton Dome annual meeting on Tuesday had no effect upon the stock which continued on offer at 4, with 3½ bid. Schumacher was firmer at 24¼ bid. McKinley-Darragh and La Rose were reactionary features of the Copoints to 41½, a low point on the recent drop, and La Rose losing three points and selling at 34. It is said that the steady unloading of McKinley-Darragh has been on behalf of the estate of a large holder, but that this liquidation is a local months has been maintained at a point ranging around \$800,000 every 30-day period. Other companies that are producing bullion at the rate of from about \$60,000 to \$85,000 per month are the Coniagas. O'Brien, McKinley-Darragh liquidation is a local months has estate of a large holder, but that this liquidation is virtually over. Pessimism regarding McKinley is ballered. to have been much overdone, and the coming annual report should relieve considerable apprehension. Nipissing continued in good demand, selling at

# DAVIDSON ORE LIKELY

8.60, a high point on the present

Preparing Ore for

Special to The Toronto World South Porcupine, Ont., Marcif 13.-The largest force of men ever employed by the Davidson Gold Mines is now on the company's pay rolls. The work of breaking down the ore from the 100-foot level is going on steadily. Daily additions are being made to the already large ore dump on the surface. In view of the high-grade ore developed on this property indications are that milling will show a grade of ore that may prove the surprise of the

# HOLLINGER DIVIDEND **FOOD FOR SURMISE**

Disbursement May Not Be on the Old Four-Weekly Basis.

## PROFITS INCREASING

Dividend on Former Scale Not Likely to Be Restored for Awhile.

Isbell, Plant & Company say in this reek's market letter: When and how much are the most common queries with reference to the resumption of dividends by the Holling. unual statement of the company President N. A. Timmins in the anand report stated: "If conditions become no worse the early resumption of lividends may be looked forward to. Conditions, according to reports from the north have not become worse, s that a large number of shareholders and others have worked themselves-into a state of expectancy, and muci speculation has been aroused as to just what the company official implied when he said "early

In some quarters it is believed that the directors are awaiting the results of the first quarter of the year before making the momentous decision. A it is now about the middle of March and no announcement has been made there is a strong possibility that this surmise is correct, in which case it will be along in April before any action can

As to how much the dividend will amount to is still another question There seems to be a disposition to think that when dividends are basis as formerly. From the state ment of earnings of the company dur ing the year 1917 it is safe to say that th cold one per cent, rate will not h resumed, for the time being, at least The one per cent. payment called for \$246,000 every four weeks, whereas in December of last year the gross pro fits did not amount to sum, being shown at \$111,474. It is reported that profits have increased since the beginning of the present year but it is not reasonable to suppose MARKET FEATURE that there has been such an improvement as would be necessary to take care of the former dividend.

Record of Achievement.

As the officials of the company are not in the habit of giving out any pre-Bilsky Property Inspire Brisk mature hints as to their future actions it remains for those most interested to possess their souls in patience as best they can until the directors see fit to take the public into their confi-

In the meantime perhaps it will help some to peruse the record of the Hol-linger's accomplishment. If viewed in the proper spirit it should be an earnest for the future of this great mine, or will, at any rate, give some inkling of its tremendous possibilities. The following table is the record to

date: 270,000 933.682.00 2,488,022.58 2,739,354.47 1,170,000 1.170.00 4.205.901.69 441.236 5,073,401.05 3.126.900 4,261.988.72 508,139

### THREE COBALT MINES SHIP BULK OF SILVER

Mining Corporation, Nipissing and Kerr Lake Are to Fore.

A feature at the Cobalt mines was the heavy shipments of bullion sent out during last week. During the seven-day period four companies shipped 488,277.17 ounces, \$429,142,30. The Mining Corporation was the leader, and coming second and third, respectively, were the Nip-issing and the Kerr Lake.

'hese three mines are leading all other silver mines in the country, and together are producing from 30,000 to 35,000 ounces of silver every 24 hours. Indeed the weight of the yield of these three mines approximates close to one and a half tons of silver bullion every day and well over two

score tons per month.

The value of the output from these three mines during recent months has

## ON ELLIOTT-KIRKLAND Developments at 400-Foot Level Are Not Altogether Satisfactory.

A Kirkland Lake despatch says: been cut and certain sections of the hody carry good values, the develop-ments at the 400-foot level of the Elliott-Kirkland have scarcely proved the consistent existence of commercial ore. At the present time drifting operations are proceeding, and the chances of encountering higher Large Force of Men Employed in so far determined is running true to form and the mud seam so character-istic on the neighboring proven properties is in evidence on the El-liott. Such being the case, there is no geological reason that would lead to the belief that the deposition of mineral does not extend on to the Elliott. At the 200-foot level satisfactors

results were met with, and it is presumed that the present point of operation happened to have entered a lean streak in the ore body.

## **BUY MANGANESE ORE** IN BRITISH COLUMBIA

ore that may prove the surprise of the camp. Davidson ore is very similar to that of the Hollinger in appearance. It is easily crushed, and milling costs should therefore be moderate. The fact that the company is going into the producing stage practically free from debt brings the Davidson's future as a dividend payer appreciably nearer the reality. Developments recently have been so favorable that an increase in the mill capacity may be looked for shortly.

Seattle capitalists, believed to represent the Pacific Coast Steel Corporation, have just purchased the only known manganese ore deposits in eastern British Columbia from Andrew G. Larson. Spoksue mining engineer. and A. J. Curle, an operator of Kaslo, for a consideration reported as \$160,000. The property, located six miles from Kaslo, is composed of 200 acres, and three valuable deposits have been uncovered. As soon as the purchase was completed the new owners placed an order for \$20,000 worth of new looked for shortly. tipment to be installed at

# The Gold Stocks

There are unmistakable signs that increased activity is coming in the gold stocks. In spite of the high price for silver, the gold issues are the favorites and it is safe to predict that with the return of the public interest in the mining stock market the standard gold securities are bound to be favorably affected.

Ever since the beginning of 1917 when the long bear period was inaugurated by the declaration of war by the United States, the leading gold securities have been sold down and down until they would not go any further. It is admitted without argument that the gold stocks in almost every case are selling today considerably below their intrinsic value, leaving out entirely the consideration of the tremendous prospects of the companies. High costs of operation and the shortage of labor have been the great bugbears of the Porcupine camp during the past year, yet even these great difficulties have been surmounted in many cases and we find that McIntyre has continued its dividend of 20% per annum without any undue strain on the resources of the company, and now that the trying period of reconstruction at the Hollinger has been successfully passed an announcement of the resumption of dividends on this stock is expected almost daily.

It is a fact that the best days of Cobalt have been seen. The production of silver, even stimulated as it has been by the unprecedented high prices for the metal, has failed to increase or to even aproximate the output of previous years. On the other hand the gold camps were just hitting their stride when caught by the adversities already referred to. The output of the Porcupine camp which commenced in 1910 at \$35,539, jumped to \$1,730,628 in 1912, and reached its highest point in 1916 at \$9,397,536. The production for 1917, despite shortage of labor and a tendency to curtail production, was higher than any year in the history of the camp, exclusive of 1916, the figures being \$8,229,744.

### HOLLINGER CONSOLIDATED.

Hollinger stock, which a year ago, sold as high as \$7.60, is now selling slightly above par at \$5.10. Dividends formerly paid by this company amounted to 13% per annum, which involved the distribution of a sum of \$3,126,000. The disbursement of dividends was temporarily discontinued early last summer in order that the company might concentrate on the development of its ore bodies to take care of the enlargement, which was planned to the milling capacity. Despite the fact that the mine worked shorthanded for a time and that much attention was given to the enlarging of the mill and work underground, the Hollinger produced during the year, gold to the value of \$4,233,777. In addition to this creditable performance the ore reserves of this premier gold mine were increased by approximately \$6,000,000, bringing the total ore reserves up to the colossal amount of over \$40,000,000. The milling capacity of the mine stands now at 2800 tons per day, making it by far the largest mill in Porcupine. With a gold mine of the size and importance of Hollinger the wonderful possibilities of its future are best left to the imagination.

## McINTYRE.

The fact that McIntyre has, since February, 1917, paid 20%-\$720,000-in dividends to its shareholders should be sufficient endorsement of the stability and success of Porcupine's second largest gold mine. The story of McIntyre during a trying year has been one of uninterrupted progress. Ore reserves are being constantly enlarged, production increased, and the financial position of the company strengthened. In addition the amount of costly development work accomplished within the past year, a feature seldom appreciated by the public, undoubtedly enhances the value of the property. New equipment has been added, the cost of which is being paid for out of earnings, which means the utmost efficiency in the handling of the ore, and this in turn means that costs of production are being kept down to a minimum. The growth of McIntyre has been one of the bright features of the Porcupine camp. The stock is now selling at \$1.40 per share, although before it paid a cent in dividends to shareholders it sold above \$2 per share.

Big Dome stock at \$8.25 per share is a decided contrast to the same stock at \$25 per share, yet that is the price at which Dome was selling last year. In the meantime, of course, many things have happened, chief among which have been the cutting of the dividend and the closing down of the mill during the winter. Work on the sinking of the shaft has recently been resumed, however, and on the eighth level an ore body of more than ordinary importance has been located which may mean that the property can resume milling on a profitable basis. The fact that the Dome has approximately \$12,000,000 in ore blocked out must not be forgotten, that it has an up-to-date mill ready to operate at any time that the directors see fit, and that only a short time ago it was paying 20% in dividends to shareholders, must not be lost sight of.

"CLOSE YOUR EYES AND BUY ANY OF THEM," was the pithy advice of an old trader the other day, with reference to the gold securities.

WE STRONGLY REITERATE THIS ADVICE. EVERY ADVERSE FACTOR HAS BEEN LONG AGO. DISCOUNTED. AN UPWARD SWING, LONG OVERDUE, IS LIABLE TO COME AT ANY TIME.

# Isbell, Plant & Co. Standard Bank Building

MARKET

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tons of steel will be requi TO RE