

ments, purchases, benefits, and concessions obtained by the defendant.

The defendant, prior to the events which led up to this action, had had much experience in the line of gas and oil development and exploration, particularly in Ontario; and the plaintiff claimed to have an extensive connection with investors and persons of large means in England and Scotland, and that he was thus in a position to procure capital necessary for the promotion of undertakings such as that involved in the present dispute.

They were on terms of intimate acquaintance; and, for several months prior to their entering into their written agreement of the 20th July, 1905, they had discussions on the subject of their becoming jointly interested in development work of the kind with which the defendant was familiar; and the possibilities of the North-West brought them to the consideration of a development in that region. . . .

The plaintiff took the position that there existed a general partnership between him and the defendant as the result of the conversations and negotiations between them in 1904 and the early part of 1905.

The learned trial Judge has found as a fact that, though there were some differences in the accounts given of these preliminary negotiations, there was not any concluded partnership arrangement or any concluded agreement of any kind prior to the making of the agreement evidenced by the written document of the 20th July, 1905. This view is quite supported by the evidence; so that that agreement is of chief importance in determining the rights of the parties.

Following the making of the agreement between the railway company and Coste, the work of development contemplated by it proceeded for several years, during which Coste gave the services he agreed to give. The work did not result in the finding of oil, but gas was found in abundance. The discovery of gas did not interest the railway company; what they still desired was oil; and, at the end of years of experimental development work with only this result, the company or their representatives decided to discontinue operations—a course open to them under the terms of their contract. Had they decided that the discovery was of sufficient commercial value, they were under obligation to pay \$25,000, to one half of which the plaintiff would have been entitled. But, having decided adversely, that is, not to prosecute operations further, the only right the parties to this action possessed was to purchase the company's interest by re-