PLAIN TALKS ON INVESTMENTS

By Mark Harris

Every once in a while some Canadian Newspaper Editor wakes up to the fact that the vast natural resources of Canada are owned to a great extent by outsiders—mostly Americans—and then the Newspaper Editor writes a strong article on the subject, which usually does more harm than good.

Everybody will admit that the riches of Canada rightfully belong to Canadians, but when those Canadians refuse to put up the money to get the riches, it won't do them much good to scold the other fellow who recognized the opportunity and grasped it.

Right at the present moment several Canadian companies are vigorously developing the oil and gas resources of Ontario, and at least one of these companies is offering good Canadians the opportunity of sharing the prosperity that must come to the successful pioneer.

This Canadian company is the Castle Oil & Gas Co., and if there ever was a meritorious proposition offered it is this one.

"Castle Oil" has paid its shareholders regular dividends of 4½% every three months (the next quarterly dividend being due May 10th, to all stockholders of record April 30th), and I think even the pessimist will agree that 18% a year is a mighty fine income.

Three months ago I called attention in this paper to "Castle Oil." The stock was then selling at one dollar a share, while today it is selling at $1.25, and when another three months goes by I expect it to be much higher.

There is a reason for this advance, and a mighty good reason at that.

The reason is not the large dividend of 18% yearly, although any security paying such a high rate is certainly worth a premium.

The advance in Castle Oil, however, was not caused by the dividend; it came from an achievement that must eventually bring fame as well as wealth to the company, this achievement being the opening up of a new gas district known as Shetland.

Some readers of this may not fully appreciate the value of a new gas district, so I will explain that a gas well is usually preferred to an oil well, because it means less trouble and more profit.

The Castle Oil Co. holds leases on more than 5000 acres at Shetland; therefore, when they brought in a 300,000 cubic feet per day gas well, it caused values in that district to jump rapidly, and unless I am a poor prophet, these Shetland properties alone will soon be worth more than the total capital of the company.

Natural Gas is not only in big demand in Ontario, but it also commands a high price at the well, so, with 5000 acres to drill, Castle Oil certainly has a bright future.

The company is now drilling its second well at Shetland, and this well should be finished within a week or two.

These wells cost about $8000 to $10,000 each; therefore, if the company drills only ten more wells, and these ten wells average only 300,000 cubic feet per day (the general manager expects much larger wells), it would mean a total of 3,600,000 feet per day, worth at the present rate of 20 cents per thousand, about $720 per day, or more than $250,000 yearly.

These figures cover only 12 small wells, while there is ample room on the property for 80 to 100 gas wells, so when I say that there are great potential possibilities in Shetland alone, I only speak the truth.

You won't find an investment like Castle Oil every day, and if you think differently, look around and compare some others with this company.

Compare the capitalization, the officials of the company, which form the management, the earnings and dividends, and last, but not least, the record showing what has been accomplished, and when you do all this you will appreciate why I recommend the purchase of Castle Oil at $1.25 per share.

If you have money for investment buy "Castle Oil" and buy it today, so you can secure the next regular dividend of 4½%.

All orders reaching my Toronto office May 1st will be included in this next dividend, providing your letter is postmarked on April 30th.

I don't like to rush anybody into making a purchase, but this is one time when it pays to act quickly.

Write, call or phone.

Faithfully yours,

Mark Harris

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DOME'S OUTLOOK MUCH IMPROVED

Annual Report is in Hopeful Mood—Four Dollar Ore on Dome Extension.

While the annual report of the Dome Mines Company for the year ended March 31 last shows no augmentation of ore reserves and a net loss for the twelve months of $455,456, the total surplus being reduced to $56,801, there is a distinctly optimistic note sounded, and the hope is expressed by General Manager Kaeding that the resumption of dividends is not far distant.

President J. S. Bache contributes a brief report, in which, touching upon the option on Dome Extension, which exprices on March 15, 1920, he says:

"Your directors will, so long as conditions justify, continue exploration and development work on the Dome Extension property and if, in their opinion, results justify the completion of the purchase, a special general meeting of the shareholders will be called and thereat all the available information will be laid before them. The program of exploration now being pursued consists of crosscutting on the sixth level in the Dome Extension property to the ore zone previously located by diamond drilling. This work has now progressed to the extent that the zone has been penetrated by a crosscut which discloses ore of about $4 grade.

Resumption of Operations.

C. D. Kaeding, vice-president and general manager, dealing with the resumption of work at the mine since the beginning of the year, says:

"We have succeeded in organizing our staff and it is with much pleasure that we are able to report over ninety per cent. of the old employes, who occupied leading positions, are with us again in their former places. We have taken on a number of our old workmen also, especially in the mill, and have been able to augument the force in any department as rapidly as our requirements demanded. At the present time we have 150 men on the rolls, and are adding to this number daily."

Touching upon the completion of the ore and waste-handling systems in connection with No. 3 shaft, he says that it is now possible to conduct a maximum operation of stoping or development on any or every level in the mine. Since the issuance of the interim report in January, diamond drilling was carried out on the 1,150 foot level to locate the ore zone intersected by Hole 9. The results indicate that this ore zone has been found and drifting and cross-cutting will be carried out to determine whether payable areas can be opened up.

Outlook is Bright.

Mr. Kaeding is satisfied that there will be efficient workmen to fill every vacancy, and remarks that as the cost of operating supplies is dropping satisfactorily, the outlook is as favorable now as at any time in the company's history.

There is no change in the estimate of the ore reserve, the tonnage being sufficient to ensure the maximum operation of the milling plant for four years. Mr. Kaeding expresses the hope that, following the resumption of mill operations in the latter part of April, a tonnage of 600 tons daily will soon be attained, and that the profits will be such as to justify the resumption of dividends as soon as the working capital has been adequately built up. His report concludes as follows:

"It is estimated that the cost of producing gold during the period mentioned will not exceed $11 per ounce. As the evolution progresses, it should be maintained at or near this figure, depending upon the continued increase in labor efficiency and decrease in supply costs.

"For comparison, it should be noted that since March, 1914, up to the time milling was suspended, there was produced approximately 300,000 ounces of gold from 1,300,000 tons of ore, at an average cost of $11.80 per ounce. There was less than one-quarter of an ounce of gold per ton in the material treated."

Current Assets.

The excess of net current assets over current liabilities amounts to $488,895. Capital assets total $4,430,995, the mining claims and properties being valued at $2,575,000, and the plant and equipment at $1,855,995. Current assets total $495,453, including $125,488 cash on hand and in banks. The reserves at March 31, 1918, totaled $695,929, and, after adding to this the sum of $234,373 for depreciation, and making other adjustments, the total reserves at March 31 last totaled $931,573. The surplus at March 31, 1918, was $524,797, from which is deducted the net loss for the past year of $455,456, and the inventory adjustment of $12,540, leaving the total surplus at March 31 last of $56,801.

The profit and loss statement shows a total expenditure during the year of $237,279, of which $133,003 was on development. There was a non-operating revenue of $16,196, reducing the total to $221,082. To this, however, is added $234,373 for plant depreciation, bringing the amount to $455,456.

CHICAGO MARKETS.

J. P. Bickell & Co., Standard Bank Building, report the following prices on the Chicago Board of Trade:

	Open.	High.	Low.	Close.	Prev. Close.
Corn—					
May	169	172	165⅝	166	170¼
July	168½	170¾	165	165¼	168¾
Sept. ...	164½	167	162¼	162¼	164⅝
Oats—					
May	72⅞	73¾	71½	71½	72⅜
July ...	72¼	73¾	71½	71½	72¼
Sept. ...	69¾	72⅜	69½	70⅜	69½
Pork—					
May ...	52.75	53.25	52.75	52.90	53.35
July ...	51.50	51.60	51.10	51.10	51.75
Lard—					
May ...	32.90	33.00	32.40	32.50	32.87
July ...	31.50	32.25	31.20	31.60	31.92
Ribs—					
May ...	28.50	28.75	28.50	28.57	28.87
July	27.90	28.50	27.50	28.00	28.35

MONTREAL PRODUCE MARKET.

Montreal, April 28.—There was no change in the condition of the local market for cash grain today, prices being about steady with a very limited demand for supplies from all sources and the volume of business was small with sales of odd cars of No. 2 Ontario barley at $1.25; extra No. 3 barley at $1.23; No. 3 barley at $1.22; No. 3 Canadian western barley at $1.23, and sample grades at $1.10, while No. 2 Canadian western oats sold at 88½c; No. 3 C.W. at 85½c; No. 1 feed at 83⅛c, and No. 2 feed at 80½c per bushel ex-store.

The undertone to the market for rolled oats is stronger. A very strong feeling prevails in the market for baled hay. A stronger feeling developed in the local egg market today and prices were advanced 1c per dozen. The feature of the butter trade was the more pronounced weakness in the market.

Flour—Manitoba spring wheat patents, firsts, $11 to $11.10.

Rolled oats, bag 90 lbs., $3.90 to $4.

Bran, $44; shorts, $45 to $46.

Hay—No. 2, per ton, car lots, $29.

Cheese—Finest easterns, 24c to 25c.

Butter—Choicest creamery, 60c to 61c.

Eggs—Fresh, 49c to 50c.

Potatoes—Per bag, car lots, $1.90 to $2.25.

Dressed hogs—Abattoir killed, $30.50 to $31.

Lard—Pure, wood pails, 20 lbs. net. 33c.

"HORACE TABER" IS SAFE.

Kingston, Ont., April 28.—The schooner Horace Taber, coal laden from Oswego, which sprung aleak and was beached at Reid's Bay, was towed here today, by the steamer Cornwall. Damage is not serious.

BROAD MOVEMENT IN NEW YORK MARKET

Spirit of Caution Prevailed, But Many Substantial Gains Were Made.

New York, April 28.—A note of caution pervaded today's stock market, but the absence of fresh complications in the foreign situation and publication of the revised league of nations covenant furnished the incentive for another broad movement, encompassing many substantial gains.

Market letters over the week-end were mainly of an optimistic tenor, albeit expressing the wisdom of taking profits, especially in speculative issues, which have recently scored the greatest advance yet.

Trading in the morning was in keeping with the feverish activity of the past fortnight, but tapered off at midday, only to resume its rapid pace in the final hour, when oils and other favorites soared to higher levels.

As is usually the case on the eve of the quarterly meeting, the course of U. S. Steel was followed with keen interest for some hint respecting the "extra" common dividend, but after fluctuating within extremely narrow limits, Steel closed at a large fractional loss.

The market's course was mainly guided, however, by oils and so-called oil rails. Conspicuous in the first-named division were Royal Dutch issues, at net gains of 7½ points; Texas Company, 9½, and Sinclair, 3¾; while Mexican Petroleum rallied over five points from its heavy opening.

Minor rails were prominent, but failed to retain more than part of their 1 to 3½ point rise, and investment rails reacted moderately, but shippings, American International excepted, reflected a revival of interest. Independent steels were hesitant, but related equipments strengthened under lead of Crucible, Pennsylvania, Seaboard and American and Baldwin Locomotives. Sales amounted to 1,500,000 shares.

Minor rails were the strongest issues of the bond market, Liberty and internationals also improving. Total sales, par value, aggregated $12,675,000.

Old United States bonds were unchanged on call.

ON CHICAGO MARKET

Hughes, Harcourt & Company, 307 Royal Bank Building, received the following wire at the close of the Chicago market yesterday: The action of the cash and May corn, losing their premium over the July, and July premium over September being radically reduced, together with arrivals of Argentine corn in this country supplying the industries, suggests that this market will require new bull incentives in order to carry the advance further and also to prevent a decline to materially lower prices. The market action was extremely nervous, every upturn meeting with good selling opposition. On the breaks there was liberal local buying to cover earlier sales. The weakness continued thruout the session, closing prices being at the low for the day.

While oats prices were affected to a considerable extent by the corn action, a good healthy buying was in evidence. This grain commends itself to investors on account of its comparative cheapness and also the continuing reports of poor starting conditions for the crop.

NEW HIGH PRICES IN MONTREAL MARKET

North American Pulp Furnished the Day's Spectacular Feature.

Montreal, April 28.—There was a generally stronger tone to the market for local securities today, several showing a gain of 1 point or more, nine making a new high price for the year, two new highs for the month and four selling again at the high record price.

In point of activity, North American Pulp in the unlisted department was the day's spectacular feature, some 20,000 shares changing hands at 5⅞, with the close at 5¾, a net loss of ⅛ point.

The only other issue to show transactions of over a thousand was Smelters, which was traded in to the extent of 1,270 shares, the price rising to 29, a new high for the year, and a net gain of 1¼ points.

Next in activity came Canada Converters, with sales of 550 shares. At 57½ the stock made a new high record price and the close at 57 showed a net gain of one point.

Maple Leaf made a new high price for the year at 147, a net gain of 2 points, altho closing bid was lowered to 146; Ogilvie made a new high for the month at 219, also a net gain of 2 points, with 219 bid for more stock.

In the miscellaneous group, high prices for the year were made by National Breweries, 2¼ points up at 78; Tucketts, 1⅜ points up at 32⅛ with closing bid advanced at 32¾ and offerings at 35. In the bond list the 1925 old war loan made a new high at 99¼ and 1923 sold again at its previous best price of 100¾.

Total business for the day with comparisons for the corresponding day a year ago:

	1919.	1918.
Shares	5,473	3,706
Shares, unlisted	20,985	75
Bonds	$144,550	$17,400