

# THE PORCUPINE ADVANCE

Vol 2. No 26

TIMMINS, ONTARIO, WEDNESDAY, MAY 3rd., 1916.

Single Copies 5 Cents

## Hollinger Consolidated Merger Now Assured

**TWENTY-FIVE MILLION DOLLARS CAPITALIZATION FOR THE AMALGAMATED FIRMS—FOUR COMPANIES INCLUDED IN THE BIG MINING MERGER—HOLLINGER SHAREHOLDERS TO RECEIVE FOUR SHARES OF THE NEW STOCK FOR ONE OF THE OLD—LOOKS LIKE EQUITABLE DEAL.**

The long-expected amalgamation of Canadian Mining and Finance interests with those of its subsidiary companies has now assumed definite shape and is dealt with in a report issued by General Manager P. A. Robbins.

The nominal capital of the merger will be \$25,000,000, of which \$24,000,000 will be issued in \$5 shares and \$1,000,000 in shares will remain in the treasury of the Hollinger Consolidated Mines, Limited, the name of the new enterprise.

Mr. Robbins states in his report that the amalgamation of the two principal properties has been in his mind for five years. Now, being able to establish the comparative values of the properties, this is made possible.

The extension of the Hollinger plant will be completed by the middle of May, he states, and ore can then be treated at the rate of 1,900 tons daily. At present 1,500 tons daily is being treated for the Hollinger and Aeme Mines, from which the combined profits are running \$220,000 per four weeks. The new output will give profits of \$280,000 per four weeks. Present Hollinger dividends require \$120,000 per four weeks, and as Hollinger stock is exchanged for half the stock issued in the new enterprise, \$240,000 per four weeks will be required henceforth to give Hollinger shareholders the same amount of profits.

During the year, the mill capacity will be further extended to handle 3,500 tons daily. This will enable an increase in the rate of dividend.

Various estimates are given as to the probable amount of ore available in the two larger properties, running from 1,392,200 tons at an average value of \$9.15 per ton, or a total of over \$40,000,000, with profits of over \$24,000,000, to 10,430,030 tons at an average value of \$7.81 per ton, or a total of over \$81,000,000, possibly about half of which would be net profit.

According to the arrangement Hollinger holders will receive four shares of the new stock for one of the old, receiving the same amount in dividends, with a possible increase if present plans are successfully carried out.

Following is some interesting data in the history of the properties.

MacArthur, Forrest & Co., the celebrated chemists of Glasgow, Scotland, may be said to have discovered the Rand. It was their application of cyanide of potassium to the recovery of gold from silicious ores that made possible the working of the great blanket beds at a profit. With equal aptness we may say that the Timmins brothers are the fathers of Porcupine, not because of their inventive genius, but because of their cool business judgment, their unbounded courage and the capital they were able to command.

At one time they owned 60 mining claims in Tisdale and Deloro and two in the northwest corner of Shaw. It is noticeable that their operations never extended to Whitney, tho in the early days there were many opportunities there. In Deloro, however, they secured 14 claims, 560 acres, in one block, and these in the light of our present knowledge are the most promising in the whole township.

But it soon became apparent to the Timmins brothers that their commitments were too onerous and extensive. Attention then turned to their former partners in the LaRose Consolidated at Cobalt, namely John McMartin, D. A. Dunlap and the late Duncan McMartin. Then was formed the Timmins-McMartin-Dunlap Syndicate, with all the interests theretofore acquired by Messrs. Timmins. Soon after 48 of their mining claims, comprising 1920 acres, were sold to the big mining firm of Bewick, Moreing & Co., of London, England. The latter also purchased on very favorable terms 100,000 shares of stock in the Hollinger, which immediately afterwards were placed on the market. This netted them a profit of \$500,000, but the price of Hollinger receded from \$14 to \$9 per share during the operation.

Evidently Bewick, Moreing & Co. desired to play the role of mere jobbers in the shares, for after selling they endeavored to secure another large block. But the syndicate failed to appreciate the action of the London firm and declined further dealings. Intensely piqued by this rebuff Bewick, Moreing & Co. at once decided to withdraw from the Porcupine camp. Work was then stopped on all their valuable properties, including the splendid group in Deloro, and it is not likely that they will ever return and thus confess a breach of

good faith as well as a lack of judgment.

They had paid about \$750,000 for the 100,000 Hollinger shares. If they had been held until now they would have been worth over \$3,000,000. But Bewick, Moreing & Co. have a considerable following in London and their withdrawal from Porcupine has to some extent prevented the flow of British capital to the camp.

On sale of the 1920 acres the Timmins Syndicate reserved 560 acres in one block, including the Hollinger, 160 acres; the Millerton, adjoining it on the west, 120 acres; the Aeme on the east, 120 acres, and an elongated strip comprising 160 acres, sometimes called the Hollinger Extension. This extends from the southeast claim of the Hollinger for 1 1/4 miles. The unusual length is due to the fact that the 40 acres between the Schumacher and the Porepine Success is ten chains from north to south by forty chains from east to west.

The Canadian Mining and Finance Co. was formed to take over and operate all these properties. It now manages the Hollinger and holds 306,000 shares, giving absolute control of its stock. It is the dominant factor in the progress of Porcupine. Along the trail so courageously blazed by the Timmins brothers it has paved a royal road to success and wealth. It owns and controls a compact block which is likely to prove the most productive mining ground in the world.

The advantages of consolidation cannot be gainsaid. In fact, the 1915 report of the Hollinger foreshadowed action in this direction, and it showed that the only obstacle was an equitable valuation of the various holdings of the company.

The combined capitalization of the Millerton, Hollinger and Aeme is \$9,000,000.

The ultimate earnings of this great combination can be arrived at with reasonable certainty. It has been known for some time that the Canadian Mining and Finance Company hope in the near future to mine and treat 5000 tons of ore per day, or say 1500,000 tons per annum. This would probably give a gross return of \$12,000,000 per year.

Gold contents of ore from the Hollinger and Aeme mines have been \$9.67 per ton during the past year. But when very large tonnages are treated it is always found that an increased percentage of low-grade ore is fed to the stamps and tube mills, and that the tenor of the whole is reduced. Therefore the estimate of the "run of mine" on a very large scale is only \$8 per ton.

Profits, however, should be about \$8,000,000 per year. Mining costs come down as tonnages go up.

At the Hollinger heretofore the ratio of profit to production has been nearly 66 per cent., tho in the Rand it is almost 38 per cent.

In reviewing all the conditions, favorable and otherwise, it is not too much to say that the Hollinger consolidated mines will within three years be earning more than any gold mines in the world, and probably more than the three next largest in the western hemisphere.

That great aggregation of mining capital and productive ground in the Rand, known as the Crown Mines, Ltd., has earnings under \$6,000,000 per year from a total output approximating \$15,000,000.

The Homestake in South Dakota is the largest of American mines, and has profits under two and a quarter millions of dollars.

The operations of the Canadian Mining and Finance Co. have within the past six months been directed eastward in opening up a new ore zone on the Hollinger extension. Apparently this is not in any way connected with the great vein systems which have been heretofore exploited on the Hollinger, Aeme and Millerton. These extend with more or less strength northeasterly as far as the "Rea" which in the early days was considered one of the most promising properties in Porcupine.

This zone, however, is not over 20 chains wide. East of it some different force, due to folding compression or uplift on a continual scale, has developed other ore channels in the general direction of the Big Dome. What this area will yield cannot now be foretold. But from what has been already learned of the formation and of the conditions which make for great ore deposits, it is regarded as very promising.

The Dome itself is probably the biggest gold mine in the world. One of the noted European experts, who carefully examined this section, came to the conclusion that from the Hollinger to the Dome the zone of great metal precipitation continues, tho

## MONTH OF APRIL SHOWS INCREASE IN DOME PRODUCTION

The report of Dome Mines Limited for April, which is out to-day, shows an increase of \$3,619.37 over the month of March.

The official figures give the production as \$177,000, and the tonnage milled was 37,300.

The operating costs were as follows: Mining and hoisting, 70c per ton; development charges, 60c per ton; crushing and conveying, 10c per ton; milling 75c per ton, and general expenses, 26c per ton; giving a total operating cost of \$2.41 per ton of ore milled.

## TIMMINS PLATOON OF 159th BATTALION WILL MARCH TO MATHESON

The final meeting of the 159th Battalion in Timmins was held on Sunday night in the Empire Theatre. Lieut. Nicholson announced that the Platoon would start on a route march to Matheson in a few days, and from there would take train to Haileybury to join the rest of the Battalion.

A full house was on hand at this meeting, which was opened with a few remarks by Chairman Dr. J. A. McInnis. He then called on Lieut. Nicholson, who said he wanted to thank the people of Timmins for all they had done for the boys during their sojourn here.

Corpl. Gallagher then took the platform and said he did not like to go away from town and leave so many able bodied men behind, and that the ranks of the 159th had been depleted by drafts of men to fill up the gaps in the Pioneers and other battalions now on active service, and appealed for more men to take their places. He also added his thanks to the public for their kindness and asked them to remember the boys in a practical manner when they got to the front.

Chairman McInnis then requested a solo by Mrs. J. K. Moore and she kindly responded by singing "Son of My Soul" in her own charming and inimitable style.

A collection was taken up and the chairman warned his hearers that if it was not a better one than on previous occasions, very few of those present could hope to see the Eternal City except in pictures.

The excellent picturization of Hall Caine's famous story "The Eternal City" was then shown. It is a masterpiece of moral and historic value and was highly appreciated.

## ANNUAL REPORT OF DOME MINES READY THIS MONTH

**HEAVY EXPENDITURES NECESSITATED BY DEVELOPMENT WORK TO BE CARRIED ON UNDER AGREEMENT WITH DOME EX. THIS YEAR.**

It is expected that the annual report of the Dome Mines will be issued by the middle of May. In a recent interview, Mr. C. D. Kaeding, General Manager, said:

The development work which will be carried out under the agreement between the Dome and Dome Extension Companies will necessitate heavy expenditures during the current year, and outside of this development operations will be projected on other sections of the Dome. Mr. Kaeding did not discuss the affairs of the Dome, but expressed himself as having a great deal more faith in the future of the northern gold mining country than at any time since his arrival in Canada. He said that mining results over the whole camp had been highly encouraging.

A banquet to the members of Timmins Fire Brigade will be held at Hotel Goldfields on Friday evening. Invitations are out and a number of prominent townpeople are on the list of invited guests, including the members of the Town Council.

broken at intervals by minor intrusions of massive rock.

There is no doubt that great luck has aided the enterprise of the Timmins brothers. Their risks were great, their courage was worthy of all praise and they richly deserve the phenomenal success already achieved. There seems no doubt that the future has still greater things in store for these daring pioneers.

## MUCH ACTIVITY IN KOWKASH REGION NEW FINDS LIKELY

A large force of men have been put to work on the Devaney property at Tashota, by the Buffalo Syndicate. This is the property which was recently sold thro the office of A. S. Fuller & Co., the local mining brokers.

The properties will be given a very thorough try-out this summer and results will be watched with a good deal of interest by mining men and prospectors throughout the country who are interested in that section.

A number of prospectors are leaving for the Kowkash region to do their first year's assessment, and it is expected that new finds will be made and as a result considerable activity throughout the whole section is looked for.

## INQUEST SHOWS MINE GAS IS THE CAUSE OF DEATH

The inquest which was held to determine the cause of death in the case of Dan Chisholm, who was killed at the Porepine Crown Mine on the 25th, arrived at a verdict that the deceased met death by being overcome with gas as a result of having failed to take the necessary precautions for his own safety.

Mr. O'Donnell, who had been his helper, was the chief witness. According to his evidence, Chisholm and himself were blasting at the mine. At about four o'clock in the morning they had fired twenty shots, but had heard only eighteen go off. After a short while they went back to investigate without turning the air on into the stope in which they were working. All twenty shots had apparently gone off and Chisholm proceeded to charge other holes.

O'Donnell, on beginning to realize that he was being overcome by gas, warned his mate that he had but two more holes to load. He loaded one, but when he proceeded to load the last one O'Donnell noticed that the dynamite was falling from his hands. He himself, then unable to walk, rolled down the stope about 30 feet and bruised as he was and in a state of only semi-consciousness, made his way out for assistance.

It had apparently taken him about half an hour to regain sufficient consciousness to summon aid, when the rescuers reached Chisholm it was found that he had collapsed and fallen over on his lamp, which was hanging on his belt. His clothes had taken fire and were nearly all burned while one side of his body was also very badly scorched.

The evidence showed, however, that his death had been due to gas and not to burning.

Chisholm was an experienced miner and well known in camp.

## VESTRY MEETING OF ST. MATHEWS CHURCH MONDAY

The annual vestry meeting of St. Matthew's Church was held to-day and reports for the past year were submitted. The Rector's report covering only a period of four months, called attention to the general affairs of the church, forecasted the probable development of the future. Mr. C. Humphrey read the financial statement which showed that after paying a number of back debts and all current expenses, a small credit balance remained.

The report of the Ladies' Guild was received and a vote of thanks was tendered to them for their excellent work.

The Sunday School report was read by Mr. Dowler and showed an enrolment of 62, with an average attendance of over 90 per cent in senior school and 60 per cent in infant department.

Mr. A. R. Globe submitted the report of the Rectory Building Committee, which showed that with the exception of about \$15.00, all had been paid for during the year.

The review of the past year being concluded, the resignation of the vestry was accepted and a vote of thanks passed to them for their services. The officers for the coming year are:

Rector's Warden, Mr. C. Humphrey. People's Warden, Mr. V. Woodbury. Sidesmen—Messrs. G. S. Lowe, W. H. Pritchard, A. W. Reid, Dr. Otton. The full general statement will be put into the hands of the congregation in course of a few days.

## Elevation of the Various Gold Areas of Porcupine

**HIGHEST GOLD PRODUCING AREA IS AT THE VIPOND PROPERTY—OUTCROP OF MAIN VEIN ON THE HOLLINGER IS CONSIDERABLY LOWER—COLOR AS WELL AS ELEVATION OF ROCKS IS IMPORTANT TO PROSPECTORS—THE LEADING GOLD REGION OF NORTHERN ONTARIO.**

Pearl Lake is 1023 feet above the sea. The outcrop of the main vein on the Hollinger is 37 feet higher. The greatest elevation in the main auriferous area at Porepine is 1235 feet above the sea, or 212 feet above the lake. This occurs on the Vipond, at the southwest corner of the Sovereign. The veins now being worked on the Vipond are in the northwest corner, 175 feet lower.

The elevation of the Dome is not shown on the recently issued geological map of Porepine. The large bodies of quartz that formerly outcropped here resisted weathering and glaciation more than the softer rocks adjoining, but the general elevation is apparently about the same as at the productive portion of the Hollinger.

It will be noticed that ore bodies generally occur in the lower ground. No work has as yet been done on the eastern 40 acres of the Hollinger, where a hill of pillow lava rises bare and bald to a height of 1186 feet above the sea, nor is any work proceeding at the south end of the Schumacher, 137 feet above Pearl Lake. The season is plain; vein formation proceeds on a greater scale in rocks sheared and schisted and consequently worn down by erosion.

The variations in elevation on the Vipond, Hollinger and Schumacher are, presumably, due to transition from the schistose to the massive rocks. But regional elevation over wide areas is not necessarily due to these changes in texture and is not usually unfavorable to the occurrence of ore bodies. The general level at Porepine is 200 feet above the drainage basin or the valley of the Mattagami river adjoining on the west. There is some excellent ground on the Hollinger Extension between the Schumacher and the Porepine Success, tho the elevation here is 100 feet above that at the Hollinger proper or the Dome. Here, however, there are no hills and plainly the level surface is due to pronounced shearing, tho it is considerably higher than the jumble of bare rocks appearing east of the mill at the Dome Lake.

In the third special report on Porcupine, issued by the Ontario Bureau of Mines, there is much evidence to prove that the massive upstanding greenstones are very rarely the locus of gold bearing veins. It has been

found that even great igneous intrusions develop to a greater extent in the softer rocks. Thus in the Kirkland Lake area it has been noted that lamprophyre forms narrow dikes in the igneous Keewatin, while it occurs in some volume in the more friable fragmental rocks. So the felsitic porphyry is not so abundant in the Keewatin as in the Timiskaming series, probably because the conglomerate and greywacke of the latter were more readily fractured than the tough Keewatin greenstone.

The government reports also show that the schistose conglomerate at Kirkland Lake is more likely to contain a well defined, tho narrow vein, than the harder porphyry. And it has been found that veins well defined in the conglomerate change on entering the porphyry and break into stringers and narrow lenses, producing a deposit of a stock work or stringer lode type.

At Three Nations, in the Porepine district, small veins often die out altogether in the tougher rocks. At the Dome Lake, where the predominant rocks are somewhat schistose, but of a basic type, the vein structure may disappear between ore shoots. At the Hollinger, where the wall rocks are blocky and less altered, it has usually been found that the vein is less promising and the vein or lens may not make thro the more massive ground. At the Dome the best ore bodies are found in the rocks which yield readily to fissuring and even at the Hollinger the shape of the deposits is largely determined by the texture of the country rock. In very schistose country ore bodies are irregular in form and in great volume. But in massive ground veins are usually small but well defined.

It is important for the prospector in the field to note the color, as well as the elevation, of the rocks. On the North Thompson, between the Porepine Crown and the Vipond, there are quite a number of bare rocks, some green, others gray. The latter are, to some extent, sheared and chemically changed. The former remain largely in their original state. Secondary silicification and other changes, chemical as well as physical, in consequence of shearing and schisting, seem to account for the large bodies of ore at Porepine. So far it is the leading gold region of Northern Ontario.

## 159th BATTALION DANCE WAS MOST SUCCESSFUL AFFAIR

**DANCING INDULGED IN BY DEVOTEES AT THE BIG MILITARY DANCE FRIDAY NIGHT—GOOD MUSIC AND ALSO REFRESHMENTS PROVIDED.**

The 159th Battalion military dance was the magnet which drew to the Masonic Hall, on Friday night, a big assembly of both dance-lovers and those who wished to help in swelling the coffers of the Battalion, which are not any too well supplied with the silver bullets necessary to carry on their recruiting work.

Everybody enjoyed the pleasant pastime provided by the soldier boys, and also the refreshments which a number of patriotic and considerate ladies had provided. Mrs. Darling did much to make the affair a success. The programs were also the result of the ladies' zeal and energy.

Ptes. Jernyn and Dixon worked hard during the function and also previously in preparing the dance floor and decorating the hall, which presented a delightful and appropriate appearance.

The music was excellent, and altho the evening was somewhat mild, the temperature did not deter the guests in their endeavors to fill out their dance cards.

There were a number of visitors from the other end of the camp in attendance, and the entire gathering would total at least one hundred and twenty-five—possibly more.

The finances of the Battalion should be materially benefited and the boys are grateful to all those who in any way assisted in making the dance so pleasurable and financially helpful.

## THE WAR NEWS

(Kiely, Smith & Amos private wire)

General compulsion bill in the British Commons to-day.

Normal conditions resumed in the greater part of Dublin.

Asquith cabinet is united on broad conscription bill.

Premier convinced nation is ready to accept general military compulsion effort to raise 5,000,000 men has been strenuous one.

French hold ground near Douaumont. Germans unable to keep all ground captured above Verdun. Belgians attacked.

Germans enter posts near Dixmude and are driven out.

Turks will exchange sick and wounded.

General Lake makes arrangements for garrison at Kut el Amara. British win victory; forces at Bushire, in Persia, defeat force entrenched near that point.

Carnegie is bold in defence of his procedure. He spoke quite disdainfully of fuse offers by Canadians. Testimony unshaken, and Johnston's barbed interrogations did not affect his composure.

Raid by Zeppelins on England and Scotland. Few bombs dropped in Yorkshire—no details yet available.

## Vein on Vipond Showing Up Well

The Davidson vein on the Vipond has been broken into for about 20 feet each way from the crosscut on the 500-foot level. A good grade of milling ore has been shown up by this work and the life of the mine has been materially added to. It is estimated by mining men that close to a half million dollars has already been added to ore reserves thro the finding of this vein on the 400 and 500 foot levels.