

Pictou 7th July 1874.

Principal Dawson. Montreal.

Dear Sir

Your letters of 29th & 30th Ult. and McKays of same dates and telegraphic communications upto that of 6th Inst. enquiring about second mile on 108 have all been received. and I have no doubt you duly received our reply thereto.

Barnetts communication to us of 19 January (of which he sent you a copy) said 108 better remain for future consideration and on the 23rd May he cabled us "sold to Halifax Company Prentice sails immediately". We received no orders to take out a second mile on 108. and his cable, as above, rendered it quite unnecessary to do so as the parties who had the succeeding Rights belonged to the Halifax Company to whom he advised us he had sold.

The blame therefore, if any, rests entirely on his own shoulders especially so as we had no intimation respecting the rupture between him and the Halifax Company until that conveyed in your telegram of 16th June. at which date the right to take out the mile had expired some time.

From the tone of Prentices letter addressed to you our want of confidence in him

so long felt became completely confirmed and unless
 you can get matters arranged with the parties now in
 negotiation at Montreal for the properties freeing us en-
 tirely from all chance of trouble from Prentice I see
 nothing for us but to go on with the foreclosure. If this
 can possibly be avoided it should be done as he possibly
 may delay by appeal to the Privy Council in England
 and endangers our holding on to the property until
 a decision be arrived at. The idea of his hanging
 up our Mortgage for twelve months more, as hinted
 at in his letter to you, cannot be entertained for a
 moment as we fear we should then be as near a
 settlement as we are now. and therefore think it
 prudent to commence foreclosure, with all its con-
 sequences, at once, if a peaceable settlement cannot be
 arrived at immediately - therefore please telegraph
 us as early as possible after receipt of this what the
 prospects really are. We write this without any
 knowledge as to whether there is really a difficulty
 to arise out of the loss of the Area on 108. We are en-
 tirely blameless in that matter and will make no
 concession to Mr. Prentice respecting it but if Mr.
 Scott and his associates are advised by you that
 on your examination of 108 on your arrival here
 that they have sustained any loss by the second
 rule there nothing being taken up we will

to assign them two Rights of Search which we hold independently on the five mile area adjoining 108. south easterly, number 137. on which, we believe, you discovered red hematite when here last. These Rights last for two years from May 1874.

We may say to you privately, that we are very sorry to hear Prentice is coming down as manager for the Montreal Co's and this for their sakes as we are of opinion he is very Extravagant and lacks judgment and prudence. We think there can be no doubt, should the matter not be closed finally at Montreal now, he will endeavor in every way he possibly can to raise difficulties. and we shall not consider ourselves safe in having anything to do with him further than to proceed with the foreclosure in the best way we can. I have thus communicated to you our views fully. Use such portions of them as you may deem prudent, as circumstances may require. Before this reaches you we may be advised by you that all difficulties have disappeared if they really existed at all. We shall expect a telegram from you on receipt of this unless that should be rendered unnecessary by information received from you while this is on the way.

The offer of the two Rights of Search on 137. is only made (if it be necessary at all to do so) in order to secure the immediate release or transfer of the mortgage and payment of the amount due and not to be held in abeyance until your arrival here.

Yours Truly

Howard Prentiss