

THE North Star Mining Company LIMITED. OF EAST KOOTENAY, B. C.

Non-personal Liability. Incorporated under the Laws of British Columbia Companies' Act, 1897.

AUTHORIZED CAPITAL. \$1,500,000.

In Shares of One Dollar each, of which 1,040,000 Shares have been allotted in full payment of the Properties and 480,000 Shares have been placed in the Treasury to provide for working capital or other purposes of the Company.

DIRECTORS :

D. D. MANN, Esq., Contractor, President, Toronto.

H. S. HOLT, Esq., President Montreal Gas Co., Montreal.

CHAS. E. L. PORTEOUS, Esq., Secretary-Treasurer, Montreal.

HON. A. A. THIÉBAUDEAU, Senator, Vice-President, Montreal.

WM. MACKENZIE, Esq., Pres. Toronto Street Railway, Toronto.

BANKERS : BANK OF MONTREAL.

Transfer Agents and Registrars :

NATIONAL TRUST COMPANY OF ONTARIO, Limited, CANADA LIFE BUILDING, MONTREAL.

PROSPECTUS.

This company is formed under the laws of British Columbia, non-personal liability, with all the objects set forth in the Memorandum of Association.

The company owns the following silver-lead properties, comprising the well-known North Star mines, near Fort Steele, in East Kootenay, which include the mineral claims "North Star," "Buckhorn," "Dreadnought," "O. K.," "Maverick" and "Daffodil," containing in all about 275 acres, situated on Huckleberry Hill, about 20 miles from Cranbrook Station, on the Crow's Nest Pass Railway, and about the same distance from Fort Steele.

DEVELOPMENT.—The development of these mines has been going on steadily for three years, but, until the advent of the Crow's Nest Pass Railway, the cost of transporting the ore to the smelter was considered too great a waste of money, and consequently no attempt has been made to make a showing of the mine's capability.

SMELTER SHIPMENTS.—Over seven thousand tons, however, were shipped to the Great Falls smelter, Montana (22 miles by wagon, 160 miles by river and 480 miles by rail), which, according to the smelter returns in possession of the company, yielded an average gross value of \$62 per ton.

REPORTS.—The following extracts and statements are from reports made by experts:

W. A. Carlyle, Esq., late Provincial Mineralogist, and at present Chief Engineer of the British America Corporation, Rossland, B.C., in his Annual Report to the Government of British Columbia, says:—

"The lode was located in 1892, and since that time has been so developed as to expose one of the largest bodies of silver bearing galena ore yet uncovered in the province."

Mr. G. F. Kellogg, Superintendent, and Mr. H. H. Browne, Assayer of the Mines, in their report of February, 1st, say:—

"The plan shows an ore body having a length of 450 feet and an extreme width of 60 feet. Although ore is known to exist outside of these limits, with the exception of what is called 'New Discovery,' none of it has entered into the calculations from which the amount of ore in sight is determined.

"The quantity of ore blocked out in the mine ready for extraction amounts to 23,500 tons, the average contents of which per ton are 39.1 ounces of silver and 2.4 per cent. of lead.

At this rate ore in sight has a gross value of \$6.91 per ton, equal to \$1,458,355; which, after deduction of cost of mining, transportation, duty and treatment, will yield a net profit per ton of \$22.21, or a grand total of \$521,935, available for dividends. This will enable the Company to pay 1 per cent. per month on \$1,300,000, the present issued capital, for a period of over three years from ore in sight alone.

N.B.—Since the date of this estimate, the increased price of lead will yield an additional profit of over \$60,000.

Mr. Frank Robbins, M.E., who made an exhaustive examination of the property early in June of this year, reports as follows:—

"As to the quantity and value of the ore in sight, I have examined the statements and assay records, and find that over 7,000 tons have been shipped. The value of this averaged as follows: Galena, 30 oz. of silver and 60 per cent. lead. Carbonates, 50 oz. silver and 50 per cent. lead. I need not say that this is splendid ore. At the present time there are some 400 tons of first class ore in the ore bins, giving a value of 32 oz. silver and 58 per cent. lead, and some 140 tons of second class, of a value of 32 oz. silver and 39 per cent. lead.

"There are also several tons of good ore in the dumps which can be sorted out to advantage. I cannot see how it was allowed to be thrown into the dumps at all.

"Careful surveys and estimates of the quantities of ore in the mine in sight have been made. These conservatively estimate that there are over 22,000 tons, averaging 39 oz. of silver and 25.5 per cent. lead.

A very good thing in itself, and if nothing more was to be expected; but this is not the case, and I think, when the area between the west boundary of the Main Stope and the tunnels and pits higher up the mountain is taken into consideration, this will be quite manifest. You will understand that the estimates are based only upon the ore blocked out by excavations, and no credit is allowed for the area referred to."

Active development work will be continued with a view to keeping the ore reserves well in advance of the shipments.

Arrangements have been made with the Canadian Pacific Railway to construct a branch line from Cranbrook to the Mines which will probably be completed by October. The company will contribute \$50,000 towards the cost; but this amount will be refunded by a rebate of thirty-three and one-third per cent. of the charges on all freight going over the line until the \$50,000 is fully repaid, when the Railway Company will own the branch.

The Directors believe that the above reports have been computed by men thoroughly competent, in whose honesty and integrity they have confidence.

Two hundred and sixty thousand shares of the Treasury Stock have been sold, affording ample cash capital to provide for equipment and operations, leaving the total earnings of the mine available for dividends. This will leave 200,000 shares unissued.

Arrangements have been made with the National Trust Company of Ontario, Canada Life Building, Montreal, to act as transfer agents and registrars, and all transfers must be made at their office; no Certificate will be valid unless countersigned by them.

The following contract has been entered into: An agreement dated thirteenth of July, 1899, between (the old) North Star Mining Company, Limited Liability, and the North Star Mining Company, Ltd., Non-Personal Liability, providing for the transfer to this Corporation of all the property and assets of the said North Star Mining Company, Limited Liability, subject to the payment of all the existing liabilities of the vendors, for and in consideration of one million and forty thousand shares of this Corporation, fully paid and non-assessable, amounting at their par value to one million and forty thousand dollars.

One hundred shares is the qualification of a Director, and each Director holds, at least, this amount. The estimated amount of preliminary expenses is less than one thousand dollars.

MEMORANDUM OF ASSOCIATION.

1st. The name of the Company is the North Star Mining Company, Limited.

2nd. The registered office of the Company will be situated in the City of Vancouver, in the Province of British Columbia.

3rd. The liability of the members is limited, and no liability beyond the amount actually paid upon shares or stock in the Company by the subscribers thereto or holders thereof shall attach to such subscriber or holder.

4th. The capital of the Company is one million five hundred thousand dollars, divided into one million five hundred thousand shares of one dollar each.

5th. The objects for which the Company is established are: The acquiring, managing, developing, working and selling mines, mineral claims and mining properties, and the winning, getting, treating, refining and marketing of mineral therefrom.

Names of signatories:

WILLIAM BAIN, Toronto, bookkeeper, one share.

WALTER GOW, Toronto, bookkeeper, one share.

E. W. McNEILL, Toronto, solicitor, one share.

JAMES S. LOVELL, Toronto, solicitor's clerk, one share.

ROBERT GOWANS, Toronto, accountant, one share.

July 31, 1899.