

THE BANK OF MONTREAL, THE CANADIAN BANK OF COMMERCE AND THE ROYAL BANK OF CANADA,

Are authorized to receive subscriptions for 3,000 shares of \$100 each, of the 7 p.c. Preferred Stock of THE DOMINION IRON AND STEEL CO., LIMITED, at \$85 and accrued dividend for each \$100 share, payable as follows:—

\$20	per share on allotment
\$20	“ “ 15th April, 1901
\$20	“ “ 15th May, 1901

and the balance with the amount due for accrued dividends on 15th June, 1901.

The whole of the instalments remaining unpaid at any time may be prepaid in full.

Applications will be received by the Branches and Agencies of the above Banks in the Maritime Provinces, and the Provinces of Quebec, Ontario and Manitoba, from any of which Forms of Application and copies of the Prospectus may be obtained.

Notice of allotment will be sent through the office of the Bank at which the application is received, and payment may be made there.

It is intended to apply to the Stock Exchanges in Montreal and Toronto for the listing of the stock and Bonds of the Company.

Montreal, 4th March, 1901.

GOVERNMENT BOUNTY

If the production from the Company's works be as estimated, 300,000 tons of Pig Metal and 60,000 tons of Steel Blooms in 1901, and thereafter 400,000 tons of Iron and Steel per annum, made from foreign (Newfoundland) ore, the bounties to be received from the Canadian Government will be as follows:—

1901	\$ 870,000
1902	2,075,000
1903	1,850,000
1904	1,450,000
1905	1,000,000
1906	625,000
1907	225,000
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	\$8,095,000

CAPITALIZATION

The Bonds, as well as the Common Stock, have been issued and paid for; with the money thus obtained, and the proceeds of the Preferred Stock, the cost of organization, construction of the works, and the purchase of mining properties will be entirely defrayed, and about one million dollars remain for working capital.

The Bond issue, \$8,000,000, is secured by a mortgage to the National Trust Company, Limited, covering all the property of the Company.

The General Manager, Mr. A. J. Moxham, has written as follows:—
MR. H. M. WHITNEY,

Sydney, C. B., 1st March, 1901.

President Dominion Iron & Steel Co., Limited, Montreal, Canada

DEAR SIR,—I am glad to advise you that No. 1 furnace is in successful operation, and we have been able to measure results by accomplished facts. Whatever doubt may have existed as to the manufacturing possibilities at Sydney are now removed. Speaking in detail:

1st. Iron Ore—The developments at Bell Island, both by the drilling done and by headings put in, have demonstrated the certainty of the ore supply. The ore under cover is of better quality than we had counted on as standard. It exists in a bed of full depth—low in silica and high in iron. Notwithstanding the fact that we mined last year only about 120,000 tons, and that we unloaded this by hand instead of by machinery, and that we charged off into this small tonnage the expense of a long strike at Bell Island, the cost of the ore delivered at our dock, f. o. b. steamer, was only \$1.62 a ton. Our estimate is based upon the figure of \$1.25. This result shows our estimate to be a safe one. The ore, as anticipated, works kindly in the furnace, and guarantees to us a large product per furnace.

2nd. Lime Stone—We have two supplies—Georges River and Marble Mountain. We are operating at present with the Georges River stone at a cost of 60 cents a ton, which is within our estimate. The unusual purity of our flux has enabled us to control both the silica and the sulphur in our pig metal to an unusual degree, and with the use of a minimum amount of flux. We have in our very pure flux an asset of great value.

3rd. Coal—We are operating our bi-product ovens with unwashed coal, nevertheless the coke manufactured is of excellent physical quality. It is capable of hard driving and of maintaining the burden in the blast furnace without trouble. While slightly higher in sulphur—as must be the case until we wash it—our pure flux, as stated, renders this no disadvantage to us. We have demonstrated that the question of washing is not a necessity, but purely an economic question. The coke from washed coal will be fully equal to the celebrated Connellsville standard—the sulphur will be no higher, the ash lower and carbon higher.

4th. Labor—The plant is constructed with every modern labor saving device, and, after that interval of time necessary to get every new plant well organized in its labor department, our cost sheet will challenge comparison with that of any steel plant elsewhere.

5th. Cost of Production—I am confirmed in my opinion, hitherto expressed, that after crediting the value of the bi-products from the coke ovens, the cost of our pig-iron should not exceed \$5.50 per ton after everything has been reduced to steady practice. The quality is all that could be desired.

In conclusion, we are safe in counting upon a reasonable profit from the start and a handsome increase in the same as the product reaches its maximum.

Yours truly,

(Signed),

A. J. MOXHAM, General Manager Dominion Iron & Steel Co., Limited.