

Athabasca Gold Mining Co., Ltd.

DIRECTORS:

B. W. SHILES, Mayor of New Westminster, Presd't. G. O. M. DOCKRILL, Barrister-at-Law, Sec'y. J. B. KENNEDY, M.P.P.

Head Office: - - - NEW WESTMINSTER, BRITISH COLUMBIA.

PROSPECTUS.

INCORPORATION.—THE ATHABASCA GOLD MINING COMPANY, LIMITED, has been incorporated under the laws of British Columbia for the purpose of acquiring and developing the ATHABASCA GROUP of mineral claims, consisting of the "Athabasca," "Alberta," "Algoma" and "Manitoba," situated about two miles from the town of Nelson, in the heart of the famous Kootenay district, British Columbia.

REPORT.—The property has been carefully examined for the Company by Albert J. Hill, M.A., M.E., M. Can. Soc. C.E., who occupies a foremost rank among Canadian geologists, and whose report is as follows:

THE ATHABASCA GOLD MINING COMPANY, Limited.

GENTLEMEN—I beg to submit the following report on the Athabasca Group of mineral claims as per your instructions of 15th inst.

SITUATION AND ACREAGE.

The Athabasca Group, consisting of the Athabasca, Alberta, Algoma and Manitoba claims, and comprising an area of 175 acres, is situated on the north-east face of Morning Mountain in the Nelson Mining Division of Kootenay District, immediately overlooking the rising town of Nelson.

The highest claim—the Alberta—is some 2,600 feet above the lake at Nelson, or some 4,100 feet above ocean level, both figures being approximate. It is approached at present by a good bridle path.

WOOD AND WATER.

The greater portion of the area occupied by the Group is covered with timber suitable for the general uses of the mine, the lower portion having a scattered second growth, the result of fires which have, years ago, denuded the base of the mountain of all heavy forest growth.

The claims also possess the advantage of having in the near vicinity a living spring of pure water, capable of being piped at small cost to any portion of the works for domestic supply.

QUARTZ LEDGES.

Seven ledges of free milling ore have been opened on the property, varying in thickness from one to eight feet, in every opening on which I detected free gold.

Ledge No. 1, as shown approximately on the accompanying sketch plan, varies in thickness from two to four feet. It is opened by shafts at three points and a twenty-five foot tunnel driven on the lead, and is traced on the strike for about 600 feet. Some fifteen to twenty tons of ore are lying on the several dumps, a certified assay of which gives \$207.45 per ton, of which \$201 is gold and \$6.45 silver, though picked specimens which I have examined would evidently give very many times that value, and I think I am well within the limit of probability when I suggest a general average of \$200 per ton, while the average of the ledge will be, I believe, fully \$100 to the ton.

The ore consists of free milling quartz with scattered iron and copper pyrites and finely crystallized galena, much of the pyrites being partially decomposed and forming cavities lined with oxide of iron, in which free gold is unusually abundant.

The same description will apply generally to all the ledges open which are identical in character and, it may reasonably be assumed, are similar in richness. The veins are evidently true fissure veins, as far as can at present be observed, maintaining a general parallelism, the strike being approximately southwest and northeast, and the dip west at a high angle.

Exposures of the measures are not frequent, and the discovery and tracing

of the leads has been attended with some difficulty, but the possibilities attendant upon a moderate outlay in this direction are unquestionably great, as it cannot be maintained that anything like the extent and value of the leads on the property has yet been disclosed. The work accomplished up to the present simply goes to prove that the entire face of the mountain in the vicinity is seamed with true fissure veins of extraordinary richness, the most valuable of which, in all probability, are as yet unsuspected.

GEOLOGICAL STRUCTURE.

The country rock, as disclosed at the several openings, shows the usual quartzose schist characteristic of the district, apparently cut at intervals by dykes of intrusive rock which intersect the leads without affecting their general continuity. A heavy band of porphyry is also stated to lie across the southern portion of the group, but this I had no opportunity of examining; indeed, from the fact of the paucity of good exposures, the satisfactory making out of geological structure has perforce to be deferred till increased development shall give fuller access to the measures.

FACILITIES FOR OPERATION.

The slope of the mountain on its northern face, while moderately steep, is even and gradual, and offers every facility for the erection of the necessary mining works, and proximity to the ample water power of Cottonwood Creek, to which, down the slope of the mountain on an even and favourable grade, a gravity tramway can be constructed carrying the product of the mine to the stamp mill and concentrator, renders the location, in the matter of transportation, exceptionally favourable.

GENERAL CONCLUSIONS.

From the careful observations that I have been able to make in the time at my disposal and with the facilities at my command, I have no hesitation in expressing an unqualified belief in the great promise of the Athabasca group as a mining proposition and the probability of largely increasing value as development proceeds. I am also impressed with the conviction that, favourable as are the present surface indications, they are but an imperfect index to the wealth that may here be ultimately revealed as the whole extent of the vein system is brought to light and deeper workings tap the ledges at lower and even more productive levels.

Fabulously rich quartz has already been taken from Morning Mountain, notably from its western flank, and I see no reason whatever that wealth as great, and, possibly, greater, may not be latent in the yet undeveloped leads of the better situated Athabasca group.

I have the honour to be, gentlemen,

Your obedient servant,

ALBERT J. HILL,

September 30th, 1896.

M.A., M.E., M. Can. Soc. C.E.

It will be seen from the foregoing report that the Company has not been incorporated on a mere "prospect," but that it has a valuable and proven property. It may also be mentioned that other assays obtained from the quartz of the Athabasca, in addition to that referred to above, have given \$96, \$294, \$300, \$446, \$9,800 and \$17,760 to the ton.

STAMP MILL.—It is intended to put a stamp mill upon the property, or contiguous thereto, by the end of the present year, or so soon thereafter as the machinery arrives, so that the ore may be treated cheaply by the Company itself, as with a mill on the ground the cost of mining and milling combined would not exceed \$5.00 per ton.

NO ENCUMBRANCES.—There are no encumbrances or debts, floating or otherwise, of the Company. The property will shortly be surveyed, and the Crown grant applied for.

CAPITAL STOCK.—The capital stock of the Company is \$1,000,000, divided into shares of the par value of \$1.00 each. The stock is issued fully paid up and unassessable and absolutely free from liability. Twenty per cent. of the proceeds of sale of stock, until the property is in a position to pay dividends, will be used in development work, but it will be seen that with the ore in such quantities and of such value as has been already disclosed, the permanent opening of the property could easily be provided for by the ore taken out while the work is going on. Arrangements for the sale of stock are such that no cutting of prices can occur upon initial sales.

It is believed that, owing to the large extent of ground, the number of distinct ledges now opened, the high value of the ore and the fact that it is of a free milling character and can be treated by the Company on the ground, the proposition is the best that has been placed upon the market in British Columbia.

Shares 25cts.

**Apply to G. O. M. DOCKRILL, Sec'y,
NEW WESTMINSTER, B.C.**