

Pay Ore (B. C.) Mines, Limited

NON-PERSONAL LIABILITY.

Directors:

ANTHONY J. McMILLAN, Esq., (late British Agent of the Manitoba Government and Director of the British Columbia Mining Company of London, England.)
 JOHN A. MANLY, Esq., (late Mayor of Grand Forks) Grand Forks, B. C.
 ARCHIBALD C. SINCLAIR, Esq., Physician, Rossland, B. C.
 W. HART-McHARG, Esq., (of Abbott & Hart-McHarg, Barristers) Rossland, B. C.
 SMITH CURTIS, Esq., (of Curtis & MacNish, Barristers) Rossland, B. C.

CAPITAL: \$250,000, Divided into 2,500,000 Share of the Par Value of TEN CENTS EACH.

Shares are Issued under section 56, respecting Mining Companies, of the "Companies' Act, 1897," of British Columbia, and are absolutely non-assessable. One million shares are reserved to provide Working Capital (usually called Treasury Shares); 200,000 of these shares are to be pooled, and are offered for public subscription at the low price of 3 cents; the proceeds will be applied at once to develop the property. The remaining 800,000 shares will not be offered for sale until this fund is exhausted, when it is believed the enhanced value of the property will enable them to be sold at par and upwards.

Pool All the promoters' shares and above mentioned 200,000 treasury shares are to be pooled on the following basis:

They are to be placed in the Bank of Montreal and are to remain there until \$15,000 have been paid into the Company's treasury, whereupon the pool is to be broken, wholly or in part, as the Directors may authorize. Provided, however, that when the Company's property is on a paying basis, the pool shall be absolutely broken. (This point is likely to be reached at an early date.)

The Treasurer's receipts, under the seal of the Company, will be issued to purchasers of pooled shares.

The pooling of the 200,000 treasury shares sold at first at a low price will prevent the possibility of their blocking the sale of the remainder (unpooled) at par or a premium.

The Property The Company's property consists of the "Pay Ore" mineral claim, situate in Grand Forks Mining Division in British Columbia. It is located about one-half mile east of the North Fork of Kettle River and twelve miles north of the City of Grand Forks. Just below it lie the 640 acres reserved by the Provincial Government for a townsite on account of the rich mineralization of the locality on all sides. The "Pay Ore" lies between the "Pathfinder" claim (recently under option to the British America Corporation at \$100,000) and the "Diamond Hitch" claim.

Survey It has been surveyed and the surveyor is making application for certificate of improvements and Crown Grant.

Water The North Fork affords an enormous water supply for concentrator and power purposes.

Timber Timber for mining and building purposes is very plentiful in the immediate vicinity of the "Pay Ore."

Pay Ore In addition to a vein running into the "Pathfinder" and showing similar chalcopryitic ore, the "Pay Ore" is traversed by a vein of quartz thirty feet wide, the trend being at right angles to the other vein and the country rock. This quartz vein runs north-westerly and southeasterly through the center of the claim; and where it has been completely stripped along the hanging wall for a width of five or six feet it has from the very surface good pay ore. Every ton of quartz taken out will not only pay for its extraction but will yield a good profit. The vein is exposed near the top of a steep, high hill, affording an excellent dump and a good tunnel site for working or draining the ore deposits. A shaft has been sunk seven or eight feet on the hanging wall and the vein on either side has been stripped for a little distance exposing pay ore so far as stripped.

Assays.

ASSAYER.	GOLD.	SILVER.	COPPER.	TOTAL VALUE
A. B. Rombauer, Butte, Mont., Dec 4, 1897..	3.2 oz.	12.4 oz.	5.5 p. cent	\$76.59
Carney & Hand, Butte, Mont., Jan 6, 1898..	3.88 oz.	7.9 oz.	3.0 p. cent	85.10
Chas. W. Cluett, Rossland, B.C., March, 1898	2.96 oz.	16.5 oz.	(no assay)	68.80
Chas. W. Cluett, Rossland, B.C., March, 1898	40 oz.	5.0 oz.	(no assay)	10.85
H. A. Sheads, Grand Forks, 20 May, 1898..	2.88 oz.	10.0 oz.	7-10 of 1 p.c.	64.00

Gold taken at \$20 per oz.; silver taken at 0.57 per oz.; copper at 5 cents per lb.

Assay made by Mr. Sheads, of Grand Forks, was from 15 to 20 samples taken at random from the five feet of vein next to the hanging wall by ex-Mayor Manly, of Grand Forks. The late owners claim that assays as high as \$150 have been had from the "Pay Ore." It certainly has the richest and widest pay streak of any property in the vicinity.

The Ore Body The quartz is impregnated with magnetic iron, tellurides and some copper pyrites. It is not free milling but will concentrate from 3 to 15 into 1 according to its richness with a saving of at least 80 per cent. of the values. It is safe to put the average concentration at not less than 5 into 1, and the average value of the ore in the five feet adjoining the hang-

ing wall at \$20 per ton. Taking these as a basis, 100 tons of ore averaging \$20 per ton gross values, will give results as follows:

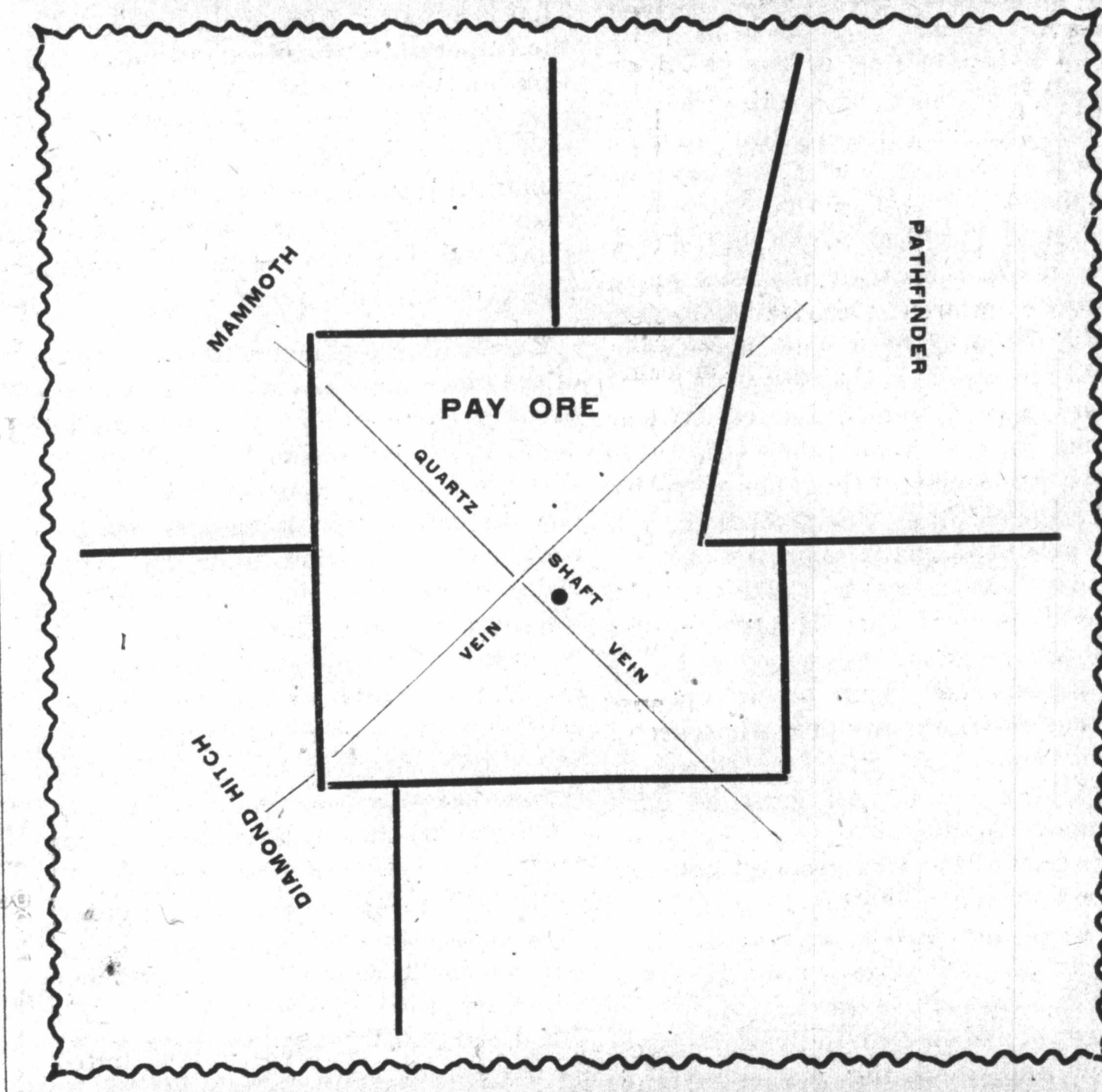
Twenty tons concentrates carrying 80 per cent. of gross value.....	\$ 300	\$1,600
Cost of mining 100 tons at \$3.....	100	
Cost of concentrating 100 tons at \$1.....	180	
Freight and smelting 20 tons at \$1.....	20	
Sundry expenses.....	1,000	
Net profit.....	\$1,600	\$1,600

or a net profit of \$10 per ton. The tailings would contain \$4 per ton and it is safe to say that before long a cheap process of extracting this at a profit will be found.

Many of the best dividend-paying mines have a net profit of less than \$4 per ton. The Hall Mines (Nelson, B. C.) and the Anaconda Copper Co. (net profit in 1897 over \$5,000,000) are examples.

Transportation A wagon road from Grand Forks to the "Pathfinder" passing within a hundred feet or so of the "Pay Ore" will be completed in June, 1898.

The C. P. R. line through Grand Forks to Greenwood and Midway is now under contract and will pass within 4 miles of the concentrator site of the "Pay Ore." A branch line must shortly be built along the east side of the North Fork where the concentrator will be, to accommodate the many rich mines that will be opened in that locality.



Smelters The C. P. R. smelter at Trail will be reached by the railway now building. The freight and treatment will not exceed \$8 per ton. English capitalists are negotiating for a smelter site at the City of Grand Forks and it is said the C. P. R. will in 1899 erect a smelter at or near Greenwood; in either case giving reduced freight and treatment rates.

Permanency The "Pay Ore" being a mine from the surface, the only serious problem involved is: Will these pay values persist with depth? If so the property must have immense permanent value.

1. On all sides—for miles on the north, south and west—there are rich gold and copper showings, and the veins are remarkably large and strong, varying from a few feet to the 800-foot ledge of the "Volcanic" claim. Within a comparatively small area there are at least a dozen properties that give the strongest evidence of being mines. A great many of these give remarkably high assays in gold. A recent assay from the surface of a claim adjoining the "Pay Ore" gave \$80.61 in gold.

2. The hanging wall of the "Pay Ore" quickly merges into "bird's eye" porphyry, and porphyry as a contact wall is one of the best indications of permanency and of increased value with depth.

3. In addition to the "Pay Ore" quartz vein there are within a half mile of it two parallel quartz veins (one of them being very similar to the "Pay Ore" vein) carrying pay values in gold and silver, nearly as high as the "Pay Ore." These may have all been thrown up from a common gold zone deep within the earth's crust.

Taken altogether, the surroundings and indications are extremely favorable to permanency of gold and silver values, and the risk on that score may be considered as very small indeed.

Working Capital The 1,000,000 shares set aside for working capital are undoubtedly most ample. There is no expenditure of \$10,000 to \$30,000 needed to find a pay ore body. All that is needed is an expenditure sufficient to prove enough pay ore in sight to justify the erection of a concentrator. The management do not propose to make the mistake so many companies have made of buying an extensive plant before sufficient ore is on hand, to keep it in operation. A concentrator capable of treating 40 tons a day will be furnished by a firm of well-known mining machinery manufacturers for \$5,000. It is therefore very likely that a large number of these treasury shares will not be required to be sold, but will remain in the Company's treasury and will not participate in dividends. When a concentrator is purchased the mine will pay its own way.

Dividends The "Pay Ore" property has been selected by the undersigned after careful testings and several examinations. I have no doubt it has pay ore from the very surface and is one in a thousand. From the experience gained in the past (and paid for in cash) I have arrived at the settled conclusion that, notwithstanding the glowing optimistic statements of company promoters and mining experts as to the almost absolute certainty of little stringers of ore (whether assaying high or not) developing with depth into good pay ore, such ventures are far too risky for ordinary capital, while on the other hand it is infrequent that surface pay ore pinches out and fails to be the outcrop of large valuable ore deposits. In fact the most paying mines have had [I find] more or less pay ore from the surface; and such surface indications in mining are as safe and as certain of good results as a wheat crop is in farming, if not even more so.

With the surface values persisting with depth, it is quite evident that within a year after development work begins, the "Pay Ore" Company should be a dividend paying one. It is worthy of note also that on account of its comparatively low capitalization \$25,000 will give a 10 per cent. dividend while it will take four times that sum to pay a similar dividend in a million dollar company.

Conclusion The officers and directors are well-known, careful business men of the City of Rossland, whose sole aim is to make this magnificent property into a dividend paying mine.

No salaries will be paid to the officers until the development of the property will justify it, and then the aim will be to get a dollar's worth of service for every dollar paid.

Provision is made by the Company's charter against incurring debt without the funds being on hand to liquidate it. The undersigned proposes to give his personal attention to the management of the Company's affairs and property and confidently believes that all the foregoing statements with regard to the "Pay Ore" claim will, upon investigation, be found to be correct, and may be implicitly relied upon by the public.

ROSSLAND, June, 1898.

SMITH CURTIS,
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For Shares or further information apply to Messrs. S. THORNTON LANGLEY & Co., Mine Brokers, P. O. Box 178, Rossland, British Columbia.

