



ANNUAL REPORT

MONTREAL GOLD FIELDS, LIMITED

NON-PERSONAL LIABILITY.

1900



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NON-PERSONAL LIABILITY.

1900



DIRECTORS :

GEORGE A. GREENE, *President*, . . . Montreal.
ROBERT JAFFRAY, *Vice-Pres.*, . . . Toronto.
F. B. MATHYS, *Treasurer*, . . . Montreal.
W. J. MORRICE, . . . Montreal.
HON. WM. McDONALD, . . . Glace Bay, C. B.
ISAAC WATERMAN, . . . London, Ont.
G. F. C. SMITH, . . . Montreal.
E. G. RYKERT, . . . Montreal.

BANKERS :

MERCHANTS BANK OF HALIFAX, . . . Montreal & Rossland.

SECRETARY :

NORMAN BINMORE, 164 St. James Street, Montreal.

Montreal Gold Fields, Limited.

NON-PERSONAL LIABILITY,

ANNUAL REPORT

Your Board of Directors beg to submit the financial statement for the year ending September 30th 1900 :--

The accounts have been duly audited by the Company's auditor Mr. Alexander Stewart and certified correct.

The Board desires to draw attention to the fact that the total liabilities outstanding at the above date, amounted to \$1200.00, to offset which there is a balance of \$354.23 cash, and the sum of \$4,800.96 is owing to this Company by the British Columbia Southern Mines, Limited.

The Board further desires to report that on the 18th day of April 1900, the Gertrude Mine was closed down, the total working capital available having been expended, and it has been impossible, for financial reasons, to reopen the mine since that date.

As you are aware, an effort was made to raise further working capital for this Company, by means of an issue of 200,000 shares of treasury stock to the shareholders of the Company of record the 30th day of March 1900, with the result that only 55,050 shares were taken up, of which your directors subscribed 42,300 shares. At the same time, correspondence was opened up with Mr. A. Beamer, of Spokane, representing the

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Western shareholders interested with this company in the British Columbia Southorn Mines, Limited, with a view to inducing them to contribute their proportion of such additional working capital as might be required to place the Gertrude on a self-sustaining basis, but we found that they were not in a position, at the time, to meet our wishes.

At the date of the above issue of stock, a detailed statement and report upon the Company's operations up to that time was mailed to each shareholder, and your directors beg to refer the shareholders to same for further information.

In May last, the Company's Consulting Engineer, Mr. J. J. Sandeman, was instructed to make a careful examination of the Coxey Mine, with a view to assisting your Board in determining as to future operations on this mine. His comprehensive report is submitted herewith.

In addition to the engineer's frequent progress reports upon the work being carried on, on the Gertrude, up to the time of the shut-down, we have a brief statement of the work at the time of the closing down of the mine, made by Mr. J. W. Campbell, the Superintendent, a copy of which is also submitted herewith.

In view of the improvement in the Gertrude Mine in the past year, resulting from the work carried on, and giving due weight to the important developments in the LeRoi, Number One, and other neighboring mines, your Board is much impressed with the prospective value of the Gertrude Mine. Its true value can, however, only be determined by the continuance of the development of the mine.

With the object of arranging for the more economical development of the mine in the future, your Board was able to complete a most advantageous arrangement with the British America Corporation, Limited, whereby the British Columbia Southern Mines, Limited, has the right to make use of the tunnel on the Number One Mine, and to extend same into the Gertrude

ground, for the purpose of opening up the 400 foot level. An agreement providing for the above has been signed and sealed by the two companies, and the same is undoubtedly of the greatest value to the Gertrude Mine.

After the closing down of the Gertrude Mine, an influential Scotch syndicate was given permission to inspect the mine, and after doing so, sought an option on the following terms:—

1—The syndicate to put up £5000 for development and improvements on the Gertrude, for which they receive 50,000 shares British Columbia Southern Mines stock.

2—The syndicate to have an option on the remaining 9/10 of the property on the following terms: The price of the 9/10 of the property to be £25,000 plus 2/5 of the shares of an English company to be formed to take over the mine. The cash payments to be made as follows:—

£5,000 to be paid in one year after signing the agreement.

£10,000 to be paid in eighteen months after signing the agreement.

£5,000 in two years.

The remaining £5,000 to be put up by the syndicate for additional working capital, and to be available for the continuance of the development, etc., of the property, after the expenditure of the original £5,000.

This proposition was laid before the Western shareholders, who refused to consider same. It therefore became necessary, for the time being, to abandon these negotiations.

Your directors desire to draw the shareholders' attention to the economical and business-like management of the company. The officers and directors of the company have acted without any remuneration, and practically the entire outlay has been devoted to the development of the Company's properties.

In conclusion, —Your Directors are convinced that this Company has a most valuable mine in the Gertrude, and they deeply regret the necessity for closing down the mine in April last, an action forced upon them by the failure of the shareholders to subscribe for the last issue of stock, which, if taken up, would have furnished the necessary funds, to prosecute development, with every prospect of a favorable result. Your directors thought it in the best interests of the Company to avoid creating liabilities. We trust that at no distant date the shareholders may see their way to contribute for the purpose of raising sufficient working capital to enable the Company to resume mining operations, and push them to a successful conclusion.

All of which is respectfully submitted.

On behalf of the Board.

G. A. GREENE, *President.*

Montreal, 30th September, 1900.

MONTREAL GOLD FIELDS, LIMITED.

NON-PERSONAL LIABILITY.

Statement of Receipts and Disbursements.

RECEIPTS.

Balance as per last statement.....		\$17,412.50
Realized from sale of 55,050 shares Montreal Gold Fields, Limited	\$3,642.50	
Received on account of stock subscribed for, but not fully paid.....	136.50	
Transfer Fees.....	18.75	
Realized from sale of ore.....	80.11	
Interest from Bank.....	113.85	
		<u>3,991.71</u>
		\$21,404.21

DISBURSEMENTS.

Furniture.....	14.00
Building and Plant	50.25
Development.....	4,043.65
Klondike expenses	25.60
General do	892.32
Legal do	52.75
Printing.....	34.75
B. C. Southern Mines, Limited.....	\$11,135.70
B. C. Southern Mines, Limited, Loan 4,800.96	15,936.66

BALANCE OF CAPITAL AVAILABLE—

In Merchants Bank of Halifax, City....	99.90	
do do do Rossland	4.33	
Cash on hand.....	250.00	354.23
		<u>\$21,404.21</u>

Certified to be correct,
(Signed) A. STEWART.
Auditor.

MONTREAL, 30 September 1900.

BALANCE SHEET.

Mines Account	\$440,068.05	
Office Furniture Account.....	49.72	
Building and Plant Account.....	322.58	
Development Account.....	15,519.92	
Klondike Expense Account.....	11,213.03	
B. C. Southern Mines, Limited, Account.	4,800.96	
Profit and Loss Account.....	4,670.51	
Treasury Stock Account :		
Received on Account of stock subscribed for, but not fully paid.....		136.50
McCuaig, Rykert & Co.....		1,200.00
Capital Account.....		475,662.50

BALANCE.

Merchants Bank of Halifax, City.....	\$ 99.90	
do do do Rossland.	4.33	
Cash on hand	250.00	
	354.23	
	\$476,999.00	\$476,999.00

Certified to be correct,

(Signed) A. STEWART,

Auditor.

MONTREAL, 30 September 1900.