REPORT

OF

THE DIRECTORS

OF

THE BRITISH NORTH AMERICAN

MINING COMPANY.

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BRITISH NORTH AMERICAN MINING COMPANY'S OFFICE.
MONTREAL, 11*th September*, 1847.

GENTLEMEN,

At this the first Special Meeting of the Shareholders in the British North American Mining Company, the Directors beg to submit for your information, the following brief Report of the proceedings of the Company up to this period, and the present position of its affairs.

The original organisation of the Company took place on the 30th April, 1846, and at a Meeting held in this City, John Prince, Esq., M. P. P., and John M. Tobin, Esq., were named Trustees. A call of 5s. per share was declared, for the purpose of reimbursing the expenses of the original Exploring Party in 1845, as well as for defraying the engagement of the Company with Colonel Kinzie, and for other incidental expenses necessarily incurred.

In July following, C. H. Castle, Esq., was elected Co-Trustee and Treasurer to the Company, and John T. Badgley, Esq., Secretary.

It was resolved to make application to the Provincial Parliament for a Charter, and the preliminary measures incidental thereto were effected in a satisfactory and efficient manner.

After mature deliberation, the Trustees resolved not to issue Scrip at so early a stage of the enterprise, being fully impressed with the belief, that by withholding the same until the well grounded pretensions of the Association were made apparent, the interests of the Company would be greatly enhanced by its character for stability in all subsequent operations.

Very considerable difference of opinion existed on this subject, and some blame was thrown on the Trustees for not issuing Scrip in accordance with the intentions of the originators of the enterprise; but as the management had devolved on persons entertaining different opinions, and who were not willing to lend the sanction of their names to an undertaking until it had assumed a tangible form, they resisted the demand for Scrip, and have reason to be satisfied this day with the course followed—in which they are now borne out, not only by the approval of a large portion of the Shareholders, but by the expressed opinion of the Trustees of other Companies who adopted a different system.

It was the intention of the Trustees to issue Scrip after the payment of the *second* Instalment, being ustified by the discoveries made; but great delay attended the payment of this call; much expense and responsibility had to be assumed, and many difficulties were thrown in the way of the Trustees; but more than all, the expectation of the early meeting of Parliament, and consequent obtaining a Charter, which would at once place the enterprise on a firm foundation, combined to influence their determination to wait awhile longer: and the delay in the assembling of Parliament, and the clause in the Act requiring the call now due, were matters beyond their controul.

The Charter of the Company is considered of a most favorable and liberal character; the sale of the land in fee-simple from the Crown; the terms of the sale, which are 4s. currency, per acre, payable one fifth within two years from date of Location Ticket, the deposit of £150 to form part of such first Instalment, and the remainder in four equal annual Instalments with interest: and the freedom from liability beyond the amount of interest in the enterprise, are by the Trustees deemed worthy of your especial notice.

In August, 1846, Colonel Kinzie completed his explorations—returned to Montreal, and furnished a most favorable Report of his observations. He brought down a Map of the location and section of Spar Island, which the Trustees caused to be lithographed, in order that each Shareholder, desiring it, might receive a copy.

Up to the middle of last winter, the operations of the Company were confined to Spar Island and the developement of the Copper Vein; but in exploring the Main Shore, to ascertain the continuance of this Vein, Mr. Child, the Superintendant, discovered a rich Vein of Silver Ore, embedded in Magnesian and Trappean Rock.

This Vein was traced successfully for some time, and in June last, Mr. Child came down to Montreal, to confer with the Trustees and receive further instructions, bringing with him two casks of the Silver Ore, which the Trustees took much pains to have practically and scientifically examined.

The annexed Reports of Assays, furnished by A.

A. Hayes, Esq., and Dr. Jackson, of Boston, both State Assayers for Massachusetts, gentlemen of great eminence, and whose names are, doubtless, quite familiar to many of you, shew that the *average* assay of a barrel of the Ore, as received from the Mine, and *not selected*, yielded the surprising result of $2\frac{1}{2}$ per cent. of pure Silver.

The samples of Silver now on the table before you, are the produce of pieces of Ore taken indiscriminately out of a barrel, and tested by several of our most respectable Silversmiths, in this City and Kingston, and which varied in their results from $1\frac{3}{4}$, $2\frac{25}{100}$, $4\frac{46}{51}$, $5\frac{81}{100}$, $5\frac{41}{100}$, $7\frac{1}{2}$ to even up to 25 per cent. of Silver, but lest it might have happened that these pieces of Ore rather exceeded the average of what might be expected, the Directors will confine their hopes and anticipations to the results given under the authorities quoted; and when it is known as a historical fact, that the richest Silver Mine in Europe, which is in Saxony, yields but *one half per cent.*, and that the average of the Mexican Mines is but *one quarter per cent.* The Directors cannot refrain from being a little sanguine of the rich prospect before them. At $2\frac{1}{2}$ per cent. of Silver, the *Ore* would be worth, in Boston, between $800 and $900 per ton.

The instructions given Mr. Child, and in accordance with his own views, were, on his return, not only to lay aside all further operations for Copper for the present, but also to leave the Silver Mine at its present stage, and turn his attention to discover a continuance of the Silver Vein, by striking it at some distant point, where the ground might be favorable for such purpose. The Trustees being of opinion, that should success attend this experiment, they would be justified in claiming for the Shareholders, a prospect of almost unbounded returns.

By the latter end of February next, when the first Annual General Meeting of the Shareholders will take place, the Directors hope to be able to have it in their power to report favorably and decidedly on this point.

The party of ten men, engaged by Mr. Child, was *sufficient* to carry on these explorations with economy, but that gentlemen was authorised to increase this force into an *efficient working party*, so soon as a prospect of success in his search should warrant the expense.

Subsequently circumstances induced the Directors to instruct Mr. Child to go back to the Silver Mine and get out a supply of Ore from the Vein, to be sent down to Montreal this fall: and more recently, a gentleman of the name of Robertson, (with two English Miners from Cornwall,) have been sent on to assist Mr. Child, in this matter, and to report generally on the prospect of the Company from ocular observation.

Mr. Robertson is a gentleman enjoying the unlimited confidence of the Directors; his opinions and suggestions will also be of value in the further undertaking and working of the Company, and his report will be looked forward to by the Directors, as a basis on which they may confidently ground their future opinions and proceedings.

Mr. Robertson will return in the fall of the year, bringing with him as much of the Silver Ore as can be got ready, in time for its shipment to England this season, should it be so determined in the interim.

The Location Ticket, in the individual name of Colonel Prince, has been legally transferred to the

Company, and the Certificate of Messrs. Logan, Provincial Geologist, and J. MacNaughton, Provincial Surveyor, describing the boundaries of the Location, are in possession of the Directors; these, with the Government receipt, for the instalment of £150, for the purchase of the Land, completes the documents having reference thereto.

The Stock, as you will perceive by the Charter, is divided into 10,000 Shares: it may be desirable to explain, that of these, 1,000 held by and in the name of Colonel Prince, are unassessable until $5 per share shall have been called in on the remaining 9,000 shares, after which the whole Stock is placed on the same footing.

The Directors hope, and are of opinion, from present appearances, that not only no further call will have to be made on Shareholders, but that they will be enabled, ere long, to make a dividend or return of the expenses already incurred.

Certificates of Stock will be ready for issue in a few days, they having been sent to Sandwich for the President's signature, and not yet returned.

Statements of the accounts and disbursements are on the table for your inspection, and a code of Byelaws drafted in accordance with the Charter for the government of the Company in its present stage of proceedings, will also be submitted for your approval.

The Directors believe they have now touched upon the principal points usually embraced in reports of this nature. At the Annual General Meeting in February, they hope to be able to report confidently, that which they now only venture to anticipate. They have throughout endeavoured, conscientiously and economically, to discharge the duties which devolved on them, and they will continue to watch over the interests of the Company to the best of their ability, so long as the trust is confided to them.

All of which is respectfully submitted.

CHARLES H. CASTLE,
Vice President.

RESULT OF DIFFERENT ASSAYS OF SILVER ORE FROM PRINCE'S MINE.

Mr. Ramage, of Kingston.	1 oz. of Ore without any preparation in the simplest manner possible of extraction,...........	1 dwt. 12 qrs.—$7\frac{1}{2}$ p. ct.
	1 oz. 10 dwts. of Ore, washed and made clean so as to weigh 1 oz.,...	5 dwts.—25 p. ct.
	31 oz. Troy of Ore, produced,.....................	$33\frac{1}{2}$ dwts.—$5\frac{41}{100}$ p. ct.
	20 lbs. Troy of Ore, produced,.....................	4 oz. 4 dwts.—$1\frac{3}{4}$ p. ct.
Mr. Townsend,...	2 oz. 5 dwts. of Ore, produced,.....................	$2\frac{1}{2}$ dwts.—$5\frac{81}{100}$ p. ct.
Mr. Wood,.........	5 lbs. 8 oz. of Ore, produced,....................	30 dwts. 15 qrs.—$2\frac{35}{100}$ p. ct.
Mr. Savage,.......	5 oz. 2 dwts. of Ore, produced,.....................	5 dwts.—$4\frac{46}{51}$ p. ct.

A loss varying from 1 to 2 per cent. is acknowledged by these gentlemen to have taken place, arising from the imperfect manner the assays were made.

RESULTS OF TWO ASSAYS OF SILVER BEARING ROCK, RECEIVED FROM THE MINE OF THE BRITISH NORTH AMERICAN MINING COMPANY.

This is a mixture of Spars, in Magnesian Strappean rocks, containing Blende, Galena, Pyritous Copper and Magnetic Iron Ore, in which Native Silver in thin leaves and skeleton crystals occurs. The Silver is wholly in a metallic state when it is in the calcareous spar, in which it most commonly occurs, although the dark trappean rock contains minute spangles.

All the rock and ore contained in a keg, were reduced to a course powder, and the average obtained in the usual way, so as to afford assay samples of 10 lbs. weight. The occurrence of the flexible scales of Silver, rendered the sampling slightly variable, as will appear in the results.

10,000 grains were taken for each Assay, representing 5 Tons of 2000 lbs. each.

5 Assay Tons, 1st trial, gave............ $255\frac{67}{100}$ lbs. pure silver.
5 Assay Tons, 2nd trial, gave........... $243\frac{53}{100}$ lbs. pure silver.
Mean,......... 249,59 lbs. or $49\frac{92}{100}$ lbs.
of Silver, per Ton of Rock.

When it is considered that only a part of the rock assayed was true ore, and but a very small part was apparently rich in silver; this surprising yield of the precious metal could not be expected.

Respectfully,

A. A. HAYES,

State Surveyor.

ROXBURY MASS., 17*th* *August*, 1847.

AUGUST 13*th*, 1847.

The average result of two humid assays of the Silver Ore from the Mine of the "British North American Mining Company," (Prince's Location,) gives $2\frac{36}{100}$ per cent. of pure Silver.

Respectfully yours,

C. T. JACKSON, *State Assayer.*

By J. SEWALL KENDALL *Deputy Assayer.*

State Assayers Office,
No 1, Somersett Street,
Boston.