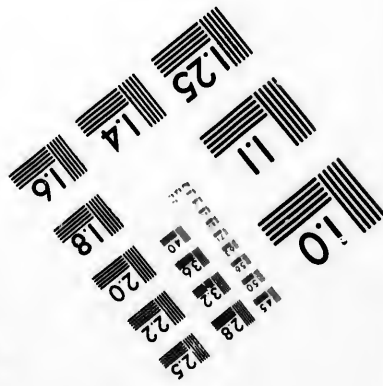
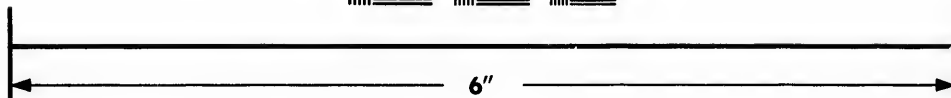
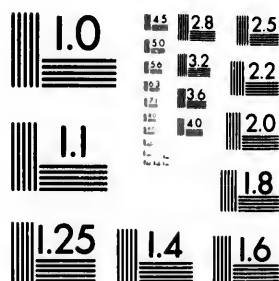


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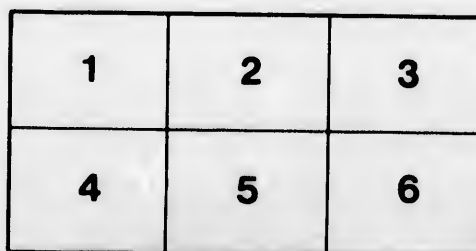
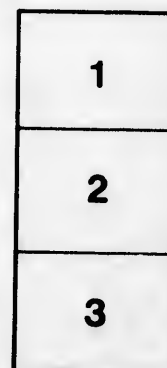
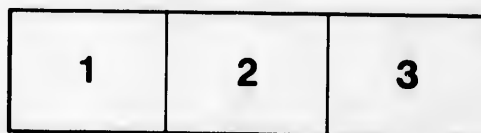
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PROSPECTUS,
PROPOSED ACT OF INCORPORATION,
REPORT OF MANAGER,
MEMORANDUM,
— AND —
Articles of Association
— OF THE —
BRITISH COLUMBIA
MILLING AND MINING COMPANY,
(LIMITED.)

Registered Office, Victoria, British Columbia.

INCORPORATED JANUARY, 1878.

VICTORIA:
COLONIST STEAM PRESSES.
1878.



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COLONIST STEAM PRESSES.
1878.

map

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PROVISIONAL DIRECTORS.

H. C. BEETON, President and Treasurer.

F. J. BARNARD.

D. KURTZ.

J. ROBSON.

J. HEYWOOD.

R. B. HARPER, Consulting Engineer.

JOHN KURTZ, Manager.

G. A. SARGISON, Secretary.

BANKERS—THE BANK OF BRITISH COLUMBIA.

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PROSPECTUS

— OF THE —

British Columbia Milling and Mining Company, LIMITED.

The title of this Company shall be the British Columbia Milling and Mining Company, limited.

This Company is formed for the purpose of prospecting and developing lodes of gold and silver bearing quartz, and alluvial deposits of gold, for customs quartz milling, and for the doing of all such things as are incidental or conducive to the attainment of the above objects.

The following are some of the works in contemplation:—

1st. The development of the quartz lodes owned or to be acquired by the company, and prospecting for the lost lead of the Steele Claim on upper William Creek, Cariboo.

2nd. The erecting of a quartz mill or mills and machinery convenient to the mines owned by the Company.

The capital stock of the company shall be \$625,000, divided into 125,000 shares of \$5.00 each.

54,000 shares of the capital stock of the Company have been allotted to the promoters, and are withheld from the market; the owners thereof having placed them in the hands of a trustee and entered into bonds with the Company not to sell them under a fixed penalty of five (\$5) per share until thirty thousand (30,000) of the seventy-one thousand (71,000) shares

set apart and to be sold for the working capital shall have been disposed of. Such 71,000 shares will be sold at a premium.

All the shares of the Company (125,000) are equally liable to assessment, to the extent of five dollars per share; but no assessment shall be made on any stock until 30,000 shares shall have been sold, unless otherwise determined by a two-thirds vote of the shareholders at a meeting specially called for the purpose.

No assessment shall exceed the sum of ten cents per share, nor shall assessments be made at shorter intervals than thirty days.

This Company is organized under the "Companies Ordinance 1869," but it is intended to apply to the Provincial Legislature, at its next session, for a Special Act of Incorporation. When such Act shall have been obtained, the Company will come under its operation.

A copy of the Bill intended to be applied for is hereto attached. The attention of intending shareholders is particularly directed to those clauses in the Bill which forbid the Directors or officers of the Company from incurring Company liabilities without the necessary funds in hand, and also to other clauses which provide that the liability of a shareholder ceases on the transfer of his shares, except to the extent of any calls upon them which may be then due and unpaid.

The following schedule sets forth the services already performed and the property handed over to the Company by the promoters, viz:—

SERVICES.

Prospecting, discovering, locating and holding claims, and securing leases, surveys, &c.

PROPERTY.

1st. Fifteen hundred feet of the "Wilkinson Ledge," situated on the summit of the mountain, between William Creek and Conklin Gulch.

2nd. Fifteen hundred feet on the "Steadman" ledge, near "William Creek."

3rd. Fifteen hundred feet of the "Mammoth" ledge, between Richfield and Jack of Clubs creek.

[The above locations are held under the Gold Mining Ordinance of 1867 and the Acts amending the same.]

4th. One thousand shares "Enterprise" Company [Bonanza ledge] promoters' stock.

5th. A lease of 35 75-100 acres of mining ground situated on William Creek.

6th. Cash paid in for the use of the Company, \$8,175, from which sum the actual expenses of the above services and of incorporation will be deducted.

Appended hereto are the Manager's Report, Memorandum, and Articles of Association, to a careful perusal of which the attention of intending purchasers is directed.



Manager's Report.

VICTORIA, B.C., January 8, 1878.

TO THE PROMOTERS OF THE BRITISH COLUMBIA MILLING
AND MINING COMPANY :—

GENTLEMEN:—In accordance with instructions received from you, I proceeded August 6th to William Creek and remained there several months, during which time I located quartz and alluvial claims in your interest, besides indicating others for future investigation and location for the Company.

"THE WILKINSON,"

A quartz lode location of fifteen hundred (1,500) feet, is situated on the summit of the mountain between William Creek and Conklin's Gulch. The ledge is very wide and well defined. In the bottom of the shaft, at a depth of forty (40) feet, the lode is now being cross-cut (January, 1878) ; but the width has not yet been ascertained. Six assays have been obtained from the ore taken in the cross-cutting, and the average result shows forty-four dollars to the ton in gold.

This is the most promising quartz lode of the Company's property, and I recommend a vigorous prosecution of the work already commenced thereon.

STEADMAN EXTENSION NO. 2.

Next in importance is the quartz location of fifteen hundred feet on the "Steadman" lode, and designated "Steadman No. 2," being removed 1,500 feet from the claim of that name, from which the Cariboo Quartz Company have worked forty-one tons of ore. [Vide

Mr. Harper's report.] The ledge [Steadman No. 2] is located on the spur of a mountain, and runs in a north-easterly and south-westerly direction, and can be cut by a tunnel at the intersection of "Grub" gulch. The lateness of the season precluded any extensive work being done. The lode at the north-easterly line in the Walker cut shows a width of over six feet, with defined casings and good ore.

NOTE.—The hill and adjacent country are covered with an abundant supply of timber suitable for the construction of works connected with mill and mining operations. Water is plentiful. The lodes are enclosed in an auriferous slate-belt that runs nearly north and south.

I also located for the Company [October 25]

THE "MAMMOTH."

The "Mammoth" is a lode of forty feet, or rather a number of lodes, which seem to join on the top of the hill, "Richfield." The location—1,500 feet—is on the summit or divide between "Richfield" and "Jack o' Clubs," distant about two miles from the former place. This lode can easily be traced from the surface, and also from the sides of a ravine, where a tunnel could be made to cut the ledge at a distance of from three to five hundred feet. The location is most favorable for comparatively inexpensive working. It may be proper to state that whilst the snow in winter precludes extensive prospecting, there is nothing in the climate to prevent quartz mining from being prosecuted even with greater facility in winter than in summer.

WILLIAM CREEK.

I have arranged for a lease from the Government of thirty-five acres of mining ground situated on William Creek, embracing in its area the ground formerly occupied and partly worked by the "Steele," "Point," "Abbott," and "Grier" claims, which in '61 and '62 were the richest alluvial claims on William Creek, for a frontage from the "Cornish" claim down the creek

of 1,538 feet, extending back into the hill 850 feet, thence at oblique angles 1,335 feet, thence to the point of beginning 1,481 feet, in all 35 75-100 acres, more or less, as per accompanying map and survey. My object in making this location was to find the lead of upper William Creek, which was lost in the lower second hundred feet of the "Steele" Company's claim of nine hundred feet frontage. The first one hundred feet yielded about \$250,000, comprising nearly the entire yield of the claim. It was generally conceded that at that point the "Steele" or "William" lead was lost, and, notwithstanding a diligent search, involving an immense outlay of labor and money, it was never found. The theory has obtained general belief amongst practical miners that the so-called "Steele" lead was cut off by a heavy bedrock slide, and that could a tunnel be run through it the lost lead might be found in or under the hill. What gives additional weight to this theory is the fact that at the point in the "Steele" claim indicated the bedrock was only twelve feet from the surface, while diverging from that point both up and down the creek the depth increased from twelve to one hundred feet, leaving the paying ground of the "Steele" claim as it were on the apex of the bedrock of William Creek, as we now know it; and it is my opinion, and as argued, that the slide of bedrock alluded to above took place centuries ago, and cut off the original lead, forcing the water into a different channel, which ultimately found the way into the present direction of William Creek near its head.

I therefore propose that the Company prospect the ground leased by means of a diamond drill core prospector, and with this auxiliary run a tunnel through the slide bedrock, to prospect for the lost lead of the "Steele" claim.

In support of the theory of the bedrock slide as herein advanced, I refer you to a letter written by my-

self in September of 1862 from William Creek, and published in the "Missouri Republican" newspaper, which letter is of value as referring to the theory which then obtained of the bedrock and land slides, and that this idea is neither a new nor a novel one.

"In September, 1862, I wrote from William Creek for publication as follows:—"The gold found here on William Creek has evidently been deposited from the hills, or more properly as they are here designated the Cariboo, or spurs of the Rocky Mountains. The richest deposits have been found in the bed and not in the present channel of the creek, but where, perhaps ages since, this or other creeks coursed.

In places, this channel is found to be only from six to twelve feet from the present bed, whilst in other places, a depth of fifty and even one hundred feet makes the gold more inaccessible, still handsomely remunerative.

"This variation is here attributed to the land slides, of which we have undoubted evidence in the geological formation of those hills which have been over and under mined. A particular case by way of illustration and very interesting from its yield, is the Point claim, adjacent to and joining on the lower stake of the Steele claim, so designated as the Point from its peculiar prominence.

"The lead—as the deposit of gold is called—was found above and below the Point claim last year, 1861 and the owners of the Point worked around it and found only remunerative diggings, which at that time implied from \$25 to \$50 to the hand per diem, but often times much less. This year, [1862] they [the owners] were induced to probe the hill or slide, and during my stay on the creek I have had the gratification of seeing as the result of a single day's work 210 ounces from a dozen men working under ground, 60 feet from the mouth of the tunnel, and in two weeks the Company divided \$30,000, there being four full shares. I cite this (says the letter) particular case, as it proves the theory of extensive land slides having occurred at times, and diverted the creek from its primitive channel. The Steele Co. of 8 interests, 900 ft., one interest sold for \$25,000. This Company took out in 1861, \$100,000 from the first 100 feet, and in 1862 the same amount, but this 100 feet is the richest part of their claim. (Here the lead of William Creek was lost.—K.)"

The Black Jack open cut in the canyon on the creek, half mile below the Steele Company, may be also be cited. This Company is now—1877—engaged in hydraulicing around the slide of rock and far behind the present channel of the creek, and this year the Treasurer of the Company has informed me that up to October they washed up near \$16,000 ; so also in Conklin's Gulch the sliding slum has covered the channel to a depth of 100 feet.

In conclusion, I feel confident of the permanent character of the quartz interest in this Province, and that you have good property, which, with a mill for crushing the quartz, a saw mill to provide the timbers and lumber necessary for the works, and diamond drills to facilitate cheaper prospecting and tunnelling, will be proven.

All of which is respectfully submitted.

JOHN KURTZ,

Manager B. C. M. & M. Co.



MEMORANDUM OF ASSOCIATION

— OF THE —

BRITISH COLUMBIA MILLING AND MINING COMPANY, (Limited.)

1st. The name of the Company is the British Columbia Milling and Mining Company, limited.

2nd. The registered office of the Company will be situate in Victoria, British Columbia.

3rd. The objects for which the Company is established are the prospecting and developing lodes of gold and silver bearing quartz and alluvial deposits of gold for customs quartz milling, and for the doing of all such things as are incidental or conducive to the above objects.

4th. The liability of the members is limited.

5th. The capital of the Company is Six Hundred and Twenty-five Thousand Dollars, divided into one hundred and twenty-five thousand shares of five dollars each.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number

of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES, AND DESCRIPTION OF SUBSCRIBERS.			No. of Shares taken by each Subscriber.
Henry C. Beeton,	Victoria,	Merchant.	2,000
Francis J. Barnard,	"	Barnard's Ex... ..	4,000
David Kurtz,	"	Merchant.	2,000
John Robson,	"	Paymast'r CPRS	2,000
D. W. Higgins,	"	Publisher.	2,000
George A. Sargison,	"	Accountant.	2,000
John Kurtz,	"	Miner.	10,000

Witness to the above signatures : Thomas L. Briggs.

Dated the 10th day of January, A.D. 1878.

AN ACT
TO INCORPORATE THE
British Columbia Milling and Mining Company.

Whereas, the British Columbia Milling and Mining Company, limited, was duly incorporated on the — day of —, A. D. 1878, under the provisions of the "Companies Ordinance, 1869."

And whereas, in the prospectus of the said Company it was announced that the objects of the Company were the prospecting and developing lodes of gold and silver bearing quartz and alluvial deposits of gold, and of customs quartz milling, and the doing of all such things as were incidental or conducive to the attaining of the above objects;

And it was further announced that the Company intended to apply to the Provincial Legislature for a Special Act of Incorporation;

And whereas, a draft of this Bill was published with the said Prospectus and the said Company have petitioned that this Act be passed and it is deemed expedient to grant the prayer of the said petition;

Therefore Her Majesty by and with the advice and consent of the Legislative Assembly of the Province of British Columbia enacts as follows:—

1. From and after the passing of this Act the British Columbia Milling and Mining Co., limited, and the members thereof, hereinafter called the late Company, together with such other persons as may from time to time become members of the said Company hereby incorporated, shall be deemed and they are hereby de-

clared to be by virtue of this Act a body corporate and politic by the name of the "British Columbia Milling and Mining Company," hereinafter called the present Company, and the "Companies Ordinance, 1869," shall no longer apply to the late Company.

2. The present Company is constituted for the purpose of prospecting and developing lodes of gold and silver bearing quartz and alluvial deposits of gold and for customs quartz milling, and for the doing of all such things as are incidental or conducive to the attainment of the above objects.

3. The capital stock of the Company shall be the sum of \$625,000 in 125,000 shares of \$5 each.

4. The property lawfully possessed by the late company shall be and is hereby declared to be vested in the present company for the same estates and interests as such property was held by or vested in the late company.

5. The Articles of Association of the late company shall, subject to the provisions of this Act, be the Articles of Association of the present company, and the said Articles may be amended, altered or added to by the present company in general meeting by a vote of such a number of shareholders as shall represent at least two-thirds of the issued shares of the said Company.

6. The Directors and officers of the late company shall be the Directors and officers of the present company until others have been elected or appointed in accordance with the Articles of Association.

7. The shareholders in the late company shall in the present company be holders of the number of shares to which they were respectively entitled in the late company and such shares shall, subject to the provisions of this Act, be held on the same conditions and in the same manner as they respectively were held in the late company and the certificates issued by the late

company and now in force shall be deemed to be certificates of the present company

8. The said company for the purpose of carrying on their business and for more fully carrying out the objects of this Act may acquire and hold by purchase, lease or other legal title such lands, pre-emptions, mining rights, claims, quartz ledges and lodes, and construct and maintain or purchase for cash such buildings, mills, diamond drills, or other machinery or improvements and sell, lease or otherwise dispose of all and singular such property as the company may deem fit for its advantage. And this Company shall have power to enter upon such works and contracts, and generally to do all such matters and things as may be necessary to carry out the objects of its incorporation hereinbefore specified.

9. The company shall keep an office in the City of Victoria which shall be open every day, Sundays and holidays excepted, between the hours of 11 a. m. and 2 p. m.

10. The stock of the company shall be deemed personal estate and shall be transferable in accordance with the Articles of Association or otherwise, as the company in general meeting shall by resolution direct.

11. A copy of all resolutions altering any of the Articles of Association shall be filed with the Registrar of joint stock companies within 48 hours after passing of the same.

12. The company shall have a seal on which shall be engraved the full name of the company.

13. The affairs of the company shall be managed by the Directors, but it shall not be lawful for the Directors to enter upon any work for the company, or to give out or award any contract on behalf of the company, for any work to be done for the company, unless there shall be in the hands of the Treasurer of the company or lying to the credit of the company at

its bank at the time such work is entered upon or such contract given or awarded a sum of money equal in amount to the liability to be imposed upon the company by such work or such contract. And when any contract shall have been given out or work entered upon, in accordance with this section, so much of the moneys of the said company as may be necessary to meet the liabilities to be incurred by the said company in respect of such work or contract shall be deemed to be set apart and appropriated for the discharge of such liability, and shall not be taken into account in entering upon any further work for the company, or awarding any contract on the company's behalf, the intention of this section is that the said company shall not enter upon any work or contract for which there shall not previously have been provided and in hand a sufficient amount of money to meet the liabilities to be incurred thereby.

14. A member may transfer his shares whenever all calls due thereon shall have been paid and upon such transfer and entry thereof in the books of the company his liability in respect of such shares shall cease.

15. It shall be the duty of the Directors to keep or cause to be kept a register of shareholders, a transfer book, a share journal, a director's minute book, cash books, ledgers and journals, and all such other books as may be necessary to fully disclose the affairs of the company and such books shall be open for inspection at the company's office to any shareholder during the company's hours of business.

ARTICLES OF ASSOCIATION

— OF THE —

British Columbia Milling and Mining Company, LIMITED.

SHARES.

ARTICLE 1. Every member shall, without fee, be entitled to a certificate under the common seal of the company, specifying the shares held by him.

ARTICLE 2. If such certificate be worn out or lost (sufficient proof being given) it may be renewed. Any shareholder holding a number of shares by one certificate, and being desirous of holding such shares by two or more certificates, shall be entitled to receive such two or more certificates in exchange for the one certificate.

ARTICLE 3. The directors may, from time to time, make such calls upon the members in respect of all monies unpaid on their shares as they think fit: provided, that no call shall exceed the sum of ten cents per share at one time, nor shall calls be made oftener than once in every thirty days, and fifteen days notice in one or more newspapers at least shall be given of each call, and each member shall be liable to pay the amount of calls so made to the persons and at the times and places appointed by the directors.

ARTICLE 4. A call shall be deemed to have been made when the resolution authorizing such call was passed.

ARTICLE 5. If the call payable in respect of any shares is not paid on or before the day appointed for the payment thereof, the holder for the time being of such share shall be liable to pay interest on the same at the rate of one per cent. per month from the day appointed for the payment thereof to the time of actual payment.

TRANSFER OF SHARES.

ARTICLE 6. Shares in the company shall be transferred in the following manner. On presentation to the secretary of a certificate or certificates, properly endorsed, he shall retain such certificate or certificates and issue to the holder thereof a new certificate or certificates and make the necessary entry of transfer in the company books, but the transferor shall be deemed to be the holder of the shares until the certificate or certificates so endorsed shall have been presented to the secretary and the transfer entered in the company books as aforesaid.

ARTICLE 7. No transfer shall be recognized without the endorsement on the certificate of the transferor, properly witnessed.

ARTICLE 8. The company may decline to register any transfer of shares made by a member who is indebted to them. The transfer books shall be closed during the fourteen days immediately preceding the ordinary general meeting in each year.

TRANSMISSION OF SHARES.

ARTICLE 9. The executors or administrators of a deceased member shall be the only persons recognized by the company as having any title to his share.

ARTICLE 10. Any person becoming entitled to shares in consequence of the death, bankruptcy or insolvency of any member, or in consequence of the marriage of any female member may be registered as a member upon such evidence being produced as may from time to time be required by the company.

ARTICLE 11. Any person who has become entitled to a share in consequence of the death, bankruptcy or insolvency of any member, or in consequence of the marriage of any female member, may, instead of being registered himself elect to have some person to be named by him registered as a transferee of such shares with the consent of the transferor.

ARTICLE 12. The person so becoming entitled shall testify such election by executing to his nominee, with his consent, an instrument of transfer of such share.

ARTICLE 13. The instrument of transfer shall be presented to the company with such evidence as the directors may require to prove the validity of the transfer, and thereupon the company shall, with his consent, register the transferee as a member.

DELINQUENT SHARES.

ARTICLE 14. If any shareholder fails to pay any call on the day appointed for the payment thereof, the directors shall advertise in any newspaper published in the Cariboo district, and also in one newspaper published in Victoria, the name of the delinquent shareholder with the number of shares standing in his name in the company books, and that such shares, or so many thereof as will cover the amount due, with interest and expenses, will be sold at public auction within fifteen days after such advertisement. If there be no newspaper published within Cariboo district it shall be sufficient for the secretary to post a notice of delinquents' names and shares outside the court house and company's office nearest the mines. If the amount due on such shares with expenses shall not have been paid before the date advertised for the sale of the said shares, then such shares shall be sold in accordance with the advertisement.

ARTICLE 15. If at the sale of any delinquent shares they shall not realize the amount of calls then due with expenses they may be bought by the directors for the company, and they shall then be the property of the company and be disposed of by the directors at such time and such manner as they may think proper.

ARTICLE 16. Any shareholder whose delinquent shares have been disposed of by order of the directors shall be liable to the company for any amount due on them at the time of such sale less the amount realized from such sale.

(a) A statutory declaration in writing by the Secretary of the Company that the call in respect of shares was made and notice thereof given, and that default in payment of the call was made and the sale of the shares was made in pursuance of a resolution of the directors to that effect, shall be sufficient evidence of the facts therein stated as against all persons entitled to such shares, and such declaration and the receipt of the company for the price of such shares shall constitute a good title to such shares, and a certificate of such proprietorship shall be delivered to a purchaser, and thereupon he shall be deemed the holder of such shares, discharged from all calls due prior to such purchase, and he shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity in reference to such sale.

INCREASE IN CAPITAL.

ARTICLE 17. The directors may, with the sanction of three-fourths of the shareholders voting in favor of a special resolution at a general meeting, increase the capital by the issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the company in general meeting directs; or if no direction is given, as the directors may think expedient, subject to any direction to the contrary that may be given by the meeting that sanctions the increase of capital; all new shares shall be offered to the members in proportion to the existing shares held by them, and such offer shall be made by notice specifying the number of shares to which the member is entitled and giving sixty days within which the offer if not accepted will be deemed to be declined, and after the expiration of such time or on the receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered the directors may dispose of the same in such manner as they think most beneficial to the company.

ARTICLE 18. Any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the same provisions with reference to the payment of calls, and the sale of shares on non-payment of calls, or otherwise as if it had been part of the original capital.

GENERAL MEETINGS.

ARTICLE 19. The first general meeting shall be held at such time not being more than six months after the registration of the company and at such place as the directors may determine. Subsequent general meetings shall be held at such time and place as may be prescribed by the company in general meeting, and if no other time or place is prescribed a general meeting shall be held on the first Monday in February in every year at such place as may be determined by the directors.

ARTICLE 20. The above mentioned general meetings shall be called ordinary meetings; all other general meetings shall be called extraordinary.

ARTICLE 21. The directors may, when they think fit, and shall, upon a requisition made in writing by the holders of not less than one-third of the shares of the company, convene an extraordinary general meeting.

ARTICLE 22. Any requisition made by the shareholders shall express the object of the meeting proposed to be called and shall be left at the registered office of the company.

ARTICLE 23. Upon the receipt of such requisition the directors shall forthwith proceed to convene an extraordinary general meeting. If they do not proceed to convene the same within twenty-one days from the date of the requisition the requisitionists or any other holders of the required number of shares may themselves convene an extraordinary general meeting.

PROCEEDINGS AT GENERAL MEETINGS.

ARTICLE 24. Thirty days' notice at least, specifying the place, the day and the hour of meeting, and in case of special business the general nature of such business shall be given to the members in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the company at a general meeting, but the non-receipt of such notice by any member shall not invalidate the proceedings at any general meeting.

ARTICLE 25. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting, with the exception of sanctioning a dividend and the consideration of the accounts, balance sheets and the ordinary report of the directors.

ARTICLE 26. No business shall be transacted at any general meeting except the declaration of a dividend, unless two-thirds of the shares of the company be represented making a quorum.

ARTICLE 27. If, within one hour from the time appointed for a meeting, a quorum is not present the meeting shall be adjourned sine die.

ARTICLE 28. The chairman, if any, of the Board of Directors, shall preside at every general meeting of the company.

ARTICLE 29. If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose some one of their number to be chairman.

ARTICLE 30. The chairman may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

ARTICLE 31. At any general meeting, unless a poll is demanded by at least five members, a declaration by the Chairman that a resolution has been carried and an entry to that effect in the book of proceedings of the Company shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favor or against such resolution.

ARTICLE 32. If a poll is demanded by five or more members, it shall be taken in such manner as the Chairman directs, and the result of such poll shall be deemed to be the resolution of the Company in general meeting. In case of an equality of votes at any general meeting the Chairman shall be entitled to and shall give a second or casting vote.

VOTES OF MEMBERS.

ARTICLE 33. Every shareholder shall have one vote for every ten shares standing in his name.

ARTICLE 34. If one or more persons are jointly entitled to shares only one of such persons may vote in respect of such shares, and in the event of dispute the member whose name stands first shall have priority.

ARTICLE 35. No member shall be entitled to vote at any general meeting unless all calls due from him have been paid, and no member shall be entitled to vote in respect of any share he has acquired by transfer at any meeting held after fourteen days from the registration of the Company unless he has been possessed of the share in respect of which he claims to vote for at least fourteen days previously to the time of holding the meeting at which he proposes to vote.

ARTICLE 36. Votes may be given either personally or by proxy.

ARTICLE 37. The instrument appointing a proxy shall be in writing under the hand of the appointor, or if such appointor is a corporation under their common seal and shall be attested by one or more witness or witnesses.

ARTICLE 38. Proxies shall be either special or general; if special, only valid for the time stated therein; if general, valid until cancelled.

ARTICLE 39. The instrument appointing a proxy shall be delivered to the Secretary either before or at the time of calling any meeting to order and shall remain valid until revoked by the appointor and notice of the revocation delivered to the Secretary.

ARTICLE 40. No particular form of proxy shall be necessary, but it shall be attested by at least one witness.

DIRECTORS.

ARTICLE 41. There shall be seven Directors, four of whom shall constitute a quorum. The first Board of Directors shall be elected at the first general

meeting and shall be chosen from the twenty-four original promoters. Subsequent Boards of Directors shall be formed from among the shareholders.

ARTICLE 42. Provisional Directors shall be appointed by the promoters, and shall hold office until the first general meeting, when a new Board shall be elected.

• REMUNERATION OF DIRECTORS.

ARTICLE 43. The remuneration of the Directors shall be determined by the Company in general meeting.

POWERS OF DIRECTORS.

ARTICLE 44. The Board of Directors shall have power to call meetings of the stockholders whenever they deem it necessary;

To appoint and remove at pleasure all officers, agents and employees of the Company, and to prescribe their duties, fix their compensation, and require security for faithful service;

To make rules and regulations provided they are not inconsistent with law or the Articles of Association;

To declare dividends out of the surplus profits of the Company whenever they deem it advisable;

To levy such assessments as, in their opinion, may from time to time be necessary for the purposes of the company;

To make all contracts which, in their judgment, will subserve the interests of the company; and the signatures of the President and Secretary under the Company's seal, to any contract or obligation when authorized by a vote of a majority of the Directors shall be valid and binding upon the company,

Provided always the Directors shall not incur any liabilities unless the company has sufficient funds in the bank to meet the same.

It shall be the duty of the Directors to cause to be kept a complete record of all their official acts and full minutes of the proceedings of all meetings of the Board and of the shareholders; to require the Secretary and Treasurer to keep their books and accounts in a proper manner; to cause to be issued to the shareholders in proportion to their respective interests, certificates of stock, provided that the aggregate amount of certificates so issued shall not exceed the capital stock of the company.

ARTICLE 45. The continuing Directors may act notwithstanding any vacancy in their body.

DISQUALIFICATION OF DIRECTORS.

ARTICLE 46. The office of Director shall be vacated:

If he holds any other office or place of profit under the Company.

If he become bankrupt or insolvent.

If he is concerned in or participates in the profits of any contract with the Company.

If he cease to own one thousand shares.

But the above rules shall be subject to the following exceptions: That no Director shall vacate his office by reason of his being a member of any Company which has entered into contracts with or done any work for the Company of which he is a director; nevertheless he shall not vote in respect of such contract or work and if he do so vote his vote shall not be counted.

ARTICLE 47. No director or officer of this company shall be a director or officer of any other Mining Company, working claims located in the Cariboo District.

ELECTION OF DIRECTORS.

ARTICLE 48. At the first general meeting in each year the whole of the Directors shall retire from office.

ARTICLE 49. The retiring Directors shall be eligible for re-election.

ARTICLE 50. The Company, at the general meeting at which the Directors retire shall fill up the vacated offices by electing a like number of persons.

ARTICLE 51. If, at any general meeting at which an election of Directors ought to take place, the places of the vacating Directors are not filled up the meeting shall stand adjourned until the same day in the next week at the same hour and place, and if at such adjourned meeting the places of the vacating Directors are not filled up the vacating Directors, or such of them as shall not have had their places filled up, shall continue in office until the ordinary meeting in the next year, and so on from time to time until their places are filled up.

ARTICLE 52. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office only so long as the vacating Director would have retained the same if no vacancy had occurred.

ARTICLE 53. The Company, in general meeting may, by a special resolution, remove any Director before the expiration of his period of office and may, by an ordinary resolution, appoint another in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF DIRECTORS.

ARTICLE 54. The Directors may meet together for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit for the transaction of business. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may at any time summon a meeting of Directors.

ARTICLE 55. The Directors may elect a Chairman at their meetings and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.

ARTICLE 56. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any Committee so formed shall in the exercise of the power so delegated conform to any regulations that may be imposed upon them by the Directors.

ARTICLE 57. A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of the votes of the members present, and in case of an equality of votes the Chairman shall have a second or casting vote.

ARTICLE 58. All acts done by any meeting of the Directors or of a Committee of Directors or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every person had been duly appointed and was qualified to be a Director.

DUTIES OF OFFICERS.

PRESIDENT.

ARTICLE 59. An officer to be appointed by the Board of Directors, and who shall be called the President, shall preside at all meetings of the Directors and of the shareholders. He shall sign as President all certificates or shares, and all contracts and other instruments of writing which have been first ap-

proved by the Board of Directors and affix the corporate seal to all instruments requiring a seal. He shall draw all warrants on the Treasurer. He shall have the casting vote at all meetings of the shareholders, whenever he shall deem it necessary, and shall have, subject to the advice of the shareholders, the direction of the affairs of the Company. In case of his absence or inability from any cause, to discharge the duties of the office, the vacancy may be filled by the remaining members of the Board, permanently or temporarily, as the circumstances may require and the person so elected shall be vested with all the powers of the office.

TREASURER.

The Treasurer shall deposit with the company's bank all monies and bullion belonging to the company, and draw the same under the direction of the Board of Directors, and in conformity with the By-Laws of the company. At each annual meeting of the shareholders, and as often as may be required by the Board of Directors, he shall present a full statement of his accounts, with proper vouchers. He shall make no payment except on a warrant drawn by the President and countersigned by the Secretary.

SECRETARY.

The Secretary shall keep a full record of the proceedings of the Directors and shareholders. He shall keep the book of blank certificates of shares; fill up, and countersign all certificates issued, and make the proper entries in the margin of such book on the issuance of certificate; he shall cancel all certificates surrendered to him before issuing new certificates in lieu thereof, and shall preserve the certificates so surrendered and cancelled as vouchers; he shall keep a transfer book and a share ledger in debt and credit form, showing the number of shares issued to and transferred by any shareholder, and the date of such issuance and transfer; he shall countersign all warrants drawn on the treasurer, keep proper account books, and perform such other duties as pertain to his office, and as are prescribed by the Board of Directors.

MANAGER.

ARTICLE 62. A general manager shall be elected by the Board of Directors, and be removable at their pleasure; it shall be the duty of such manager to reside at the mine of the company, and take charge of all property there belonging to the company, and control and direct all labor and business pertaining to the interests, object, and operations of the company in British Columbia, subject, however, as far as practicable, to the advice of the directors residing there and entirely subject to direction and control of the Board of Directors; he shall make monthly returns to the Board of Directors, of all persons employed by the company, their wages and time employed, and shall present therewith a statement of all expenditure made by him and his vouchers therefor (duplicates of which shall be kept by him) and he shall also report the general condition of the mining work and all stock and material on hand; should he require funds, he shall make a requisition on the Board of Directors therefore, stating the precise object for which they are required. If approved by the Board of Directors, the money shall be transmitted to him in such mode as they may direct; all bullion shall be sent to the registered office in Victoria.

DIVIDENDS.

ARTICLE 63. The Directors may declare a dividend to be paid to the members in proportion to their shares.

ARTICLE 64. No dividend shall be payable except out of the profits arising from the business of the Company.

ARTICLE 65. The Directors may, before declaring any dividend set aside out of the profits of the Company, such sum as they think proper as a reserve fund to meet contingencies or for equalizing dividends or for repairing or maintaining the works connected with the business of the Company or any part thereof, and the Directors may invest the sum so set apart as a reserve fund upon such securities as they may select.

ARTICLE 66. The Directors may deduct from the dividends payable to any member all such sums of money as may be due from him to the Company on account of calls or otherwise.

ARTICLE 67. Notice of any dividend that may have been declared shall be given to each member in manner hereinafter mentioned, and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company.

ARTICLE 68. No dividend shall bear interest as against the Company.

ACCOUNTS.

ARTICLE 69. The Directors shall cause true accounts to be kept:—

Of the property of the Company.

Of the sums of money received and expended by the Company and the matter in respect of which such receipt and expenditure takes place, and—

Of the credits and liabilities of the Company.

The books of account shall be kept at the registered office of the Company and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed by the Company in general meeting, shall be open to the inspection of the members during the hours of business.

ARTICLE 70. Once at the least in every year the Directors shall lay before the Company in general meeting a statement of the income and expenditure for the past year made up to a date not more than three months before such meeting.

ARTICLE 71. The statement so made shall show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expense of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributable over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reasons why only a portion of such expenditure is chargeable against the income of the year.

ARTICLE 72. A balance sheet shall be made out in every year and laid before the Company in general meeting, and such balance sheet shall contain a summary of the property and liabilities of the Company arranged under the heads appearing in the form annexed to Table A in the said Act, or as near thereto as circumstances admit.

AUDIT.

ARTICLE 73. Once at least in every year the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by one or more auditor or auditors.

ARTICLE 74. The first auditors shall be appointed by the Directors. Subsequent auditors shall be appointed by the Company in general meeting.

ARTICLE 75. If one auditor only is appointed all the provisions herein contained relating to auditors shall apply to him.

ARTICLE 76. The auditors may be members of the Company, but no person is eligible as an auditor who is interested otherwise than as a member in any

transaction of the Company, and no Director or any other officer of the Company is eligible during his continuance in office.

ARTICLE 77. The election of auditors shall be made by the Company at their ordinary meeting in each year.

ARTICLE 78. The remuneration of the first auditors shall be fixed by the Directors; that of subsequent auditors shall be fixed by the Company in general meeting.

ARTICLE 79. Any auditor shall be re-eligible on his quitting office.

ARTICLE 80. If any casual vacancy occurs in the office of any auditor appointed by the Company, the Directors shall forthwith call an extraordinary general meeting for the purpose of supplying the same.

ARTICLE 81. Every auditor shall be supplied with a copy of the balance sheet, and it shall be his duty to examine the same with the accounts and vouchers relating thereto.

ARTICLE 82. Every auditor shall have a list delivered to him of all books kept by the Company, and shall at all reasonable times have access to the books and accounts of the company. He may, at the expense of the company, employ accountants or other persons to assist him in investigating such accounts, and he may, in relation to such accounts, examine the Directors or other officers of the Company.

ARTICLE 83. The auditors shall make a report to the members upon the balance sheet and accounts and in every report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing the particulars required by these regulations and properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, and in case they have called for explanations or information from the Directors whether such explanations or information have been given by the Directors and whether they have been satisfactory, and such report shall be read together with the report of the Directors at the ordinary meeting.

NOTICES.

ARTICLE 84. A notice may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter to such member at his registered place of abode.

ARTICLE 85. All notices directed to be given to the members shall with respect to any share to which persons are jointly entitled be given to whichever of such persons is named first in the register of members, and notice so given shall be sufficient notice to all the holders of such share.

ARTICLE 86. Any notice if served by post shall be deemed to have been served at the time when the letter containing the same would, if applied for, be delivered in the ordinary course of the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post-office.

SPECIAL ARTICLES.

ARTICLE 87. And whereas the promoters of the Company hereinafter named in consideration of their holding for and agreeing to transfer to the Company, certain quartz locations and alluvial deposits in Cariboo, retain 54,000 shares allotted among themselves as follows:—

David Kurtz, D. Manson, Charles Wilson, F. J. Barnard, C. F. Houghton, Joshua Davis, J. Heywood, D. W. Higgins, Jno. Robson, G. A. Sargison, H. C. Beeton, R. B. Harper, G. J. Findlay, Hugh Nelson, H. M. Ball, S. Nesbit, John Grant, C. Morton, Isaac Oppenheimer, C. T. Dupont, J. A. Raymur, Henry Rhodes, John Kurtz, J. A. Mara.

It is hereby declared the said fifty-four thousand shares are held equally liable to calls as are the remaining seventy-one thousand, making the whole

of the one hundred and twenty-five thousand shares liable to assessment to the extent of \$5 per share.

ARTICLE 88. It shall be lawful for the Directors to sell at such time or times in such manner and for such sum or sums not less than one dollar and fifty cents per share as they shall think fit the remaining seventy-one thousand shares.

ARTICLE 89. The proceeds of the sale of the shares as per article No. 88 shall be applied solely to the purchase of machinery and to the working of the mines belonging to the company.

ARTICLE 90. The purchase money paid by any person purchasing any of the seventy-one thousand shares will not be reckoned nor deemed part payment of his liability to calls nor place him by reason of such payment in any better position than that of the promoting shareholders except that such shares become immediately negotiable.

ADDENDA.



The within prospectus was prepared with the expectation that the bond spoken of therein would be signed by all the promoters before the within prospectus should be issued, but, in consequence of the absence of several of the promoters from Victoria, it has not been possible to obtain the signatures of all. Intending purchasers of shares are therefore notified that the said bond has been signed by promoters representing 48,000 shares only, and that steps will be taken at once to obtain the signatures of such promoters as have not signed already. Intending purchasers will be informed by the Secretary of the Company, on application, as to whether such promoters have or have not signed.

