

SMELTER WILL GO IN

The following letter is self-explanatory, and furnishes the most satisfactory endorsement possible of the values and the tonnage to be found in our mines. The original of this letter is in our office:

DR. GEO. F. WILSON. PAUL T. GADSDEN.
THE WILSON-GADSDEN CO.,
605 McKay Building.
Portland, Oregon, July 23, 1908.
The Gold Creek Mining & Milling Co.,
Gentlemen:

I am authorized by Dr. George F. Wilson and the other gentlemen associated with me in the enterprise, to state to you that after careful investigation of the district in which our mines are located, that we have decided to erect a smelter of not less than one hundred tons daily capacity to commence with, in the neighborhood of your mines; subject, however, to certain conditions outlined herein.

After looking over various properties in Washington Idaho and Oregon, in the endeavor to find a suitable location for a custom smelter, it seems to us that as far as natural features are concerned, and the possibility of a very large tonnage being ultimately developed, that your district stands pre-eminent over any we have investigated.

There are certain difficulties, however, which must be met and overcome by you before will commence the actual building of the plant. If you will overcome these difficulties we are ready to contract for the erection of a plant.

The main conditions are as follows:
First—That the wagon road from Elkhorn, at least as far as the smelter site [to be selected by us], shall be completed.

Second—While there is not the slightest doubt in our opinion of the ability of your mines to produce the one hundred tons daily output, we desire to commence with (and in fact with a little more development work we believe that almost any of the group can do this well), still we are not willing to commence actual erection until you can report to us that there is in your treasuries a fund sufficient to actually mine this ore and to deliver it to the smelter.

Third—We know of no other dis-

trict where it would be possible at such a small expense to deliver the product of a mine to market, and this expense to deliver can be reduced to a minimum if your company will form some sort of a joint plan with the other mining companies in the district for the erection of whatever plant is deemed best and most economical for the delivery of ore to the smelter.

Again, there is sufficient water in the neighborhood to furnish power to do the mining for all the mines, and to operate the smelter, and here again we suggest that this could be done most economically by all the companies, or a number thereof, joining in the erection of a power plant for the use of all.

Fourth—We must request that the actual work of development of the mines of your district be undertaken under the advice and suggestions of some well-known, competent mining engineer. We again believe it advisable for all or several of your mines to join in the employment of such a man.

You should have no difficulty whatsoever in raising the few thousand dollars necessary to get this ore out of your mines and to the smelter. In our judgment, any additional money you gentlemen or your friends will spend to bring this about will be no speculation, but a pure investment more certain of results in the way of large dividends than any other possible way in which you could spend the money.

We are willing to contract with your company for fifty tons per day, and have no doubt whatsoever of your ability, long before the smelter can possibly be finished, to deliver ore of this amount to us, of a value that will net you, above all mining and smelting charges, from six to ten thousand dollars, at the very lowest, per month, from the start.

It is our purpose to increase the tonnage capacity of the furnace just so soon as the increased tonnage is ready for us. It would be a foolish man indeed who would not come to the certain conclusion that the immense ledges of your district, immense in width and extent (unequalled by any we have investigated anywhere) will, beyond a doubt, develop an en-

ormous tonnage, the great extent of which I would not care to risk a figure on as a limit for your future profits.

I will add in closing, only the remark that we are more interested even than yourselves, perhaps, in the speedy erection of this plant, for the reasons I have outlined you in private conversations; therefore, we only await your assurance that sufficient funds are in your treasury to insure the fulfilling of the above conditions, to commence the immediate erection of the smelter.

Yours respectfully,

PAUL T. GADSDEN.

There are three or four points in the above document to which we desire to call the investor's attention particularly. First, the letter contains a straightforward, business statement of the conditions on which this smelter company will commence operations: conditions natural enough and only reasonable, before any capitalists would consider, even, the erection of a hundred thousand dollar modern smelting plant. To sum those conditions up (excepting the building of a wagon road) they may be reduced simply to the statements:

First, That our company must raise a fund sufficient to pay for actual mining and delivery of this amount of high grade ore per day (which the smelter people have decided they can count on, as a certainty, from our mines.)

Second, That in the spending of this money so raised, for this purpose, we should use the utmost economy. And that, therefore, we should combine with the other mines of our district in the joint employment of a well-known, competent mining engineer to direct operations, and should join also with those other mines in the erection of a power plant for the use of the entire district, and a tramway for delivering the ores to the smelter.

Cost of Mining and Delivery to Our Market.

Every ton of ore from our plant can be sent down to the smelter by gravity alone. At the most liberal, outside estimate, the entire cost of mining and delivering our ore to market [i. e. the smelter] cannot possibly exceed \$1.00 to \$1.25 per ton.

Stock Advanced to Fifteen Cents November 19th

Gold Creek Mining and Milling Co.

J. T. KEARNS, Local Agent.