

THE STORY OF THE
CLIMAX MINE

And Its Ten Million Tons
of Free Milling Gold Ore

The property is owned by the
THUNDER MOUNTAIN CLIMAX
GOLD MINING COMPANY

EASTERN OFFICES:
346 Broadway, New York

THE NATIONAL UNDERWRITING CO.
New York Life Building, New York City

THUNDER MOUNTAIN CLIMAX GOLD MINING COMPANY

Capital, \$2,500,000 Treasury Stock, \$1,300,000
PAR VALUE OF SHARES, ONE DOLLAR



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The Climax Gold Mining Property

TO put into few words correct and comprehensible description of the Climax Gold Mining property is practically impossible. This is because the facts are so remarkable that a bare statement of them can hardly be convincing.

To understand the extraordinary conditions found in this property it is necessary to understand the general conditions of the Thunder Mountain district of Idaho in which the Climax property is situated. These conditions are admirably set forth in a sixty-page book published by the Stuyvesant Publishing Company, 253 Broadway, New York, and every interested person should get this little book. The work is called the "Truth About Thunder Mountain," and its cost is but ten cents. Every subscriber to the stock of the Climax Company has been presented with a copy of this book as well as maps of the Thunder Mountain district. Thunder Mountain matters are also treated at length in *Leslie's Weekly* of October 15, 1903, several full pages being devoted to the subject.

How the Property was Secured

The story of the Climax property was first told to the present officers of the company in February, 1903, by Mr. Charles J. Perkins, a mining man of wide experience, who spent the summer of 1902 in the Thunder Mountain district and came to New York in December, 1902.

The present officers of the Climax Company made Mr. Perkins' acquaintance within a day or two of his arrival in New York, and two months later purchased the Climax claim outright, paying for the same in cash. They were willing to do this because they had found they could rely on Mr. Perkins' statements, and the purchase was made solely upon his report of his personal examination of the property.

Our Treasurer Visits the Mine

A corporation was formed in May, 1903, to take over the property and when propositions to add to it some adjacent acres were made, the treasurer of the company determined to visit the district personally and see with his own eyes the extent and character of the ore.

In August, 1903, therefore, accompanied by several other gentlemen, among them Mr. Philo S. Bennett, he started from Boise, Idaho. Three days later when about seventy miles from Boise, the party met with a serious accident in which Mr. Bennett was killed. No doubt everyone who reads this will recall the newspaper accounts of the upsetting of their coach, and will also recall the controversy over Mr. Bennett's will which contained the strange bequest to Hon. William Jennings Bryan.

Mr. Perkins' Statements Verified

Our treasurer found on reaching Thunder Mountain that the truth concerning our property and the district in general so far exceeded his most sanguine expectations that he purchased the additional property for the Climax Company and returned to New York in September determined to push plans for equipment forward with all speed.



Climax Cabins in Course of Construction
(Photographed by C. J. Perkins, Sept. 22, 1903)

He had been prepared to find that some of Mr. Perkins' statements might have been unconsciously misleading and that some allowances would have to be made for enthusiasm. As a matter of fact the contrary was the case. With his own hands he took dirt from every part of the

surface all over the property and along every opening, and washed the dirt himself in the creek that runs through the property, and every pan of dirt he took washed out gold in the bottom of the pan. He also had the same dirt assayed, with results varying from \$4.80 to \$9.20 of gold per ton of dirt.

He found also that the ore was all soft, free-milling ore, and that any of it could be crushed to powder with a tack hammer, while much of it could be crushed in his fingers. The great value of the property became instantly clear because from tunnels and shafts calculations were easily made showing an ore body of at least ten million tons, with a strong probability that there actually is five or six times as much.

Ten Million Tons of Ore

The calculation of ten million tons is made on 35 acres on which development work has been done and a depth of 120 feet of ore demonstrated. The other forty acres of the property has had as yet no development work of moment. It should be borne in mind that these statements about possessions of ore are not dreams or guesses but are known to be existing facts. It must therefore be plain that shares in the company which owns this property outright must sooner or later be of great value.

It should not be lost sight of that the gold-bearing ore in this property does not have to be searched for in the bowels of the earth in uncertain streaks or veins, but, on the contrary, the

property is all ore, yielding good workable values, and mining it is merely digging off the mountain side with a steam shovel in the summer time and in the winter time working by tunnel into the mountain, for the Climax property is close to the top of a mountain ten thousand feet high.

The ore consists principally of a porphyry formation or lava ashes and is very light in weight. The work of a great crater is shown here because all this mountain side consists of the same blanket flow of lava and ashes which must have come from the mouth of the great volcano now extinct.

Leslie's Weekly, in its issue of October 15, 1903, contains a great deal of matter pertaining to Thunder Mountain. The following is an extract from one of the articles in that number :

"I have no better way of describing the deposit of gold ore in Thunder Mountain, one of the most important gold fields in the United States, and probably the most curious in the whole world. Yet all of the deposits are not exactly like this. Sometimes the ashes seem to have been thrust up into great crevices in the mountains so that the bodies or substances that contain gold and other minerals are in veins and fissures. In some instances these gold-bearing ashes are spread *like great blankets over the mountain sides*, and men of lifelong experience in mining in many parts of the world have been puzzled by this new field, because it was unlike anything they had ever seen before."

The Climax property is one of these blanket formations. The mountain on which it is located is nearly ten thousand feet high and there are those who claim that over half the height of the entire mountain is made up of lava in which there is gold in paying quantities.

[As this little book goes to press we are informed that *Leslie's Weekly* for October 15th can no longer be secured from the publishers, the edition having been exhausted. Nearly all the Thunder Mountain matter from *Leslie's Weekly*, however, has been reproduced in the *Industrial Times and Mining Record*, November issue, published at Postal Telegraph Building, New York city.]

It should be noted here that the figures upon which calculation is made in these pages are based on lowest assay averages from the surface and from the earliest work on the tunnels and shafts. In many places small deposits have been found that run as high as \$300 per ton, and there is every indication that as work progresses in the tunnels values averaging over \$10 per ton will be found in large bodies of ore. In one of the tunnels on an adjoining property of exactly similar formation a big dyke of ore was crushed which averaged \$22 per ton all the way across the tunnel. But \$5-ore is good enough when there is enough of it. Following is the assay report for several assays made by Chemist William M. Marrs :

ROOSEVELT, IDAHO,
Sept. 30, 1903.

I do hereby certify that the following is a true and correct copy of my records of assays of samples of ore from the Climax Mine, Thunder Mountain Mining District, Idaho, from August 18 to September 14, to wit :

	Gold, per ton of ore.		Gold, per ton of ore.
Aug. 18	\$7.80	Sept. 4	\$5.20
“ 18	7.20	“ 4	5.40
“ 20	7.20	“ 4	4.80
“ 27	4.20	“ 4	4.60
“ 30	5.40	“ 14	4.80
“ 30	6.00	“ 14	5.20

I further certify that all of the above ores are strictly free milling and do not contain any evidences of copper or lead.

Very respectfully,

(Signed) WILLIAM M. MARRS,
Assayer and Chemist.

The average of the above table is \$5.65 per ton.

Special Statement of Mr. Newton Hibbs, one of the Leading Mining Experts of Roosevelt, Idaho:

NEW YORK, Nov. 23, 1903.

*The National Underwriting Company,
346 Broadway, New York City.*

GENTLEMEN:—This is to certify that I have been a resident of Roosevelt, Idaho, since the first cabin was erected on the townsite. I have been engaged in practical mining work for twenty years, and am posted absolutely concerning the location of the groups of mines owned by the Thunder Mountain Climax Gold Mining Company, and am pleased to state that their location on Thunder Mountain is correctly shown on the map issued by the National Underwriting Company.

The Climax Mine is among the oldest in the camp and is considered among the best and most valuable. The gold-bearing ore on the surface of it is richer than any similar large bodies on the surface of the Dewey property.

I have personally investigated the merits of the property, as a mining engineer, and can state without reservation that it contains inexhaustible quantities of free-milling gold ore, and that the title has never been questioned by anyone in the Thunder Mountain District.

Very truly yours,
(Signed) NEWTON HIBBS.

Following is the report of the treasurer of the Thunder Mountain Climax Gold Mining Company after his return from the mines in September:

NEW YORK, Sept. 10, 1903.

*To the Directors of the Climax Gold Mining Company,
New York City.*

DEAR SIRs:—I have just returned from the inspection of the Climax Gold Mining Company's property in Thunder Mountain, and am more than pleased with the result of the trip. I found the Thunder Mountain region, so far as gold mining is concerned, all that has been claimed for it. The district produces ore which is known as free milling ore; by this I mean that there is no mixture of lead zinc, copper, or arsenic found with this ore. It can all be reduced in the stamp mill and treated with amalgam or quicksilver, which would save from 60 to 75 per cent, of the gold; tailings would then be treated with a cyanide process and extract a total of about 90 per cent.

I did not find in this whole territory a property where a ten-foot hole in development work had been dug that was not producing pay ore. The quality of this ore varies from \$4.00 to \$12.00. There are some small pockets in which the value will run up as high as \$200.00 or \$300.00 per ton, but this is not the general thing; a very large quantity will average probably from \$6.00 to \$10.00. The territory is supplied with an abundance of wood and water; there are several creeks which are large enough to produce electric power for the working of all the properties which are within the radius of 25 or 30 miles. The wood can be used for fuel as well as timbering in the tunnels and shafts.

I found the Climax property to have the reputation of being among the very best in the district. Mr. J. W. Purdum, who is the manager and one of the directors of the Belle of Thunder Mountain Gold Mining Company, told me that at one time he had an opportunity to buy the Climax property; that he had made the mistake of his life that he let it slip through his fingers, as he considered this one of the best properties in the whole region. He said it would be no trouble for the company to sell the property at a very much larger price than that at which it was bought. I found the development work on this property to consist of a tunnel 70 feet long; the work has been done in the best manner possible, and the tunnel timbered the whole length. I took samples of ore from the surface to the face of the tunnel along the

whole 70 feet of working, and the assay made from these samples was \$7.20 per ton.

There is also on this property a shaft which is situated about 600 feet further down the hill than the tunnel. This shaft is 23 feet deep. I took samples from the dump; by this I mean the pile of dirt which was taken out of this shaft; the assay shows \$7.80 per ton. In addition to these assays I took dirt from the surface, following a line from one side of the property to the other in about the center, and had assays made from this which show \$7.20 per ton. I also washed pans of dirt which were taken up on the surface of the Climax property, and any pan which was washed would show a string of gold from an inch and a half to two inches and a half in the bottom of the pan.

After having satisfied myself fully from many assays of the great wealth of the Climax property, I bought for the company an additional tract of nearly fifteen acres which joins the Climax mines on the north. The entire tract is a mass of ore containing from \$6.00 to \$100.00 of gold per ton.

I conversed with practical men in the district with regard to the manner of mining, and they agreed with me that the proper way to work this property would be to use a steam shovel and mill all of the dirt that is taken out, so that it reduces itself to a question of manufacturing, rather than mining. I am sure that I am absolutely safe in saying that every ton of dirt on this property, and 650 feet down from the surface, will produce an average of \$6.00 in gold after going through the mill. The only drawback to working in this way might be encountered in the winter time when there is an exceedingly heavy body of snow on the ground, when some work might have to be done in tunnels, but taking the proposition in general, it can all be worked from the surface.

The nature of the formation on this property does not seem to be in veins, but is a blanket, or a floe. Experienced miners in the territory claimed that this is the actual condition, and that no one has ascertained as yet how deep that blanket or floe might be, or how many there may be of them. The theory is, however, that the floe on the surface will run from 600 to 800 feet deep. There may then be a barren blanket, then another gold-

bearing blanket, and so on indefinitely. However this may be, I am satisfied that if a mill were put on this property immediately, which would work 500 tons of dirt per day, that no man now living would see the time when this property should be worked out.

I have visited the Sunnyside Mine of Belle of Thunder Mountain Company, which is but a short distance from the Climax, and found that they had some 2,400 feet of development work done in the way of tunnels and shafts, and that this work had blocked out \$17,000,000.00 worth of ore. There is no guesswork about this, as it is an absolute fact; they have the measurements and do not hesitate to take people to the mine where they can take samples and have it assayed themselves if they see fit. The owners of this property told me that they would not take \$5,000,000.00 for the property to-day. They have a 100-stamp mill on the road to Thunder Mountain, which they expect to take in on sleighs as soon as the snow falls.

I also visited the Dewey Mine, which was shut down on account of a shaft being broken. In this mine they have some 4,000 to 5,000 feet of development work done, and are taking out ore that runs all the way from \$4.00 to \$500.00 per ton. The quantity of the latter is not very large. They claimed, however, that their average ore is better than \$12.00 per ton. This property lies between the Climax and the Sunnyside.

There was thirty miles of the new wagon road yet to build when I left Roosevelt on August 22. They expected that the road would be completed before the cold weather sets in. Every man in the district is at work, and as many more would obtain work if they were there. Until the wagon road is completed Thunder Mountain is probably the most inaccessible place that there is in the United States; it is 200 miles from the railroad, and 100 miles of this has to be gone over on horseback following a trail over mountains from 7,000 to 11,000 feet high.

In conclusion I will say that I am more than pleased with the prospects which we have of making a big paying property of the Climax Mine, and my greatest anxiety now is to get a large equipment at work at the earliest possible date. With kind regards, I am

Yours very truly,

(Signed) S. B. WHITLOCK, *Treasurer.*

Assay Value and Milling Value

The Climax ore values as assayed are recoverable to about 90 per cent. by means of stamp mill and cyanide, and the entire cost of mining under the conditions found here and reducing the values to bullion does not exceed \$1.50 per ton of ore, so that assay values of \$5.40 per ton are realizable to about \$4.80 per ton, the entire cost of operating a mill and plant to handle 500 tons per day would not cost to exceed \$1.50 per ton including all expenses. This would net \$3.30 per ton clear earnings for the company and could be kept up for many years.

Plans for Milling

It seems a reasonable expectation that this company can place a fifty-stamp mill at work next summer, and, as many who read this will not know just what this means, we will say that this mill, with its engines, boilers, and all the appliances for amalgamating, etc., together with a cyanide plant of sufficient capacity, will cost approximately \$50,000 to deliver to the mines and set up in running order. Such an outfit would amount to about twenty-two carloads and is about one-half the capacity of the mills now at the end of the wagon road for the Sunnyside Mines. There is also a plant of the same size as the Sunnyside plant for the Dewey Mines.

The officers of the company believe the Climax property worthy of a mill many times larger than

the fifty stamps which we shall try to get into working next summer, but it is necessary at first to go a little slowly, else the entire capital stock of the company would be spent in getting its first machinery. The day a fifty-stamp mill begins working on the Climax Mine there will be no stock for sale at less than \$2.00 per share, and probably not at that.



The Climax Company's Steam Hoisting Plant awaiting Pack Transportation at end of New Wagon Road
(Photographed by C. J. Perkins, October 1, 1903)

Each stamp of a fifty-stamp mill will crush, in the Climax ore, about eight tons per day of twenty-four hours (mines are worked day and night with three shifts of men). This means a daily handling of 400 tons of ore. The cyanide plant for treating the "tailings" will be of sufficient capacity to correspond to a mill of this size, and,

at the low valuation of \$5.40 per ton, with \$4.80 per ton realized, the gross daily clean-up should be \$1,920. From this should be deducted \$1.50 per ton for labor and supplies and management, a very liberal allowance, and the net result would be \$1,320 per day, or \$400,000 per year, net money for dividends.

But it is far from the intention of our officers to restrict the operations to a fifty-stamp mill, when it is clear that there is at least ten million tons of ore in reserve. There is, in point of fact, no reason in the world why this property should not have milling facilities equal to the famous Homestake Mine, with its 900 stamps, capable of handling in the Climax ore 7,000 tons per day, or the Alaska Treadwell Mine, with its 1,100 District of Thunder Mountain and the class of mines with which the Climax takes rank.

Here is another extract from *Leslie's Weekly* of October 15th, which will help toward a better understanding of the situation in the Free Milling District of Thunder Mountain and the class of mines with which the Climax takes rank.

"The men who have bought and are holding these Thunder Mountain mines with their vast ore bodies are prepared to wait a little while if necessary. In the meantime forces of men in the mines are running tunnels into the properties, 'developing,' as it is called, blocking out the ore, in preparation for its removal to the mills.

"Prominent among the holders of such property on Thunder Mountain are Thomas F. Lovejoy, formerly treasurer of the Carnegie Steel Company, and J. C. Russell, president of the J. C. Russell Shovel Company, two Pittsburg gentlemen who, with Mr. J. N. Purdam, of Nampa, Idaho, own the Sunnyside mine, which is without doubt the furthest advanced of any mine in the dis-

tract in its complete preparation for milling. A half-mile of tunnels and seventeen million dollars of ore ready for the mill place them in such a position that Mr. Russell stated in August they would not take five millions of dollars in cash for the Sunnyside as it stands. Then there is the Dewey, which boasts the only mill that is running, the Wisdom property, and the Holcomb and Mosher property; none of these people will consider less than millions.

"The distinguishing feature of Thunder Mountain as a mining district is the tremendous size of its bodies of ore. Even the mining men themselves were skeptical at first, but the development of a year has proven to their satisfaction that these ore bodies are indeed as they seem to be. The most remarkable ore formation in the district is undoubtedly the section covered by the Sunnyside, the Dewey, the Climax, and H. Y. groups."

A Manufacturing Proposition

The reason why the Climax property and proposition appeals so strongly to the business sense of the men who make up the management is that it is so easily understood by them. We know the ore is there in plain sight and we know that the difficulties surrounding access to the ore will be swept away in a few months. The matter then becomes a manufacturing proposition, digging away the side of a mountain and putting it through a mill—the cost amounting to \$1.50 per ton at the outside, and the value of the product \$4.80 per ton at the lowest. Market unlimited; price of commodity unvarying.

Business men who have had experience with the various phases of commercial matters will be quick to realize that the company owning a real gold mine possesses an ideal business.

1. There is always a ready market for the products. The United States Government stands ready to buy all the gold that can be produced at a fixed price and pay spot cash.

2. General business disturbances have no effect on the business.

3. There is no accumulating stock on which there is a shrinkage.

4. There is no competition which breaks down prices.

5. There are no outstanding accounts to be carried or settled at a discount.

Railroad Probabilities

One feature of the Thunder Mountain situation which impresses itself particularly upon any thoughtful man is the fact that beyond all question a railroad through the district is sure to be operated in the near future as there is already an investment of capital there of more than five millions in cash. Now a railroad into the district will multiply values five fold, so that a good property there with a big body of ore is sure to increase greatly in value even if no other earnings are made. At this writing (November, 1903) the new wagon road has but eighteen miles left to finish when the snow clears up in the spring, and it is stated that a trolley road to the district, passing over the wagon road, is now being planned by some of the wealthy people owning properties in the district. This trolley road will answer all the purposes of a railroad for the entire free-milling section, as it will transport machinery

and supplies *into* the district and there will be nothing to carry out of the district but bullion. There are some districts twenty to thirty miles away from Thunder Mountain proper where the Climax property is, that contain great quantities of refractory ore which will require smelting. This part of the country will demand the railroad to realize their values as the ores will have to be taken out and reduced elsewhere or a big smelting plant put up, and in either case a railroad for such properties is a necessity.

Abundant Water and Timber

On the Climax property there are exceptional advantages for mining and milling because there are water and timber in abundance, and many of the heavy expenses that have to be incurred in mining in Arizona and elsewhere are entirely eliminated. Take, for instance, the great Homestake Mine in the Black Hills of South Dakota. Here the ore averages less than \$3.50 per ton of values and has to be hoisted out of deep shafts with pumps of tremendous capacity constantly going to keep the mine clear of water, yet the entire operation is carried on at a cost of \$1.41 per ton, and the Rothschilds offered thirty-five millions for the property in September of this year.

Perhaps the nearest approach to Thunder Mountain mining conditions is that of the Alaska Treadwell Gold Mining Company in Alaska. Here there is a big mountain of ore which runs something like \$3 per ton and the work is carried

on by tunnelling into the mountain side and then running a shaft down to intersect the tunnel. Into this shaft the mountain is shoveled and the ore carried out beneath by a string of cars which run to the mill on an incline. The Alaska Treadwell Company has a milling capacity exceeding 5,000 tons per day and if their ore were as rich as the



Entrance to the Climax Tunnel
(Photographed September 28, 1903, by C. J. Perkins)

Climax ore they would make nearly four times the money they now realize.

Present State of Developments

As stated in the beginning it is difficult to set forth the conditions of a property as unusual as the Climax property and make it understandable, but every one of the statements here made con-

cerning this property will be found reliable. If it were not so the men who are managing the property would not be in it. None of the officers or directors are mining men except Mr. Perkins, who is general manager, and who has spent this summer of 1903 also at the property and has made good headway in development. At the present writing there are two tunnels, one about 100 feet long and another about 150 feet long on the property, with a gang of men on each, and supplies of all kinds sufficient for their maintenance and the continuance of their work until June, 1904, at which time it is the expectation of the officers to have a mill as large as possible awaiting the completion of the wagon road.

The shares of the capital stock of this company which are being sold are treasury shares, and they are sold for equipment purposes. As fast as the equipment progresses the price of shares will be advanced. The earliest subscribers secure the greatest advantage. Announcements of advance in price of stock are made, but the right is always reserved to advance the price without notice or to withdraw the stock from the market. In any case the stock will be withdrawn just as soon as sufficient funds are realized from sales to get a proper equipment in operation.

The Thunder Mountain Climax
Gold Mining Co.

346 Broadway, New York

In presenting the foregoing statements regarding the Climax property to investors, the National

Underwriting Company feels called upon to say that after carefully comparing the Climax property with that of all other Thunder Mountain companies known to us to be offering stock, we do not think there is another property which presents real values equal to the Climax.

The Climax takes rank with the big properties which are not selling stock because the men who



Pack Train just arriving at the Climax Mine
(Photographed by C. J. Perkins, September 26, 1903)

control them are men of great wealth who are equipping their mines at their own expense, notably the Sunnyside and the Dewey. The officers of the Climax Company, while men of substantial means, are not in a position to furnish all the money for machinery and supplies, hence we are authorized to sell a limited amount of treasury

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stock, and we cannot too strongly commend this investment to any who can take advantage of the present price. Every facility is given to investigate this property. Every person who knows anything about Thunder Mountain knows the Climax.

Mr. Charles J. Perkins, the general manager of the Climax Company, will be at the offices of the company, 346 Broadway, New York City, all winter, and will be available to give detailed description to all interested persons. Mr. Perkins is a man of wide mining experience and will be glad to discuss Thunder Mountain matters with all who call.

The par value of the shares of the Thunder Mountain Climax Gold Mining Company is one dollar. The price of the present offering will be found accompanying this pamphlet. There are no debts or liens or bonds upon the property. There is no preferred stock. All the stock is common stock with full voting power. **Every director has a substantial cash investment in the property.**

All checks for subscription should be drawn to the order of

The National Underwriting Company,
New York Life Building,
New York City.

Gold Production of the World for 1902.

The United States Treasury Department, on November 1, 1903, gave out the following figures, showing the gold production for the year 1902 of the countries of the world:

	GOLD VALUE.
United States	\$80,000,000
Mexico	10,153,100
Canada	20,741,200
Africa	39,023,000
Australia	81,578,800
Russia	22,533,400
Austria-Hungary	2,171,300
Italy	5,300
Spain	10,200
Bolivia	4,700
Chile	575,200
Colombia	2,522,600
Brazil	9,994,600
Guiana (British)	1,808,600
Guiana (French)	2,420,200
Peru	2,326,100
Central America	2,001,900
Japan	1,287,000
China	8,731,800
Corea	3,500,000
British India	9,588,100
British East Indies.....	1,027,100
Total for the year.....	\$302,004,200

Fundamental Facts.

All the wealth of the world comes out of the earth.

When the precious metals can no longer be found the world's progress will stop.

While corn and wheat and cattle and sheep bring great quantities of gold into the country, they could not do so unless there was gold somewhere to be brought in.

The mining of gold must keep up with the increase of population, otherwise the world grows poorer.

Successful mining brings greater benefits in its train than any other form of industry. It benefits everybody.

The miner gains, the big company gains, the shareholder gains, the country, State, and nation gain. The world gains.

When you make money by digging it up out of the ground nobody has to lose it.

Legitimate mining enterprises are worthy of the support of every good citizen. Because unscrupulous men have made false statements and claimed to have a mine when they hadn't is no reason why you should deny yourself the privilege of joining in the profits of a good property.

Report of Charles J. Perkins, General Manager of the Thunder Mountain Climax Gold Mining Company

December 7, 1903.

*To the Board of Trustees of the
Thunder Mountain Climax Gold
Mining Company*

I herewith submit my report for the work performed during the past season upon the Climax Company's property in Thunder Mountain Idaho.

We got in our supplies and miners in the early days of July, and commenced the work of driving the Climax tunnel on the sixth day of that month. When I left the district on the 29th of October we had driven a distance of 157 feet. During the summer and fall we secured sufficient supplies, consisting of groceries, provisions, powder and tools, with which to continue operations throughout the winter and until about June 1st of next year. We have employed a first rate mining superintendent and we have a force of men employed throughout the winter and spring.

During the summer we purchased and added to the Climax property a mining claim comprising about $14\frac{1}{2}$ acres and adjoining the famous H. Y. mine, and also adjoining the Climax on the northwesterly side. We also secured another group of a total of 40 acres of property upon Sugar Creek in the vicinity of the Rio Grande group, belonging to the Thunder Mountain Consolidated Gold Mining Co.

In accordance with my report heretofore made upon the Climax in reference to the magnitude of the great blanket vein on that property, I have again to confirm that report, to-wit: that throughout the whole of the Climax is one great blanket, that we know now is at least 125 feet

in depth. Our present tunnel is driven into the mountain, and its breast is upwards of 90 feet below the surface, and the assays made at our assay office in Roosevelt show this tunnel for its whole distance is in free-milling gold ore that runs from \$3.75 to \$8.25 per ton of 2,000 pounds, and the general average of all the assays shows that the ore as a body will run from \$5.75 to \$6.00 per ton. During the winter this tunnel will be driven another hundred feet, and then we will cross-cut on either side of the breast, at right angles with the tunnel, and I predict that these cross-cuts will be in the same character and value of ore, as the tunnel has been driven for the entire width of the claim—a distance of 600 feet.

During the summer it became evident that the progress of the tunnel would be slow, and that it would take a considerable time by that means to determine the depth of this blanket vein, and it was thought advisable by our treasurer, Mr. S. B. Whitlock, while visiting me in Thunder Mountain, that we purchase a steam hoist and erect a shaft house and gallows frame for the purpose of sinking a shaft, and thereby more quickly determine the depth of this blanket vein. With that end in view, I proceeded to Denver, Colorado, and had manufactured in knock-down shape a steam hoist capable of sinking 600 feet, and by considerable effort succeeded in transporting this steam hoister to the end of the wagon road—then a distance of about 40 miles from the Climax mine—and had hoped that I would be able to secure a mule pack train to transport this machinery to the mine before the first snows; but my representative in the district had made every effort to secure this conveyance at the then ruling prices, but was unable to do so, and on my arrival with the machinery at the end of the wagon road I found that the prices for transporting merchandise into the district had risen from 100 to 200 per cent., and it was out of the question then to get this machinery into the district; and I then had it stored at the end of the wagon road, where it will remain until one of the earlier trains goes into the district next year, when every effort will be made to have

this machinery put in place and this shaft sunk to determine the depth of this great blanket vein.

The Climax company secured an interest in a pack train of 26 mules in the earlier part of the season, and through this agency I was able to get in sufficient supplies so that our property could be worked until next June. Great difficulty has been experienced in the district to secure transportation by pack animals. There were over 600 animals employed in this capacity, but they were not sufficient by one-half to get in the supplies for the various companies operating in that district. We were fortunate in owning our own pack train.

On the $14\frac{1}{2}$ acre fraction purchased by the Climax company we drove a tunnel in a distance of 85 feet up to the time that I left the district. This tunnel was driven to penetrate the great H. Y. dyke that has been opened throughout the entire length of the H. Y. mine, and by reason of the topography of that portion of the mine we were compelled to commence this tunnel in slide rock, and up to the time I left we had not yet penetrated the H. Y. dyke, but we expected that within the next thirty feet this tunnel would encounter this great mineralized dyke.

During September and October I had a force of men employed erecting suitable cabins for the comfort of our men, also assay office and warehouse to keep our supplies in; powder magazine and such out-buildings as we found necessary for the economical management of the property, so that we are now well equipped in every way for careful and economical work, as well as the comfort of our men.

During the summer I took occasion to make a great many surface assays throughout the Climax, and invariably found our ores running throughout the whole claim of the same values that we encountered in the tunnel. We have now arrived at the period when we know the quantity and value of our ores in this property, and it now becomes a question with your Board to determine the size and capacity of your mill. You are familiar, from Mr. Whitlock's report, with the vast quantities of ore in this property,

and must necessarily agree that the larger the mill capacity the more cheaply and economically can we handle our ores.

At the time of the purchase of the Climax mine the owners had failed to secure a water right for milling purposes, and in the earlier portion of the season I set about securing this important adjunct; and after considerable prospecting as to the most feasible point to erect our mill, I determined that Cornish Creek—lying south and easterly of the Climax property—would be the proper place to transport our ores and erect our mill. And with that end in view, I secured, under the laws of the State of Idaho, a water right, and at the point where our mill is to be erected we will have a pressure of about 155 feet and have sufficient water to operate a mill with a capacity of from three hundred to six hundred tons per day.

I employed a very competent Colorado assayer, who went into the district with me in the early days of July, and remained until the close of the season. He has stated and certified to many assay certificates the fact that our Climax ore was an ideal free-milling and cyanide ore. With the end in view of confirming this statement, I brought out with me about 350 pounds of ore, being a general sample taken from the tunnel of the Climax, and expect to have an analysis and a cyanide test completed, but hardly in time to accompany this report; but I can assure your body that this ore is identically the same as that found in the famous Sunnyside Mine and the Big Dewey property, all situate upon this same great blanket vein, and that from all of the investigations made by the two latter corporations they have never found any ore but that has been an ideal free-milling cyanide ore. I am,

Very truly yours,

CHAS. J. PERKINS,

Gen'l Manager.

SPECIAL NOTICE

Extension of Time on Climax Ten Cent Allotment—New Assay showing Highest Values

At the urgent request of Mr. Charles J. Perkins, General Manager of the Thunder Mountain Climax Gold Mining Company, who has not yet reached New York from the mines, the Directors of the company have voted to extend for thirty days from December 21 the privilege of subscribing for Climax stock at the present extremely low price of ten cents a share. Mr. Perkins writes that he has received hundreds of letters of inquiry from investors concerning the Climax Company, which he has not replied to and cannot until his return to this city, which will now be within a week.

Mr. Perkins has been travelling through the West for over six weeks, making arrangements for next spring's work at the mines and looking into the latest methods

of handling ores. To-day we are in receipt of a certified report from Messrs. Mariner & Hoskins, expert assayers, of Chicago, to the effect that they have just analyzed ores from the shaft of the Climax Company, and found the same to contain *\$43.40 in gold and 36 cents in silver to the ton, making a total of \$43.76.* Mr. Perkins brought the ore with him from the mines to Chicago, on account of the high standing of Messrs. Mariner & Hoskins as assayers.

We were prepared for this report by a telegram received yesterday, which made a sensation in our office, and there is, of course, no doubt that this wonderful showing will be very stimulating to the many stockholders of the Climax Company. It must be borne in mind, however, that this should not be considered as representing the average value of the ores in the Climax Mines. We have stated in our literature that the surface values are from \$4.00 to \$7.00 in gold to the ton, but that greater values would be found with increased depths. This report confirms our repeated statements that the Climax Mines would

be found to contain great quantities of very rich gold ore. We shall have additional assay reports within a few days from work in the tunnels of the Climax Mines, and will send copies of the same to you on request.

The stock of the Climax Company is selling rapidly, and there is no question whatever that the Company will have ample means for the erection of a large stamp mill next summer. More and more investors are realizing that Climax stock at ten cents a share is an offering of reliable investment at a very low figure. Not a single person knowing anything about Thunder Mountain but knows of the Climax property and knows of its high repute.

In view of the fact that we have received many orders recently from conservative investors for Climax stock in blocks of 5,000 to 25,000 shares, and in view of the many who are awaiting letters from Mr. Perkins and personal interviews with him, it is more than likely that it will not be possible to continue to supply the orders for Climax stock, which will reach us

during the period of extension from December 21 to January 20 at ten cents per share, and therefore it is necessary to state that the right is reserved to withdraw the Climax stock from the market at any time without notice.

Without desiring to place any undue importance upon our own judgment, we think it but fair to state that those who have investigated the Climax proposition and are inclined to subscribe to its shares will not cease to regret a lost opportunity if the stock is withdrawn before they make their purchase. Nothing pays so well as stock in a good company owning a rich gold mine, and the Climax Mine, with its ten million tons of pay ore, is a remarkable investment at the price.

THE NATIONAL UNDERWRITING
COMPANY.

THOMAS H. DINSMORE, JR.,
General Manager.

NEW YORK LIFE BUILDING,

NEW YORK, December 18, 1903.

CASH SUBSCRIPTION BLANK.

NATIONAL UNDERWRITING COMPANY, 346 Broadway, New York.

Date.....190

GENTLEMEN: Enclosed find..... Dollars

in full payment for..... shares

Thunder Mountain Climax Gold Mining Company stock (full paid and non-assessable) at 10 cents per share (par value \$1.00)

less 10 per cent. allowed for cash.

Certificate to be issued in name of.....

Illustration with 10 per cent. deducted for cash.

Name of Sender.....

\$ 45.00	Cash Buys	500 shares,	Par Value	\$ 500.00
90.00	" "	1,000	" "	1,000.00
450.00	" "	5,000	" "	5,000.00
900.00	" "	10,000	" "	10,000.00

Address.....

INSTALLMENT SUBSCRIPTION BLANK.

NATIONAL UNDERWRITING COMPANY, 346 Broadway, New York.

Date.....190

GENTLEMEN: Enclosed find Dollars, being 10 per cent. on cost price of shares

Thunder Mountain Climax Gold Mining Company stock (full paid and non-assessable) at 10 cents per share (par value \$1.00)

and I further agree to pay the balance due on said stock amounting to.....dollars in equal monthly installments of.....

dollars. Each of said payments being equivalent to 10 per cent. of purchase price, the first of which to be payable one month from

date and a like amount to fall due each month thereafter until fully paid. The entire balance due may be settled in one payment at

any time. Certificate to be issued in name of.....

ILLUSTRATION.

\$5.00 Cash and \$5.00 per month for 9 months
buys 500 shares, par value \$500.00.

Name of sender.....

\$ 10.00	Cash and \$10.00 per month	secures 1,000 shares,	par value	\$1,000.00
50.00	" " 50.00	" " 5,000	" "	5,000.00
100.00	" " 100.00	" " 10,000	" "	10,000.00

Address.....