

Yukon Basin Gold Dredging Co. (Ltd.)



We hold exclusive title by concession from the Canadian Government to the largest and richest area of dredgable gold-bearing gravel, controlled by one management, on this continent, extending for one hundred and five miles along one of the richest gold-producing rivers on earth. WILLIAM OGILVIE, Pres.

Property
Stewart River, Yukon Territory
Main Offices
Kansas City, Mo.

YUKON BASIN GOLD DREDGING CO., (Ltd.)



AN INTERNATIONAL ASSOCIATION

Incorporated Under the Laws of the
United States of America

Registered---Ottawa, Dominion of Canada

Properties Stewart River, Yukon Territory, Northwestern Canada

CAPITALIZATION, \$20,000,000.

TWENTY MILLION SHARES, PAR VALUE ONE DOLLAR EACH.
TREASURY STOCK, 10,000,000 SHARES. NON-ASSESSABLE—NO
STOCKHOLDERS' LIABILITY. NO BONDS—NO PREFERRED STOCK

Address all Correspondence to the United States Agency,

Yukon Basin Gold Dredging Company

102 Scarrit Building,

KANSAS CITY, MO.

Officers and Directors

Attention is directed to the personnel of the management of the Yukon Basin Gold Dredging Company, and we invite the most searching investigation as to their records and standing in the community. These men have been selected entirely upon the basis of their ability, sterling integrity and past and present achievements, and it will be an easy matter for any investor to satisfy himself in regard to the character and personal worth of each and every one of them.

OFFICERS:

PRESIDENT—William Ogilvie. VICE PRESIDENT—James P. Batchelor.
SECRETARY AND TREASURER—G. W. Clawson.

DIRECTORS:

WILLIAM OGILVIE, Ex-Governor Yukon Territory, Ottawa, Canada.
JAMES P. BATCHELOR, President Bankers' Trust Co., Kansas City, Mo.
E. E. RICHARDSON, Secretary and Treasurer Kansas City Stock Yards Co.
THOMAS B. FLINT, Clerk House of Commons, Ottawa, Canada.
FRED. D. WHITING, President Fletcher Manufacturing Co., Kansas City, Mo.
BENJAMIN B. RALPH, President the Ralph Sanitarium, Kansas City, Mo.
WILLIAM GAMBLE, General Barrister and Counselor, Ottawa, Canada.

REGISTRAR OF STOCK:

BANKERS' TRUST COMPANY, - - - - - Kansas City, Mo.

COUNSEL:

SHANNON C. DOUGLASS, Kansas City, Mo. WILLIAM GAMBLE, Ottawa, Canada.

REFERENCES:

BANKERS' TRUST CO., Kansas City, Mo. UNION NATIONAL BANK, Kansas City, Mo.
BANK OF OTTAWA, Ottawa, Canada.
CANADIAN BANK OF COMMERCE, Dawson City, Yukon Territory, Canada.
BANK OF BRITISH NORTH AMERICA, Dawson City, Yukon Territory.

To the Investor

In offering to the public this opportunity to join with us in an enterprise of such proportions and extraordinary promise we have exercised the most scrupulous care to give the exact facts in the case and to include nothing which might either by inference or otherwise tend to mislead. It has been our aim to aid the investor in every possible way by making available to him the required information and by placing in his hands the data which he on his part will easily be able to verify, thereby satisfying himself fully as to the truthfulness of all our assertions. It is just this sort of investigation which renders an investment safe, sound and conservative.

We would ask the intending investor to sit down and read the facts contained in this booklet in exactly the same spirit as if sitting in our office and talking over this proposition with us. We feel sure that any man or woman of discriminating business insight will then become convinced regarding our enthusiasm over this great plan and organization. We are simply seeking your cooperation on an even basis and relying on your good judgment and sound common sense to join in this big company, share and share alike, to perfect what we believe to be the greatest money-making possibility offered the public today.

Without competent business sagacity, coupled with honesty of purpose, no enterprise, however ambitious and promising, can achieve success. A full investigation of the

character and executive ability of the men at the head of this undertaking will suggest itself to every investor. The men comprising our Board of Directors are men of affairs, who through their own efforts have achieved success in a marked degree. They include prominent and successful bankers, manufacturers and professional men, occupying high positions of trust in the financial and commercial world. They have been weighed in the balance, and they have not been found wanting by those who have trusted them; and the reputations thus earned they will continue to maintain in the conduct of the present enterprise.

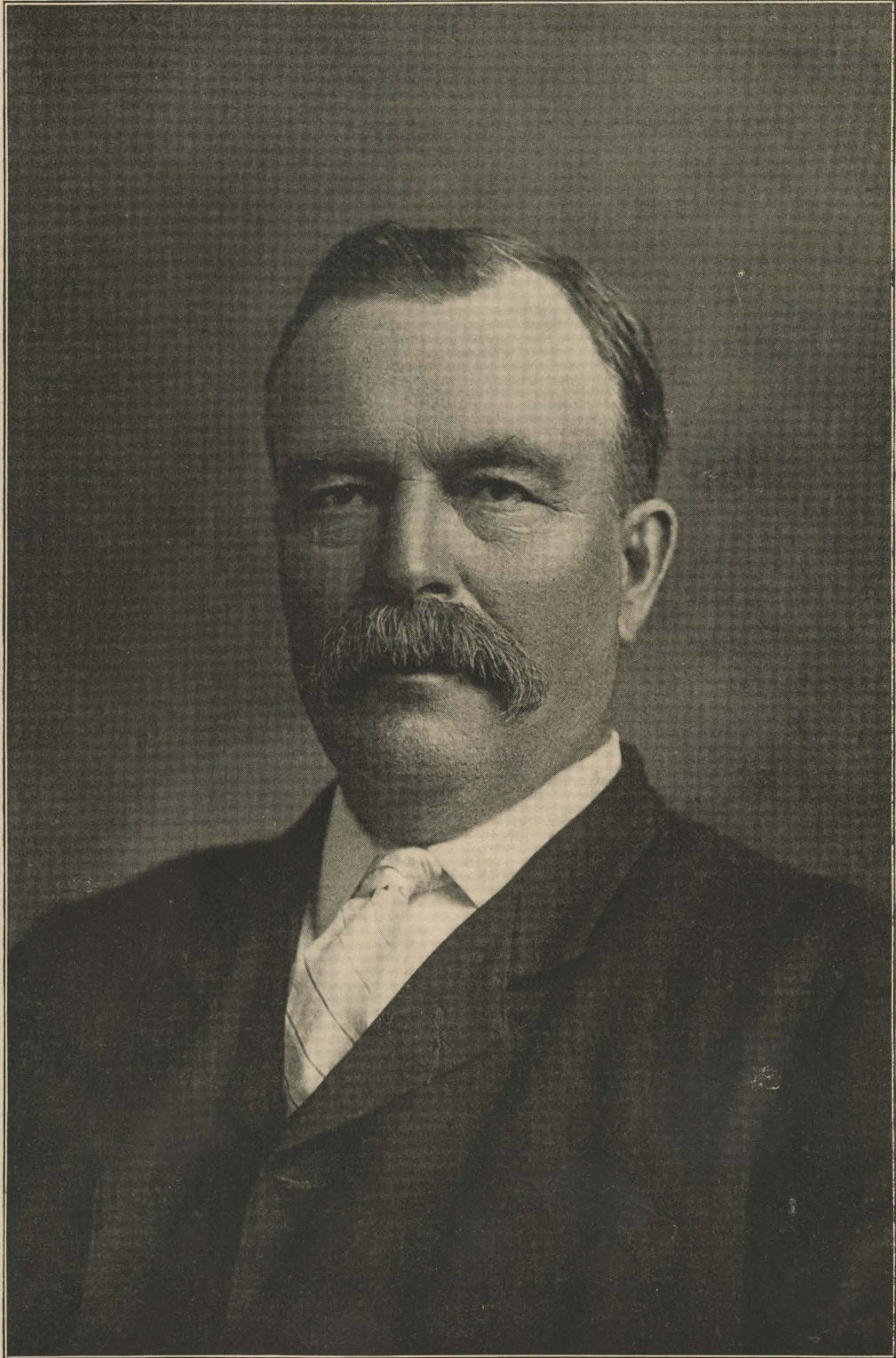
In the Yukon Basin Gold Dredging Company we believe you are offered a golden opportunity. Our plan involves the united efforts of a large number of stockholders to accomplish such results, and even greater results, as have been demonstrated by the best of the great gold-dredging propositions. Within a year's time this enterprise should stand second to none for its vast possibilities and enormous resources of wealth. This Company is first of all a great business corporation and not a mining scheme; and we believe that a careful reading of the following pages will convince you:

First, that the Company is in safe hands;

Second, that its property and plans are such as to promise unusual and extraordinary profits on the investment.

YUKON BASIN GOLD DREDGING Co.

By William Ogilvie,
President.



GOV. OGILVIE

Vast Magnitude of Our Enterprise

In the narrow compass of a prospectus all cannot be told of a projected enterprise. But this much can be told and must be told plainly and directly to enlist the attention and the confidence of investors.

First: What are the essential features of the proposition that is being offered for public investment?

Second: What are the characters of the men behind the enterprise and what are their reasons for soliciting public co-operation in their work?

Third: What are the prospects for early and satisfactory returns to the investors?

These questions which would naturally occur to any man or woman who has intelligence enough to understand a financial investment and the nerve, courage and poise that are and have always been the elementary principles in the foundation of great fortunes we propose herein to answer.

The purpose of this pamphlet is to lay before the possessor of little money an opportunity of safely increasing his wealth and to convince the prudent capitalist that the road to greater wealth lies in confidence and co-operation with men who know where that wealth lies and how to obtain it.

If you have read a thousand prospectuses, we want you to suspend your opinion until you have read what the Yukon Basin Gold Dredging Company has to say before you form your judgment.

If you have made up your mind a thousand times *not* to invest in gold-seeking enterprises, we want you to unmake it, if only for the time that it will take you to investigate a proposition which we believe your own rea-

son will eventually tell you is the greatest gold-dredging proposition in the world, formed by an international company, projected upon the scientific knowledge of men who know their ground and whose experience and standing in two continents is a guarantee of the absolute correctness of their calculations.

The Yukon Basin Gold Dredging Company is based upon the investigations and the actual surveys and scientific knowledge of men who have footed and measured the gold-bearing ground link by link and chain by chain and know whereof they speak and whose concessions, now the property of this Company, were obtained from the most conservative government in the world—the British Empire.

This is the age of Gold. Everybody is looking for it. Many are seeking it in the mountains of the Klondike or in the death-dealing valleys and sulphurous ranges of Death Valley. They are proceeding upon theories of prospecting and exploitation that are fast falling into desuetude. In ten years an old-fashioned pack-mule prospector will be a museum curiosity. This is the day of the Gold Dredge, the machine that does the work of more than 1,000 men and makes money where a rice-eating coolie would starve to death. The investor in the stock of the Yukon Basin need brave no elemental dangers, but while the gold-dredge is doing the work he has but to enjoy the fruits thereof, sitting beneath the trees that cast their cooling shades upon his own front porch.



Fraser Falls, on Stewart River, capable of generating at the lowest stage 15,000 horsepower, or sufficient power to run a large fleet of dredges. These Falls are located near the center of our leaseholds.

The Gold Dredging Industry

The New York Sun, in an article on the subject of gold-dredging says: "Good gold-dredging land was at first bought at from \$50 to \$100 an acre, but when owners saw the great profits secured by dredging, they advanced prices until now good dredging land commands \$1,000 an acre. Many farmers have sold lands on shares, and some of them have realized \$3,000 an acre as their share of the profits. Around Oroville there are now 29 dredges at work, all run by electricity, and the profit is 15 cents a cubic yard. The gold taken from this district last year was worth \$3,500,000.00."

The Mining Magazine of New York, says: "By means of the steam dredge a veritable revolution has been brought about in gold mining. Large areas that were known to be auriferous, but not yielding sufficient gold to render adequate returns by the old methods, are now paying well. Vast tracts are being secretly bought up in South Africa, China and other countries, it is said, for fields of future operations."

The Inventive Age of Washington, D. C., says: "The latest step in the progress of mining is through the medium of ships. Whole fleets of vessels, in fact, that sail on oceans of their own creating, are plowing wide channels through the fertile valleys of California and other Pacific Coast States. And it is to be noted that never has mining met with such success. This method, indeed, means the beginning of a revolution in the industry."

The Chicago Tribune, says: "Modern science is effacing the romantic, adventurous and speculative features from the business of gold mining. At present gold mining in

many places returns more certain profits than a manufactory. Because of the large amount of labor required it has always been impracticable to work any but the richer portions of a placer by hand, but it has been found practicable to exploit, by means of the dredge, placers containing less than 10 cents' worth of gold to the cubic yard of gravel. Placers containing this much or more gold abound in many parts of the world."

The "Our Day" Magazine of Chicago, says: "In some placer mining districts, the production of a single dredge runs from \$400 to \$1,000 in a day. Operating expenses are comparatively light. Many abandoned placer fields and old mine dumps can be worked by the new dredge with gratifying results. The success of the two dredges now operating at Golden, Colorado, in sand and gravel that carry only from 50 cents to \$1.00 in gold per cubic yard, has been so great that dozens of similar districts in Colorado, Wyoming and Nevada are being prospected and will no doubt be thoroughly exploited."

The Daily Mining Record of Denver, says: "Dredging is a sound business. The underlying reason for the general success of gold dredging is that by the exercise of sound, expert judgment, the value of a property can be ascertained to a practical certainty before any money is spent other than that for prospecting."

The Literary Digest of New York, says: "As the ground can be thoroughly tubed and sampled beforehand, this process lifts gold mining from the category of speculative enterprises to that of a manufacturing business. The gold dredge is a gold manufactory, with an insatiable demand and an as-

sured market for its own product, at the rate of \$20.67 per troy ounce fine, paid down by the mints in gold coin. No risk, no idle stock on hand, no bad debts, no commissions, brokerage or discounts, nor monopoly of trade, now or ever possible. An instant sale of the entire product, at a fixed price, paid in cash. Such are the incomparable condi-

tions for the gold manufacturing business. It goes without saying that, unless the cost of taking part in it is beyond the ordinary means of business men, such an industry will not fail to invite a vast number of participants. This contingency can be settled at once."

Report of the Director of the Mint on Gold Dredging

The following facts are gathered from the 1904 Report of Geo. E. Roberts, Director of the United States Mint. Beginning on page 51 the report states:

"At present the tide is coming in. Within limits we can predict its arrival and its height. It is, indeed, a flood tide!

"This high tide in the output of gold is coming through the gold dredge—the gold ship it has not inappropriately been called. It is the engine which is to render available the gold which has long been stored in placers. They are boundless, not in Colorado, indeed, nor in the Black Hills, but in the Pacific Coast States, in Alaska, Central and South America, in Asia, and the Southern Hemisphere.

"Many of these placers were never worked by reason of lying below the water level, where the bed rock could not be bared or where sufficient fall could not be had for the tailings. Others have not been worked because of adverse legislation, as in California, where the defilement of the streams is not permitted. Others, because the amount produced by hand labor was not sufficient to pay day wages. Even those which have

been worked out by primitive means may be re-worked at a profit.

"The gold dredge makes money where a coolie would starve. It requires no pumping to free the bed rock for miners to work. It requires no fall to carry away the tailings. It defiles no streams. It requires little water, using that in which it floats over and over.

"It requires no land for dumping, using that which it worked for this purpose. It requires but few men to operate it. It is not costly to build compared with mills and smelters. It mines, treats and turns out that which the Government stamps as money, without regard to quantity, without distinction, giving to every ounce a face value of \$20.67, receivable for all debts, both public and private, without limitation or exception. Ore carrying not more than 5 cents per cubic yard, or, say, 2 1-2 cents per ton, is treated at a profit of 33 1-3 per cent, while placers carrying 10, 20 and even 50 cents per yard are common; those of average value being limitless. *If these dredges continue to work, Alex. Delmar says that the world will not only be saturated with gold, but it will be nauseated with it.*

"This output, great as it is, will at the present rate of increase soon be doubled, mainly by means of the dredge. It will produce gold at the following cost per troy ounce:

"Placer ground yielding 5 cents per cubic yard produces gold at \$16.53 per ounce.

"Placer ground yielding 10 cents per cubic yard produces gold at \$8.30 per ounce.

"Placer ground yielding 20 cents per cubic yard produces gold at \$4.13 per ounce.

"Placer ground yielding 40 cents per cubic yard produces gold at \$2.06 per ounce."

In the Engineering Magazine for July, Alex. Delmar says:

"A brief statement of what the principal auriferous have produced from hand labor will perhaps prepare us better to appreciate what they are capable of yielding to this amphibious invention.

"During the ninety years from 1710 to 1800 the placers of Brazil produced by slave labor \$750,000,000 in gold.

"During the thirty years from 1848 to 1878 the placers of California produced, mostly by hand labor, \$880,000,000 in gold.

"During the twenty-seven years, from 1851 to 1878, the placers of Australia pro-

duced mostly by hand labor, \$900,000,000 in gold.

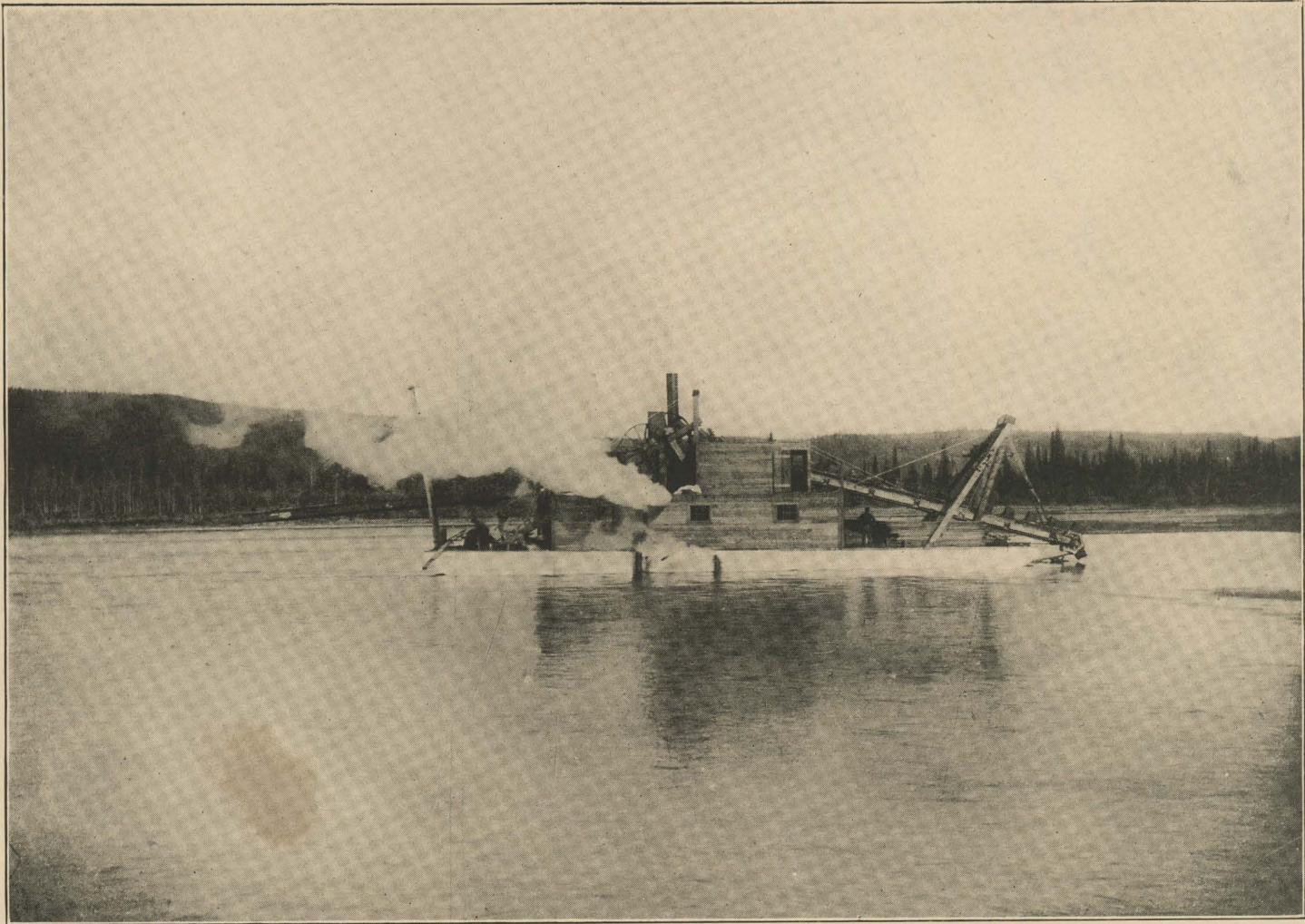
"During the seventy-five years from 1830 to 1904, inclusive, Russia produced, largely from the placers of Siberia, \$1,300,000,000 in gold, the present production being about \$25,000,000 per year.

"During the past ten years, 1895 to 1904, the placers of Alaska produced, chiefly by hand labor, \$140,000,000 in gold.

"All these placers or auriferous can be profitably worked over by the gold dredge and more taken from them than they have already yielded.

"Judging from present experience, the whole might be reworked within twenty years if the dredges could be had; but probably this will not be done while so much virgin ground remains untouched. Lode mining for gold only probably will not increase, for reasons already shown, but where it is produced in connection with copper and lead it will at least not fall off, so that after a careful survey of the field the estimate of a doubled output within the next ten years seems not out of the way, and an increase to our stock of gold within twenty years of \$15,000,000,000 need not surprise us."





The Ogilvie dredge used in testing the gold bearing gravels on our leaseholds on the Stewart River.

Gold Dredging as an Investment

It has long been the custom to look upon all mining investments as purely speculative, depending upon chance or lucky strike for their success, and incapable of offering any such guarantees of safety and profit as those afforded by ordinary industrial enterprises.

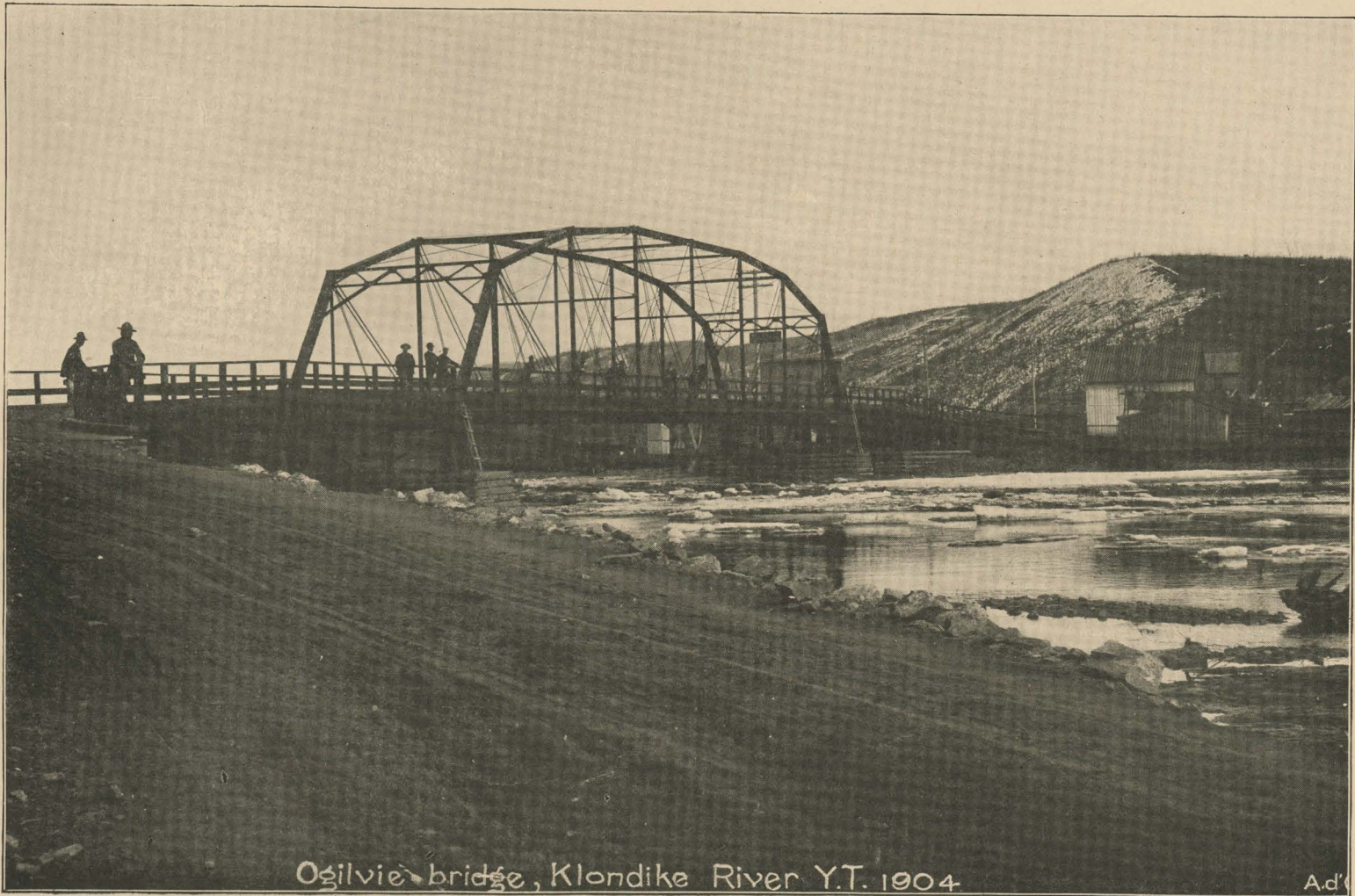
There is a wide difference between speculation and investment. The speculator takes long chances and looks for correspondingly large profits. The investor demands better security for his capital and is content if he can see his profits figured out to a certainty, even though they may not be so lucrative.

The business of gold-dredging is not a speculation, but a safe and sound investment. In the case of quartz mining for gold, especially in the prospective stage, it is impossible to figure the profits with any degree of accuracy; for there is always the risk that the rich pockets may suddenly play out or that the deep underground workings become filled with water. But gold dredging is an entirely different matter. The acreage of the placer fields can be accurately measured; the depth of the mineralized gravels can be determined by exact measurement, and the values made known by washing; and the average value multiplied by the number of cubic yards of gravel will show to a close approximation the aggregate value of the field. Moreover, the cost of the dredging operations is known to a certainty beforehand; and the market price of the product is fixed by law, and is never affected by competition, war or panic. Here, then, are all the conditions requisite for a safe and sound investment. The profits can be accurately determined months and years in advance, and all

the speculative risks of ordinary mining investments are practically speaking eliminated.

This is no theory, but the record of experience, and demonstrated by the history of successful dredging companies in all parts of the world. Among the most profitable placer lands ever worked have been those of California and Alaska, where vast fields of auriferous gravel, carrying values of from five to thirty cents per cubic yard have been made to yield enormous profits by hydraulic and dredging operations. At Oroville, California, a single company owns about one-fifth of all the placer areas or 114,600,000 cubic yards of gravel with proven values averaging over 15 cents per yard. The profits of that company are a practical certainty, and will amount to millions of dollars annually for years to come; but, like most other dredging companies, it is a close corporation, and its stock is not for sale by public subscription.

The YUKON BASIN GOLD DREDGING COMPANY, for a short time only, is now offering to the public a limited share in the enormous profits to be realized from its dredging operations after the necessary equipment and machinery shall have been installed and put in operation. These profits are not a matter of guess-work or chance, but have been accurately figured upon the basis of known values and known costs. The opportunity now offered is quite the contrary of a speculation, although promising all the profits that any speculator could desire; but measured in terms of safety and security, it is an investment opportunity whose equal is not often found.



The construction of this bridge was placed in the hands of Gov. Ogilvie late in August 1900. The erection began late in February, 1901 and the bridge was formally opened April 8, 1901.

Early History of the Yukon Gold Region

This region was first thought of as a mining field by Arthur Harper of the county of Antrim, Ireland, who with his associates entered it as miners in July, 1873. Their prospecting was almost barren of results to themselves, yet they very nearly made discovery of all the mining fields that have since been found.

The next entry to the region by miners appears to have been in 1878, but this adventure too was practically fruitless, and it was not until 1884 that mining in earnest was begun in the district. This for the first year or two was principally confined to the bars and banks of the Lewes, better known as the YUKON.

With each succeeding season advances were made down stream until the Stewart River was reached where the bars and banks were found so good that almost all operations were confined to this stream during 1885-6. Many of the bars paid \$50.00 per

day per man, and it is certain that over \$250,000.00 was panned out of these bars, in those years, with the very crudest means by wandering and unsettled grubstakers. All the gold found hitherto was fine; and as coarse gold was the great desideratum of the miners, some kept prospecting for it continuously, and found it at last on Forty-mile River about 23 miles above its mouth. This stream enters the Yukon River about 40 miles above the International boundary line.

It would make this article too long to go into the details of all the mining discoveries in the region. So far, less than a fiftieth part of our Yukon Territory has been more than looked at. The world-famed Klondike Region has proved the richest yet found, but who shall say that seven or eight thousand miles *at least* of river stream and gulch still untouched in the territory shall not yield another, or many Klondikes?





Telephoto view looking down Yukon River from Dawson, May, 1901. Distant Mountains 52 miles.

Primitive Placer Methods in the Yukon

Gold Dredging is the modern adaptation of the most approved type of machinery to placer mining. The gold-dredging ship bears about the same relation to the old-fashioned method of producing gold by the old rocker system as modern electrical power machinery would bear to hand labor.

The process of placer mining is about as follows: After clearing all the coarse gravel and stone off a patch of ground, the miner lifts a little of the finer gravel or sand in his pan, which is a broad, shallow dish, made of strong sheet steel; he then puts in water enough to fill the pan and gives it a few rapid whirls and shakes; this tends to bring the gold to the bottom on account of its greater specific gravity. The dish is then shaken and held in such a way that the gravel and sand are gradually washed out, care being taken as the process nears completion to avoid letting out the finer and heavier parts that have settled to the bottom. Finally all that is left in the pan is whatever gold may have been in the dish and some black sand which almost invariably accompanies it.

Should the gold thus found be fine, the contents of the pan are thrown into a barrel containing water and a pound or two of mercury. As soon as the gold comes into contact with the mercury it combines with it and forms an amalgam.

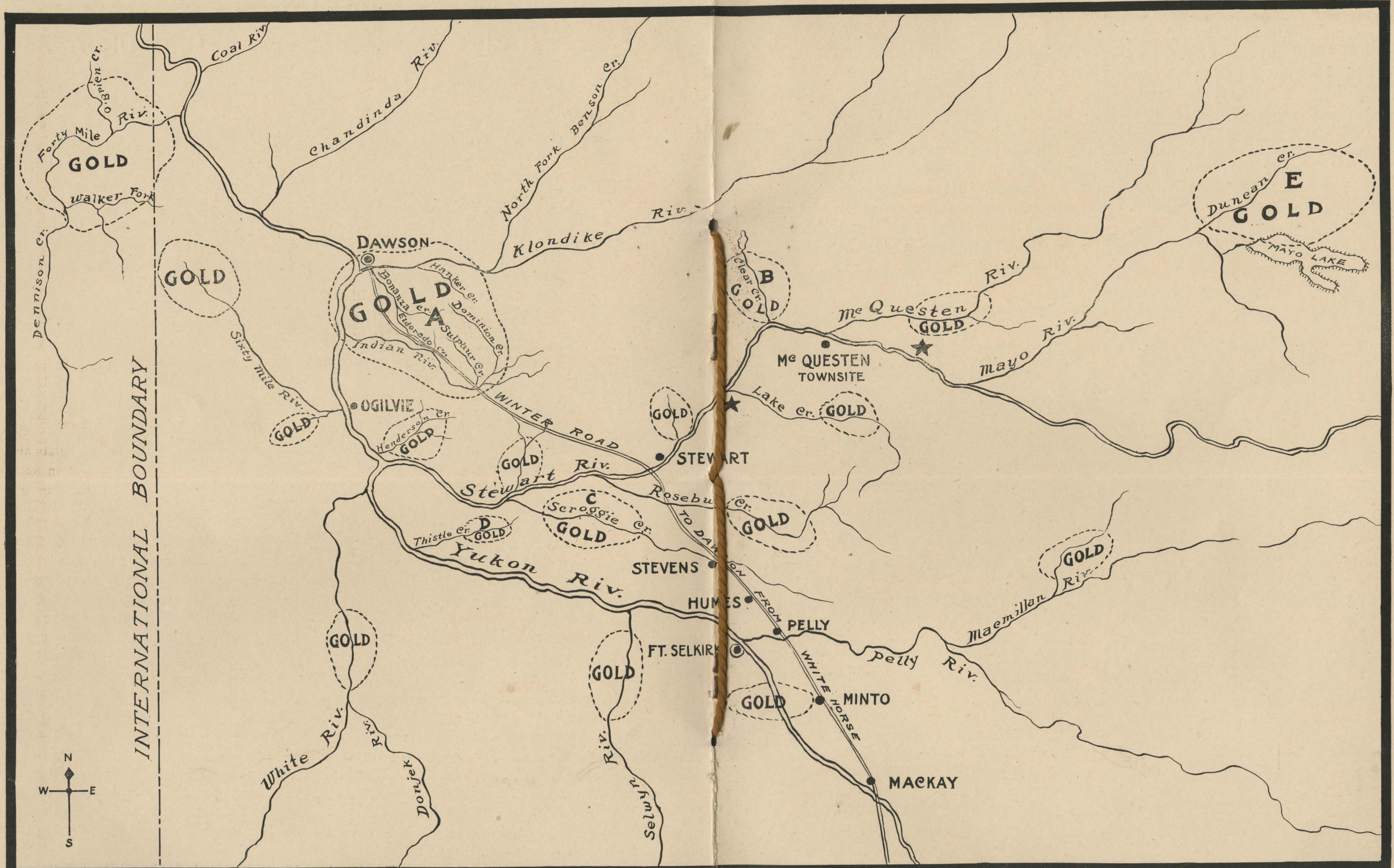
This is called the "pan" or "hand" method, and is never on account of its slowness and laboriousness continued for any length of time when it is possible to procure a "rocker," or to make and work sluices.

A "rocker" is simply a box about three feet long and two wide, made in two parts, the top part being shallow, with a heavy sheet iron bottom, which is punched full of quarter-inch holes. The other part of the

box is fitted with an inclined shelf about midway in its depth, which is six or eight inches lower at its lower end than at its upper. Over this is placed a piece of heavy woolen blanket. The whole is then mounted on two rockers, much resembling those of an ordinary cradle, and when in use they are placed on two blocks of wood so that the whole may be readily rocked. The finer matter with the Gold falls through the holes onto the blanket, which checks its progress, and holds the fine particles of Gold.

Sluicing is always employed when possible. It requires a good supply of water with sufficient head or fall. The process is as follows: Planks are procured and formed into a box of suitable width and depth. Slats are fixed across it, or holes are bored in such order that no particle could run along the bottom in a straight line and escape running over a hole. Several of these boxes are set up with a considerable slope and are fitted into one another at the ends like a stove-pipe. A stream of water is now directed into the upper end of the highest box. The gravel having been collected, as in the case of the rocker, it is shoveled into the upper box and is washed downward by the strong current of water. In this way about three times as much dirt per man can be washed as by the rocker, and consequently three times as much Gold is secured in a given time.

A great many miners spend their time in the summer prospecting and in the winter resort to a method lately adopted, and which is called "burning." They make fires on the surface, thus thawing the ground until the bed-rock is reached, then drift and tunnel; the pay dirt is brought to the surface and



The area marked A is the famous Klondike section which covers an area of only 70,000 square miles which has produced upwards of \$150,000,000 in gold—with many times that much more to come. On forty claims surveyed by Gov. Ogilvie in this district, each claim covering only 500 feet river front, more than \$43,000,000 were extracted. This same district is now being again worked over by Modern Hydraulic and Dredging methods under direction of Guggenheim interest and others.

Area B, Clear Creek. Area C, Scroggin Creek. Area D, Thistle Creek. Area E, Duncan Creek. All proven Gold bearing Creeks and tributaries to the World Famous Stewart River, known to all o'd Klondike miners as "The Grub Stake River."

Between the stars, and covering a front on the Stewart River of about thirty miles on our lease holds, 32 tests were made in which gold was found, paying from 40 cents to \$11.00 per cubic yard, the whole thirty-two tests showing values on an average of better than \$1.06 per cubic yard. The enormous wealth of our ground is apparent when compared with operations now being carried on in California and Oregon, where the returns from working gravels paying only from 10 to 17 cents per yard are astonishing.

"Gold." All other places marked "Gold" have been tested and found rich in gold and conditions ideal for dredging.

heaped in a pile until Spring, when water can be obtained. The sluice boxes are then set up and the dirt is washed out, thus enabling the miner to work advantageously and profitably the year round. In this way the complaint is overcome which has been so commonly advanced by miners and others, that in the Yukon several months of the year are lost in idleness. There is continuous daylight from the middle of May until the early part of August.

In the summer months it is possible for a

miner to put in as many hours as he has power to endure the physical strain. Constant daylight admits of several shifts of men being employed, and in this way mining operations may go on continuously throughout every hour of the day.

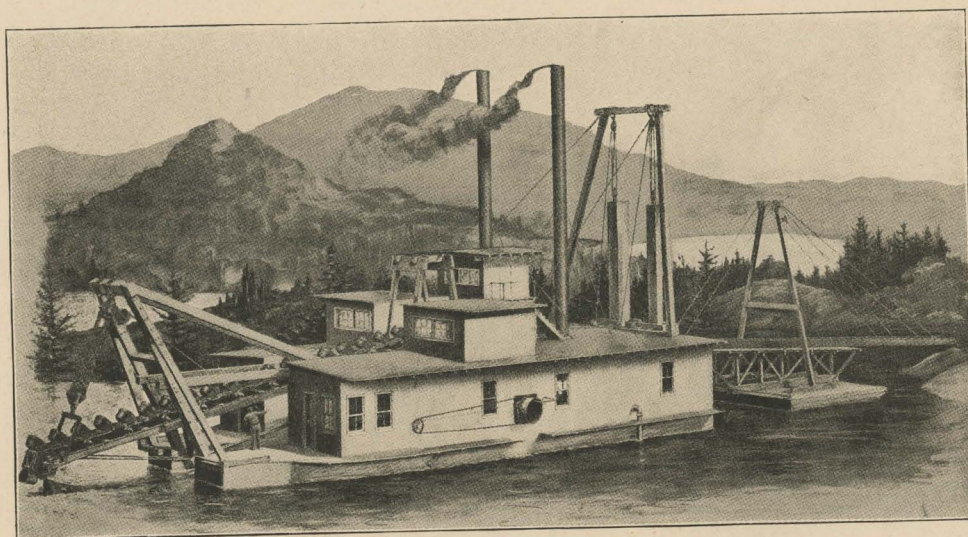
Nine-tenths of the world's Gold production has come from placers. The highest authorities agree that this will continue to be the case, and that the future yield of the placers by dredging operations is destined to eclipse all the records of the past.



Description of Dredge

One observer has described the Gold Dredge as a combination of a river steamboat, a derrick and a man of war. The photograph tells more intelligently than any amount of description could do just what it looks like. Each one of the endless chain of steel buckets, or rather scoops, has a sharp, cutting steel edge, and holds about seven and one-half cubic feet of earth. The chain itself is driven by powerful steam engines

same principle as the pans, cradles and sluices of the placer miners of the past, but infinitely more sifts through to perforated screens, and the finest to riffled tables. The riffles are made of sheet copper, coated with quicksilver, with which the fine particles of Gold amalgamate, so that not one-tenth of one per cent of the Gold escapes. Coconut mattings are used to catch the larger grains of Gold. The mattings are then washed in a tank, and the collected sediment put through

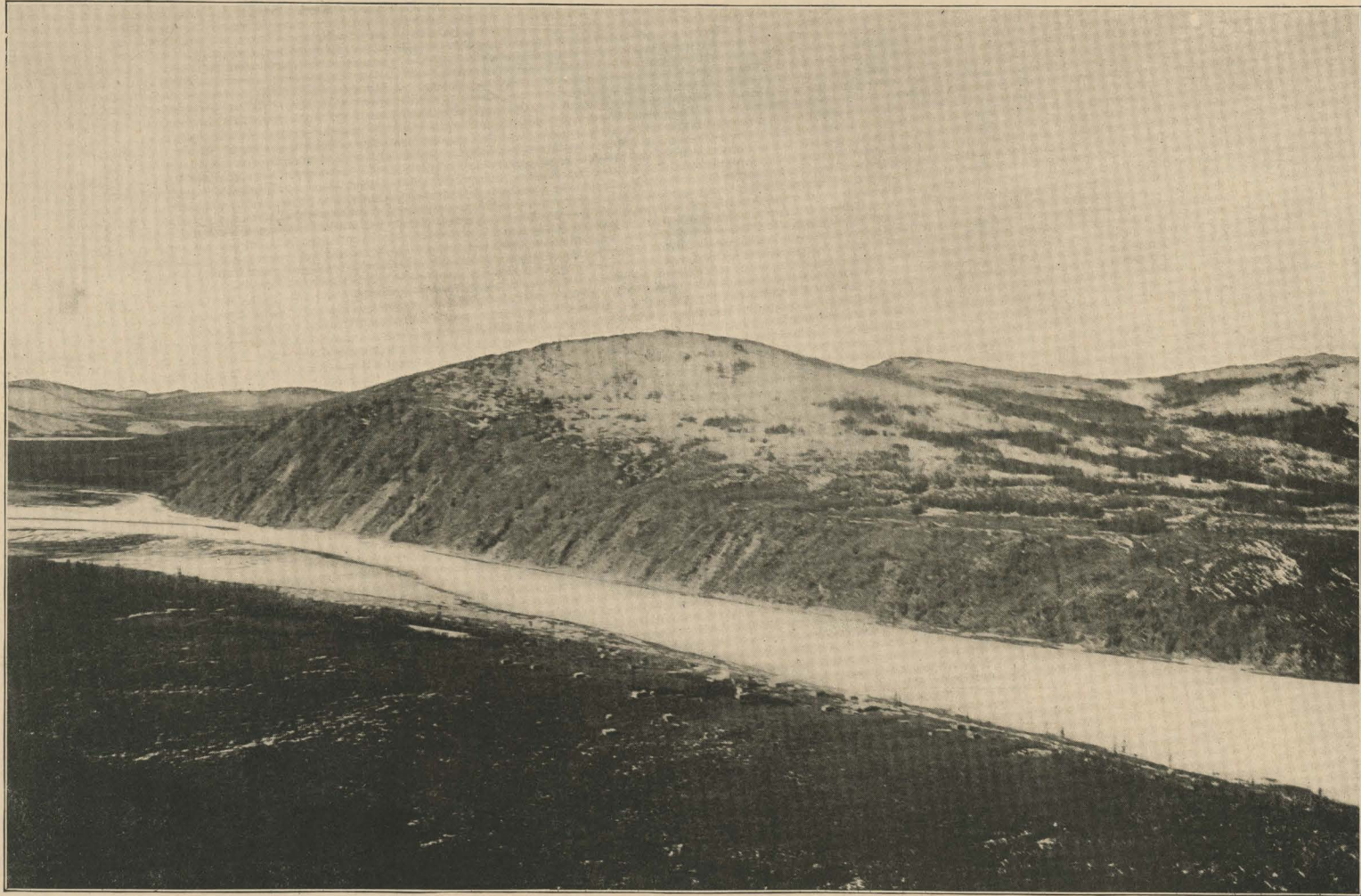


or electric motors. In this manner nearly 3,000 cubic yards of earth are lifted in a day, dumped into a hopper, and then discharged upon a revolving screen that separates the finer from the coarser material. The large stones and boulders are rolled down into a chute that empties on the refuse heap in the wake of the ship. Every minute twelve of these buckets are emptied upon the revolving screen, upon which is pumped during the same time more than a thousand gallons of water.

The screen revolves twenty times every minute, winnowing the materials on the

an amalgamator. After all the Gold has been separated, the fine sand remaining is elevated to the top and thrown out on the dump along with the stones and boulders.

An up-to-date Gold dredge is lighted by electricity and operated by two 45 or 50 horsepower electric motors. One of them costs at least \$100,000. Operating expenses are comparatively light, running in the neighborhood of \$30 a day. The cost of handling the earth is less than 5 cents a ton, so that if the soil averages three-quarters of a cent in gold to the cubic foot it can be washed with a tempting margin of profit.



Site of Dawson City in 1887.

Enormous Area of Our Leaseholds

The Yukon Basin Gold Dredging Company has been duly organized under the laws of the United States and sanctioned by registration under the strict laws of the Dominion of Canada. Its leaseholds cover 105 miles, embracing an area of over 10,000 acres of the richest gold-bearing sands in the world, along the famous Stewart River, a confluent of the great Yukon River.

NO OTHER DREDGING COMPANY, WHETHER UNDER ENGLISH OR AMERICAN CONTROL, POSSESSES PROPERTY OF EQUAL VALUE OR EXTENT.

The leaseholds of the Yukon Basin Gold Dredging Company may be briefly described as follows:

Beginning at a point 15 miles above the confluence of the Stewart River, with the Yukon, these leaseholds extend up the Stewart River, following the middle line of the river bed 35 miles. Also beginning at the mouth of the river, commonly known as the McQuesten or Beaver River, they extend up the Stewart River, following the middle line 15 miles and downward 25 miles from the same point, making two stretches below the Fraser Falls (see map) of 35 & 40 miles each. Again beginning at the foot of the Fraser Falls on the Stewart River (some 200 miles above its mouth) they extend up-stream, following the middle line of the river as before for 30 miles, making a grand total of 105 miles of leaseholds of sand and gravel bars and river bottom, ripe for the dredge and proven by actual prospecting experience to be rich in Gold, yet hitherto but barely scratched by the primitive panning of the early miners.

The average width of the river is more than 200 yards, thus making the area men-

tioned above within these leaseholds which the Company has the right to dredge for Gold and other minerals.

These leaseholds were secured by the Yukon Basin Gold Dredging Company by transfer, and the transfer included all rights and privileges enjoyed under these leaseholds by the former owners. By the laws of the Dominion of Canada the assignment of these leaseholds is subject to the approval of the Canadian Minister of the Interior, which approval has been given.

In addition to the privilege of dredging the river bed for Gold, this Company enjoys under its license the privilege of cutting such timber as may be necessary for any purpose whatever in connection with its mining operations. Upon the timber cut and used no tax whatever is imposed. The importance of this item in connection with the working of the ground can scarcely be over estimated. It eliminates once for all the fuel problem, and gives us an unlimited supply of fuel for power development for the mere cost of the labor of cutting. This cost will be but slightly over \$3.00 per cord, as has been demonstrated by two seasons' cuttings on the Stewart River.

Another highly important feature in the matter of the development of power is the fact that Fraser Falls lie within the bounds and near the center of these leaseholds. The falls are about 32 feet in height, at the medium stage of water. The discharge of the river is such that not less than 15,000 horsepower may be looked for even in excessively low water; while it may easily range as high as 45,000 horsepower in high water. All the dredges required for working the lease-

holds will later be operated entirely by power developed at the falls.

Currents for power development of high tension are now profitably carried 117 miles in Southern California, and power currents of much higher tension are carried 600 miles to work the Rand mines in Africa. There is power and to spare here, and all the leaseholds will eventually be worked from the falls when found economical to do so.

In view of all these conditions, the mineralized values of these enormous leaseholds, the unlimited supply of timber, and the abundant water supply for power purposes,

it will be readily understood that the possibilities for profit involved in this enterprise are of proportions never before equalled by any similar undertaking since the search for Gold first engaged the attention of the prospector and the metal miner. Yet great as these possibilities now appear, they are likely to increase enormously with the fuller development of the undertaking; for all the past history of the Yukon country has tended to show that continued search and investigation invariably result in new and yet richer discoveries than all that have preceded them.

A River of Gold

The placer grounds along the Stewart River were the first in the district in which any extensive operations were carried on. In 1885 and 1886 a large number of prospectors and miners were at work, and they all appear to have done well. It is certain that in those years at least \$150,000 was taken from the river and it was generally contended that twice that was nearer the truth. On one bar a party of five rigged up a set of rude pumps, made out of lumber sawed on the spot, and by attaching the engine of a small steamboat to them, cleaned up \$6,000 in a few weeks. As much as \$50 per day per man was quite usual on many of the bars of the river, and instances of as high as \$100 per day having been earned are mentioned.

The only mining done on the Stewart was along the bars in the river; the bench and bank bars being timbered and beyond the capacity of the placer miner.

In general, it may be stated that for two seasons, 1885-1886, the Stewart River sands

were extensively panned by about forty men, many of whom are known to have realized sums as high as \$5,000. It was stated at the time that no one had any difficulty in taking out at least a "grub-stake," and that the Stewart was a bank in which every miner in the Yukon territory had a deposit to his credit. All else failing them near the wind-up of their season's wandering through the wilderness, if they had failed to strike Gold to their satisfaction, they would resort to the Stewart to take out a "grub-stake" of some \$500 or \$600, and this bank never dishonored their drafts.

In view of the difficulties encountered by the early miners who operated on these bars, and the absolute impossibility of recovering by the crude methods at their command more than a very small fraction of the values actually present in the gravels, it may be asserted that the figures presented above are significant and even astounding. It should be remembered that seldom if ever were the pioneer miners able to penetrate to bedrock,

owing to the depth of the water. Moreover, these men simply could not afford to operate under such difficulties as they encountered unless they made at least \$8 or \$10 per day. It is right here that the dredge possesses an incalculable advantage over the primitive methods of rocker mining. Not only is the dredge able to recover the values clean down to bedrock—where the values, owing to the weight of the nuggets, are always richest—

but in dredge operation one man can do the work of many hundred working by primitive methods; and it is no longer a question of making a few dollars daily or else abandoning the field. Even the low-grade gravels yield immense profits to the dredgers, and such gravels as have been proven to exist along the Stewart would return fortune upon fortune beyond the most extravagant dreams of avarice.

Adaptability of Dredges for the Yukon

In dredging, five things are to be considered :

First—Have we gold-producing gravel?

Second—Can it be worked by modern dredging machinery?

Third—How many yards of dredgable gravel have we?

Fourth—How much per cubic yard will it pay? And,

Fifth—How much per cubic yard will it cost to handle this particular kind of gravel?

At a slight preliminary cost all these questions can be determined beforehand with almost mathematical accuracy, and when satisfactorily answered the solution of the problem is easy, and resolves itself down to a business proposition as legitimate as excavating a cellar or any other mechanical operation. Gold dredging as an industry is a legitimate business undertaking in every sense, and yet in point of results far eclipses the enormous profits of any class of mining.

Enough machine experimenting has been done in the territory to show that for a great deal of ground the dredge is the most efficient, in fact the only practical machine. All the operations are done aboard, under the control of a very few hands as compared with

any other system. It carries with it its own flottage and water supply, which requires but little replenishing, and an increase in its capacity does not increase appreciably except in one item—fuel—the cost of handling.

During Gov. Ogilvie's acquaintance with the Yukon territory and northern regions generally, both as surveyor, explorer and commissioner, he has acquired knowledge both personal and through deposition and reports of grounds that will make most desirable dredging propositions. As a sample, one may be particularized: It is two miles or more in length, along the valley of quite a large stream, and averages about 2,800 feet in width. The average depth from surface to bedrock is about 16 feet, a little more than half of which is gravel, the minimum value of which is 50 cents per cubic yard.

This tract is then 10,520 yards long, 933 wide and 3 deep, giving 29,445,480 cubic yards of gravel. Reduce it to 25,000,000 and we still have \$12,500,000. The stream mentioned meanders through the ground a distance of about four and a half miles, and so furnishes a good base to begin operations on. This ground should be worked by dredge at



Dawson, June, 1901. Island in foreground with branch of Klondike river in front. Yukon river on left. Rock Slide on Moose Skin Mountain about 1600 feet above river.

a cost of not more than 10 cents per cubic yard, which is much more than experience has taught that river gravels can be worked for, they not being frozen.

A dredge of 2,500 cubic yards' capacity would likely average, in this place, not less than 1,500 yards per day for about 150 days per season. Put the average yearly left at 225,000 yards, and we see that it would take

one dredge about one hundred and thirty (130) years to work this ground out; and from this we infer that ten or more could be profitably employed for ten years.

The possibilities for successful and profitable dredging in this region are vast, and the company that gets first established in it has magnificent prospects, if care, economy and watchfulness are exercised in its behalf.

Dredge Tests on the Stewart River

During parts of two seasons a small experimental dredge was operated on the Stewart River for test purposes and at a number of points it was demonstrated that not only was the surface of the bars exceedingly rich, but also that down in the gravel even richer pay streaks would be found than on the surface. Bedrock is always richest in placer mines, the Gold, owing to its weight, always seeking the lowest possible level in the gravels. Nine-tenths of all placer Gold is found at bedrock.

As further evidence that rich streaks will be found deep in the gravel, it may be stated that quite frequently submerged timber was found buried deep in the gravel, besides grass sod and dead leaves. This fact supplies us with positive and conclusive evidence that the river bed, at parts of its course at least, has been raised by the gradual accumulation of gravel. Accordingly, if rich pick-

ings are found on its surface, it is perfectly obvious that much richer gravel should yet be uncovered beneath the debris deposited in days long gone.

It is a comparatively simple problem in mathematics to figure out the cubical contents of 10,000 acres of gravel, averaging ten or fifteen yards in depth; and in view of all the facts it may be confidently anticipated that new and richer finds will yet be made of heavily mineralized gravels that should add enormously to the estimated value of our leaseholds. The tests elsewhere mentioned will furnish a basis for this estimate, but the figures given can be halved and quartered if conservatism is desired. In this way it is possible to arrive at a fairly close approximation of the value of our holdings, to say nothing of other extensive properties which this company will take steps to acquire from time to time.



The Distinguished Career of Governor Ogilvie

The President of the Company and the grantee of the concessions that are now the property of the Company is William Ogilvie, former Governor of the British Yukon Territory, under the Dominion Government. His name is as familiar throughout the great gold-bearing fields of the Yukon Basin as was that of Fremont in the United States in the days when the "Pathfinder" blazed the western way to the California Eldorado. William Ogilvie was the Dominion Government's "Pathfinder."

For twenty years he has been a dominant spirit in the work of exploring, surveying and developing the Yukon territory. Long before the Klondike yielded up its treasure, amazing the world with the vastness of its golden stores, William Ogilvie was there with his transit and chain and heliometer, under the authority of the Dominion Government, staking out the boundary lines of the Canadian territorial possessions. Afterwards at the time of the Klondike discoveries he made a personal survey of the most important claims located on Bonanza and Eldorado Creeks, forty of which produced one million dollars each within the small compass of five hundred feet.

From 1887 to 1895, Mr. Ogilvie was almost continually at work throughout the Yukon district. During that period he many times descended and reascended the Yukon River, which is 2,250 miles long, forming the great Yukon Basin, and explored its confluent streams, the most famous of which is the Stewart River, where the company's properties are located. How big a factor Mr. Ogilvie was in the development of the Yukon may best be understood by a recital of the manner of his association with the Dominion Government's work.

Miners from the northern part of British Columbia in the close of the eighth decade of the past century drifted over the watershed of the streams discharging into the Pacific, from those flowing into the Yukon, in search of Gold. They found colors, as they term them, wherever they tried; and the further north they progressed down the streams tributary to the Yukon the better colors they found, until they reached the Stewart River, about the year 1885. In the autumn of 1886 coarse Gold was discovered on Forty Mile, with the result that every miner in the territory hastened to the coarse Gold district, coarse Gold being the desideratum of every miner. Knowledge of these discoveries reached Ottawa, the Canadian seat of government, through application from miners in the Yukon territory for mining property in that region. The Canadian Government knew nothing of the district; it had never been surveyed in any way, and no knowledge of it had been acquired except through the vague reports of a few individuals who had gone up or down some of its main streams.

In the fall of 1886 the Canadian Government determined that exploration, in part at least, of the Yukon territory should be carried out. For this purpose it was necessary to determine, first, the boundary on the Yukon River between the territory of the United States in Alaska and that of Canada in the same region. Mr. Wm. Ogilvie was selected to attend to this part of the work, and to make such surveys and explorations as he deemed expedient in the interest of the country generally, as far as the time at his disposal would permit him so to do.

Dr. G. M. Dawson of the Geological Survey of Canada was selected to carry out the geo-

logical part of the investigations. Dr. Dawson and one of his associates descended the Pelly River to its confluence with the Yukon, at what is known as Ft. Selkirk. He and Mr. Ogilvie met there, one having arrived on the 9th of August, 1887, and the other on the 11th. After three days' preparation of maps, notes and reports of the work so far done by Mr. Ogilvie, which were handed over to Mr. Dawson for transport to Ottawa, the doctor ascended the Yukon to Dyea Pass and came home, leaving Mr. Ogilvie in the territory to survey the river down to the International Boundary Line, which he was to determine by astronomical observation in order to mark the point where it crossed the Yukon River. The means and methods at Mr. Ogilvie's command in making this determination were under the conditions necessarily crude as compared with the refined methods open to the astronomer at present.

However, after a very exact determination by the United States and Canadian Governments using the most refined and exact appliances, in conjunction with the electric telegraph, it is found that the determination made by Mr. Ogilvie twenty years ago is practically exact.

After Mr. Ogilvie came out of the region in 1889 and made his report and compiled his maps and notes giving the information gained by him in the Territory. The Royal Geographical Society of England, the parent of all geographical societies, bestowed upon him a highly prized decoration, in recognition of the merit of the work he had done. This was the first time such an honor had ever been conferred upon any citizen of the American Continent.

In 1895 the Government of Canada sent to the Yukon district a force of Northwest mounted police, a force organized in a dual capacity as a military and police force. In order that this force might not be compro-

mised in the execution of its duty it was deemed expedient that the boundary line as marked by Mr. Ogilvie in 1888 be prolonged north and south of the Yukon, and Mr. Ogilvie was sent into the country in 1895 with instructions to produce the boundary line as far as he might deem it expedient for police purposes.

In the summer of 1896 the Klondike discovery was made. Upon confusion arising over the marking and counter-marking of claims, Mr. Ogilvie was on the ground, and undertook to settle the disputes in accordance with law and justice.

He spent the winter of '96 and '97 there, came in contact personally with a great number of miners, learned from them the conditions with which they were confronted in the working of their claims, the practical value of their methods and the worth of their ground, and gathered other information of great importance. Although there were many disputes to settle, not one word of opposition was seriously expressed in regard to any decision made by him by either of the parties to any dispute. When he came out of the country in 1897 (in October) the Canadian Government in recognition of his services gave him a substantial cash bonus over and above his salary, which was voted by the Canadian Parliament without a dissenting voice. In further consideration of the services rendered by him, although he was not a politician, he was selected as Commissioner of the Yukon Territory, a term synonymous with Governor, which position he filled for two years and a half. It involved a great amount of very arduous labor, and necessarily gave him a very intimate knowledge of all the Territory. This knowledge is fully and completely at the disposal of this Company and will be used for the advancement of its properties to the best of his knowledge and ability.



Junction of Yukon and Fortymile river, with town of Fortymile on right center of view. Fortymile was the principal mining camp until the discovery of the Klondike.

A Notable Recognition

The most generous commendation has been accorded by the Canadian Government to Gov. Ogilvie in recognition of his distinguished services in the exploration of the Yukon Territory. In the annual report of the Department of the Interior for the year 1889 (printed at Ottawa by order of Parliament) the following statement is made by the Deputy Minister of the Interior, which we take pleasure in reproducing in full:

"Perhaps the most interesting feature of this report is the account given by Mr. Wm. Ogilvie, D. L. S., of the surveys, observations and explorations which he conducted in the Yukon and Mackenzie country, and which will be found in one of the appendices hereto. Mr. Ogilvie was absent from civilization for nearly two years, during which time he made

instrumental and track surveys covering a total distance of 2,700 miles in a wild and almost unexplored country, some portions of which, it is certain, were never visited by a white man before. The energy, enterprise and intrepidity of Livingston, Stanley and others who have explored the wilds of Africa have received at the hands of the public of all civilized nations the acknowledgment which they merited. In simple and unpretentious language Mr. Ogilvie tells the tale of an expedition of great magnitude and importance, conducted so efficiently, so inexpensively and so rapidly, and yet involving such dangers and hardships as I think will fairly entitle him to rank as one of the first, if by far the most modest, of the explorers of the nineteenth century."



Protection to Stockholders

As an assurance that the stockholders in this enterprise will be fully protected, if any is needed beyond the integrity of its Directors and Management, we call attention to the fact that the Gold production in Canada is under strict supervision of the Government. The Government exacts a duty or tax of two and a half per cent on the output of all mines. This is a source of revenue to the Government and puts the Gold production there on the same basis as the internal revenue laws of this country. It is impossible to evade this tax, all persons and bag-

gage being searched on leaving the country. Therefore, the production of any mine operated in the Canadian possessions is a matter of public record. Any stockholder can ascertain upon inquiry of the proper officials, the exact Gold production of any corporation in which he may be interested, as accurate records are kept.

It is also a recognized fact that the police surveillance is better on the Canadian side than on the Alaskan side, and life and property of all kinds are as absolutely protected as in any of the older sections of Canada or the United States.

Why Treasury Stock is Being Sold

The incorporators of the Yukon Basin Gold Dredging Company, well-known bankers, merchants and business men of unquestioned standing and integrity, have now set out upon the conduct of a great enterprise, embodying all the elements of safety, with the promise of enormous profits. These men have already established their reputations on the strong foundations of ability and success. They realize the enormous proportions of the work which they have undertaken, and that it would be impossible for them to carry it through to ultimate success without the assistance of outside co-operation.

For this reason they are now offering to the public a limited share in the magnificent profits to be realized through the carrying out of the proposed operations. They assure you, first of all, that the safe and conservative conduct of the enterprise is to be their first and foremost consideration; and, second,

that each and every stockholder in the Company is to be accorded a square deal and an impartial share of the profits on the same basis as every other stockholder.

The Company's plans include the installation of the best approved type of movable gold dredges upon the properties at the earliest possible moment. These dredges will be of the largest capacity and will be operated by steam power. The fuel for generating this power is free for the cutting along the banks of the Stewart River, and at or near the site of our proposed operations. We expect these dredges to be of about 3,500 cubic yards' nominal daily capacity, and to operate 24 hours per day and 150 days in the year. By the beginning of the second year we expect to have in continuous operation, with double shifts, a fleet of five or six dredges; and by the third year it is our expectation to extend the number of dredges in operation to at least twelve, working upon

the bars and locations determined to be the most lucrative. By that time we shall expect to have the water power harnessed at Fraser Falls on the Stewart River, from which the electric power is to be generated to operate the entire fleet of dredges.

The Fraser Falls are admirably located for this purpose, and are capable of generating, even in the driest season, fifteen thousand horsepower. The falls are located very nearly in the center of our concessions, from which it will be possible to communicate the power at a very slight loss to the extreme limits of our operations. We know that whereas one man by primitive methods can handle at most but four cubic yards of gravel daily, a dredge handles on an average 3,000 to 4,000 cubic yards, and ten dredges will do the work of over 7,000 men. We feel confident in figuring on gravel averaging 50 cents to the cubic yard in free Gold, as shown by

numerous tests already made on our property. It is a matter of record that thirty-two of these tests, extending over thirty miles of our river front showed values ranging all the way from forty cents per cubic yard to eleven dollars per cubic yard. The thirty-two tests averaged better than one dollar and six cents per cubic yard. Figuring thirty feet of gravel to bedrock, if only one acre in three yields an average of fifty cents per cubic yard, the value in our ten thousand acres would run considerably over \$80,000,000, or more than four times the par value of our stock.

With twelve mammoth dredges in operation we shall be able to handle at least 30,000 cubic yards of gravel per day, which at a minimum return averaging 50 cents per cubic yard would yield an income that would be more than sufficient to pay dividends of 10 per cent and upwards on the entire capitalization of the Company at par.

Transportation Facilities and Possibilities

The matter of transportation facilities is a highly important one likely to develop into a source of profit as well as convenience to the Company's plans. Our concessions are so located as to be able to avail themselves of the advantages of direct water transportation all the way from Seattle. Accordingly we shall be in a position in the future to set in operation transportation companies on the Stewart River and its branches and to engage in general trading operations throughout these extensive districts. This is but an instance of the vast possibilities for profit that will be open to the exploitation of this Company, and which are included in its charter.

The plans of the present enterprise have been laid out on broad lines. The authority and prestige of the Canadian Government will be at the back of the Company. As illustrated in the case of the famous Hudson Bay Company, it is the policy of the Government to open up a new country with the aid and co-operation of private organized enterprise. We have the water rights and the timber rights. We shall establish trading posts, lay out townsites and establish machine shops for the equipment and repair of our dredges.

We shall reach out and lay hold upon the various and wonderful incidental opportunities for profit always presented to the pioneer

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settlers in a new country of unlimited natural resources.

This is an enterprise with a future of boundless possibilities. As soon as the necessary funds shall have been secured by the sale of a limited allotment of treasury stock, the present opportunity will be withdrawn, and the sale of stock by public subscription will be discontinued by the Company. Those who join with us now will secure their interests and safeguard their future. It is those

who have faith and foresight to come in at the inception of such an enterprise who reap the large rewards. The opportunity is NOW —not after the stock is sold and the price has advanced to many times its present figure. The facts as we have presented them are clear and simple, and any investor desirous of looking into them can satisfy himself that the wonderful possibilities now presented by this Company have not been in the least exaggerated.

Present Offering of Stock

The policy of this company will aim at preventing the control of its securities from falling into the hands of any clique of capitalists to be manipulated for speculative profits. We propose to place this stock among a large number of small holders, and we are going to make the "square deal" the basis of all our transactions with the investing public. No officer of the Company except those actually employed in field work is to draw any salary until the enterprise is on an earning basis. There is no preferred stock and no bonds; all shares share alike; the smallest investor will be an integral part of this Company and receive returns in the same proportion as the largest.

Stock in the YUKON BASIN GOLD DREDGING COMPANY is fully paid and

non-assessable. The par value of each share is One Dollar. It is proposed at this time to offer to the public the privilege of subscribing for a limited amount of this stock at the low price of ten cents per share. Only a very limited amount of stock will be offered on such favorable terms, as it is the intention of the Company to maintain a rich treasury for future development of the property. The price of shares will be advanced from time to time as the development work progresses and the conditions justify. Reservations made now will be secured at the present price regardless of future advances.

This stock will be listed on the various Mining Exchanges.

Address all communications to the Company.

YUKON BASIN GOLD DREDGING COMPANY (LTD.),

Scarritt Building, Kansas City, Mo.