

The Security Gold Mining AND Milling Co.

Properties Located at Loomis,
Okanogan County, Wash.

Incorporated under the
Laws of the State of
Washington

Capital Stock - 1,000,000 Shares

PAR VALUE - \$1.00
FULL PAID AND NON-ASSESSABLE

Treasury Stock - 400,000 Shares

OFFICERS AND DIRECTORS

Henry Clay Fish, President.

Director Standard Butter Co.

Charles H. Bosler, Vice-President.

Ex-Speaker Ohio House of Representatives
City Attorney, Dayton, Ohio.

Clarence M. Smith, Sec'y and Treasurer, New York.

John Boyd, President Palmer Mountain Gold Min-
ing & Tunnel Co., Loomis, Washington.

General Manager Security Gold Mining &
Milling Company.

Jerome L. Drumheller, Mine Owner and Capitalist.

EMERSON & COMPANY

FISCAL AGENTS

35 NASSAU ST. NEW YORK

171 LA SALLE STREET
CHICAGO, ILL.

EFTER much research, investigation and expense, we have proven to the entire satisfaction of ourselves that, in offering to the public the Treasury stock of The Security Gold Mining and Milling Company, we are presenting to our clients an opportunity to make a safe investment that will pay large dividends from the free milling gold ore now in sight, and a stock that will advance in price rapidly.

We are presenting to our clients a limited block of the Treasury stock of the Company for immediate subscription at 25 cents per share (being ground floor price), this money to be expended for the immediate erection and installation of a stamp mill for the further development of the Company's mines.

A limited number of shares, set aside for Treasury purposes, can be bought at above price. As soon as the allotment has been disposed of, the Company will advance the price of its stock and we confidently state that NOW is the time to buy stock in this valuable property.

The Security Gold Mining and Milling Company is free from all debt, owns its own property and is independent of railroads or smelters, as the ore will be treated on the ground by simple stamp mill and amalgamation process.

This company will be in a position to pay large and regular dividends as soon as the stamp mill is in operation. We recommend to our clients and intending investors to secure a block of this stock at once, and thereby avail themselves of the company's introductory price.

A brief history of properties, Company's plans and other data of value to prospective investors follow and will clearly elucidate this valuable property.

MANAGEMENT.

The Superintendence of the workings of these properties is placed in the hands of Mr. John Boyd, of Loomis, Washington, an engineer of national reputation and an expert in all branches and details pertaining to the mining and milling of ores commercially.

This gentleman has been prominently connected with mining interests for many years and while a director and general manager of the Security Gold Mining and Milling Company, holds the office of President of the Palmer Mountain Gold Mining and Tunnel Company, whose mines adjoin our properties.

PROPERTIES.

The properties of The Security Gold Mining and Milling Company are situated on Palmer Mountain, in the town of Loomis, Okanogan County, State of Washington, eleven miles south of the International boundary line between the United States and British Columbia.

They consist of three quartz mining claims known as the "Western," "Standard" and "Dandy", in a compact body, located on the west slope of Palmer Mountain, adjoining the property of the famous Palmer Mountain Gold Mining and Tunnel Co., which company has driven a cross-cut tunnel four thousand feet into Palmer Mountain, cutting twenty-eight well defined veins and opening up one of the greatest mines in the west.

GEOLOGICAL.

Palmer Mountain is a huge mass of mineralized diorite, upheaved through

and surrounded by granite on all sides except the north, where slates and limestone are found.

ELEVATION.

The summit of the mountain is five thousand five hundred feet and the base twelve hundred feet above sea level.

SURFACE SHOWINGS.

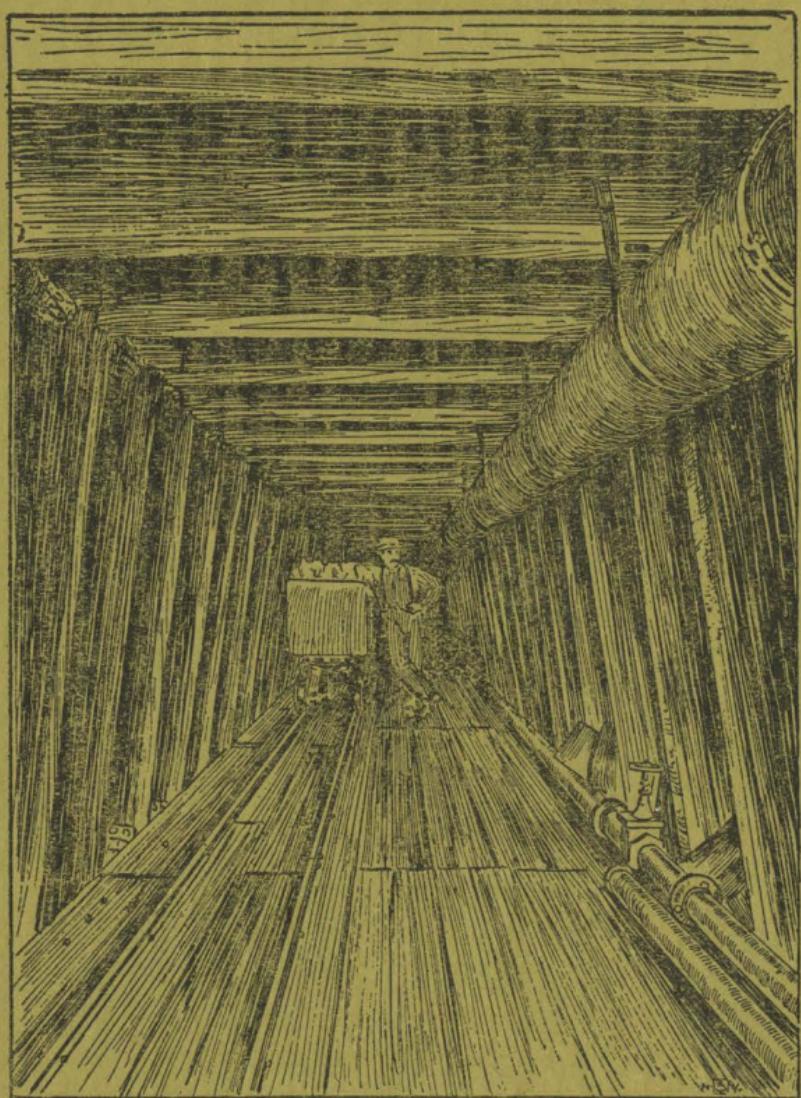
Numerous gold bearing quartz veins, cropping to the surface, traverse this mountain parallel to each other, having a general north-west and south-east course. These veins crop through and are exposed on the west slope of the mountain.

GENERAL DESCRIPTIONS.

The mines of this company are located on three of these veins, which are traceable through the entire length of the three claims, aggregating sixty acres, making a total of four thousand five hundred feet of gold bearing veins. Assays run from \$10.00 to \$500.00 in gold per ton and have been returned from samples taken at different points along these veins. The permanency and future value of these veins are fully established by the workings of the Palmer Mountain Gold Mining and Tunnel Company. The continuation of these veins has been cross-cut by the large tunnel of this company at a depth of over one thousand feet, demonstrating that they are continuous and increase not only in width but also in values. Ore

taken from these veins by the Palmer Mountain Gold Mining and Tunnel Company show returns of over \$200.00 in gold, per ton.

This fully demonstrates beyond a doubt that these veins are permanent and



continuous, and increase in values and width with depth, thereby assuring the stockholders dividend paying mines in the early development of the property.

The development work on the "Standard" and "Dandy" veins consists of open cuts along the veins, in order to determine their course, from which assays of samples taken gave returns of from \$10.00 to \$24.00 per ton, in gold.

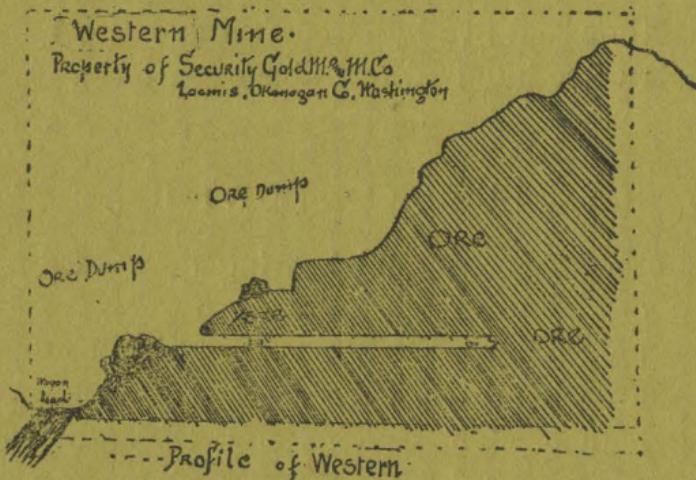
The principal development has been confined to the "Western" vein, the most important one of the group, owing to its phenomenal showing. On this vein an open cut has been run for a distance of thirty feet and has opened up an immense body of high grade ore showing the native gold plainly visible. Assays of samples taken from the vein at this point gave returns of over \$500.00 in gold, per ton.

The exceeding high gold values found in this vein and the immense rich showing of visible gold, coupled with the fact that the Palmer Mountain Gold Mining and Tunnel Company have encountered, at over eleven hundred feet depth, directly east on this vein, extremely rich ore in which gold is plainly visible, reassures, in the near future, the making of a great dividend paying mine from this one vein alone.

A working tunnel has been started at a point sixty feet west and forty feet below the open-cut workings. This tunnel has been driven a distance of fifty-five feet on the vein, all in ore. The continuation of this tunnel will give a depth of eleven hundred feet and encounter the very rich shoot exposed by the surface workings, at which point, ore of an extremely high value can be mined.

The vein has a width of about five feet, running the entire length of the claim and has an average depth of eight hundred feet above the working tunnel.

The tunnel is so located that the ore can be milled at the lowest possible cost, it being only necessary to run the ore directly from the stopes to the top of the mill, direct to the crushers.



No further expenditure is necessary in the preliminary workings of the mines. A first-class wagon road has now been completed up to the mines, each mine of the Company being easy of access from the same.

The title of the property is perfect and vested in the Security Gold Mining and Milling Company.

Make all checks, money orders and drafts payable to

EMERSON & COMPANY,

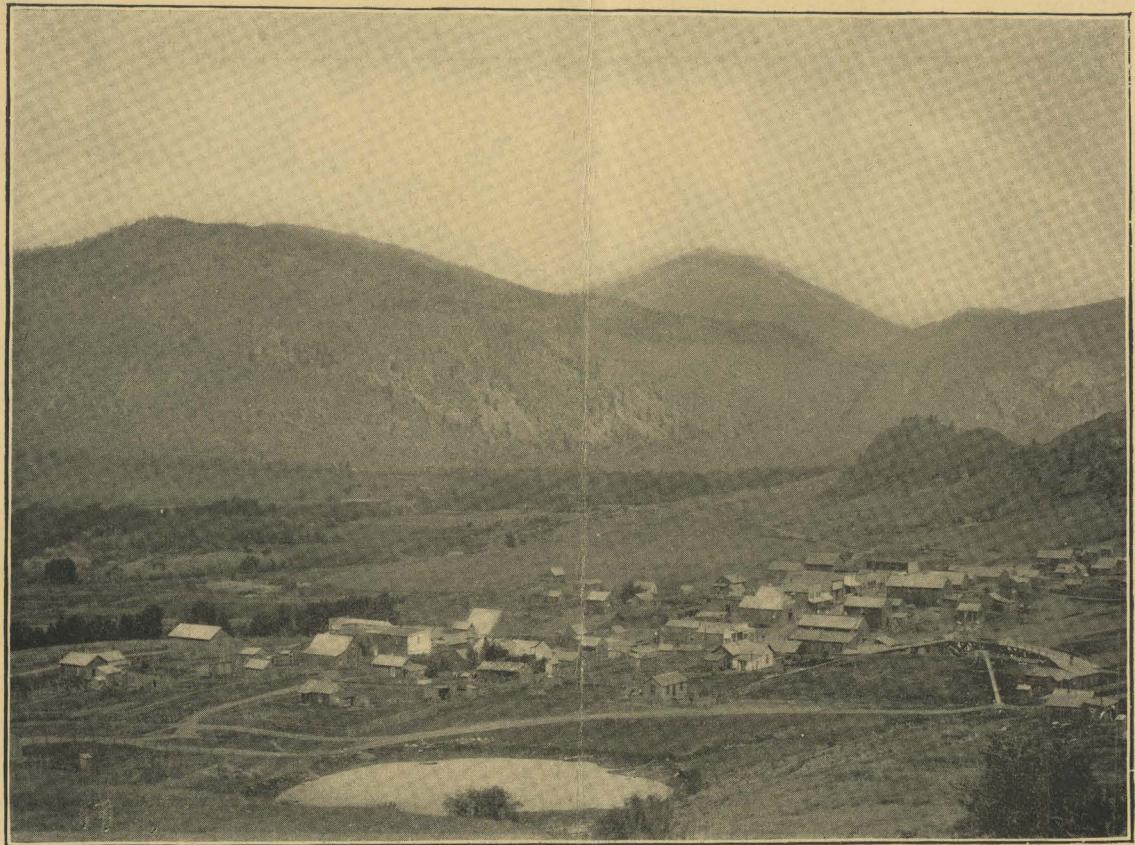
35 Nassau Street,

New York.

OR

171 LA SALLE STREET,

CHICAGO, ILL.



TOWN OF LOOMIS, STATE OF WASHINGTON

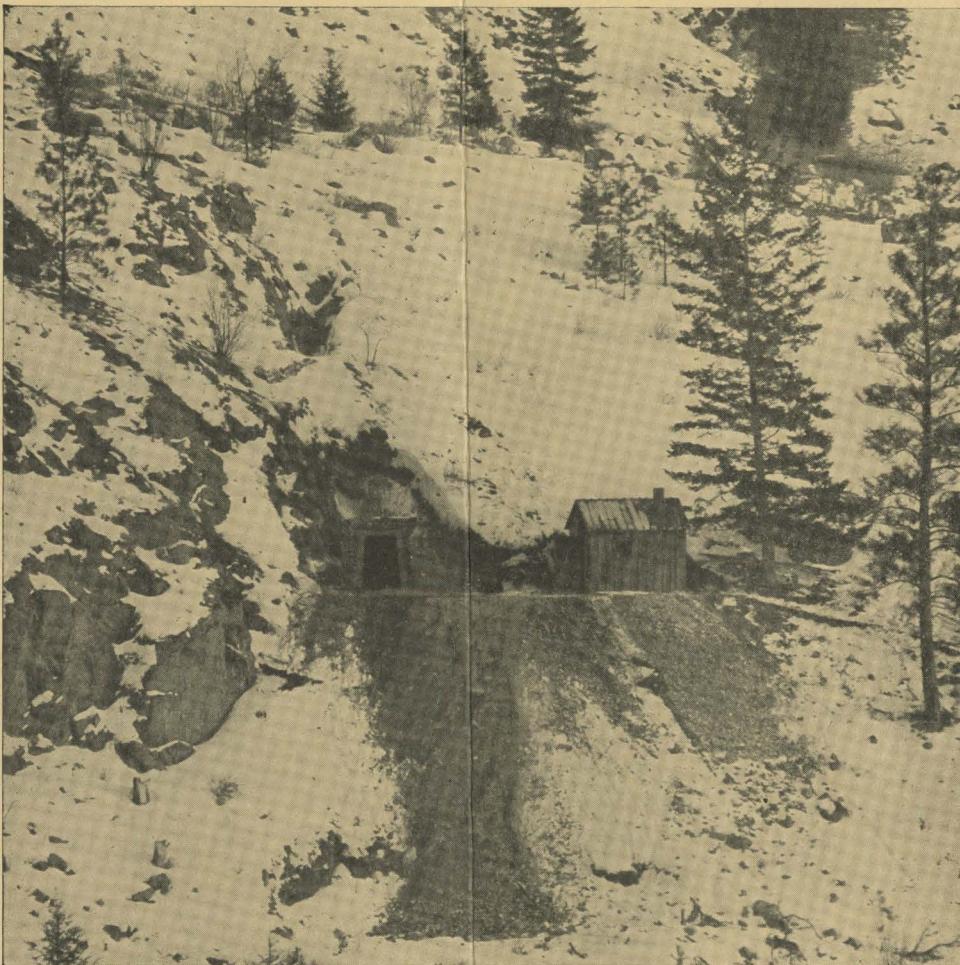
The famous Palmer Mountain in the background.

THE SECURITY GOLD MINING AND MILLING COMPANY



HOME OFFICE:

56 LIBERTY STREET, NEW YORK CITY



ORE DUMP AND ENTRANCE TO MINE.

The "SECURITY" Combination:
ABSOLUTE SAFETY and LARGE RETURNS

Present Price 30c.

IMPORTANT NOTICE!

Present Price 30c.

The price of SECURITY GOLD MINING and MILLING Stock
will advance to 40c. per Share on July 1, 1903, by order of the Board of
Directors. From the rate subscriptions are being received the entire allotment
offered for sale will be subscribed for before that time. It is imperative, there-
fore, that orders be sent in at once to secure fulfilment.

THE SECURITY GOLD MINING & MILLING COMPANY

...INCORPORATED...

UNDER THE LAWS OF THE STATE OF WASHINGTON

THE
SUCCESSFUL MAN
HAS
BRAINS
INTEGRITY
AND
A
BLOCK
OF
"SECURITY"
STOCK



OFFICERS

HENRY CLAY FISH, President - - - - - New York City
HON. CHAS. H. BOSLER, Vice-President - - Dayton, Ohio
CLARENCE M. SMITH, Secretary & Treasurer, New York City
JOHN BOYD, General Manager - - - - - Loomis, Wash.

DIRECTORS

HENRY CLAY FISH, New York City,
Director Standard Butter Company.
HON. CHAS. H. BOSLER, Dayton, Ohio,
Ex-Speaker, Ohio House of Representatives,
President, Lebanon & Franklin Traction Company.
JEROME L. DRUMHELLER, New York City,
President, National Barium & Lead Company,
Ex-Secretary, Ohio & California Oil Refining Co.
JOHN BOYD, Loomis, Washington,
President and General Manager, Palmer Mountain
Gold Mining and Tunnel Company.
CLARENCE M. SMITH, New York City,
Attorney and Counselor at Law.

E. L. YOUNG & COMPANY,
INVESTMENT SECURITIES,
56 LIBERTY STREET, NEW YORK.

CAPITAL STOCK = = = = = \$1,000,000
...PAR VALUE ONE DOLLAR...
FULL PAID AND NON-ASSESSABLE



MILL OF SECURITY GOLD MINING AND MILLING COMPANY.

SECURITY STOCK IS PROFITABLE.

BECAUSE the ore is rich.
BECAUSE the ore is inexhaustible.
BECAUSE the market is constant.
BECAUSE the mine is being worked systematically
and economically.
BECAUSE the mine is not hampered with water
necessitating expensive pumping.
BECAUSE it is not at the mercy of railroads or
other transportation companies. The
gold is taken direct from the mill to
the bank.

BECAUSE it has a mill of sufficient capacity for
present purposes, thus making unnecessary
any immediate expenditure therefor.
BECAUSE every dividend brings a double return.
You not only get the dividend, but every
dividend increases the value of your stock.
BECAUSE three dollar ore will pay fat dividends.
Security ore runs over \$5,000 to the ton
in places.
BECAUSE this \$5,000 ore is not a pocket but an
immense pay shoot.

A "SECURITY" POINTER

Gold Mining is the only known business where the lessening of the cost of production and doubling the output has not resulted in a corresponding reduction in the value of the product

INTRODUCTORY.

THE success of the Security Gold Mining & Milling Company is little short of phenomenal. It has grown so fast that former prospectuses are already quite out of date, and in this booklet it is our idea to present as briefly as possible the salient features of the Company and give the history of the enterprise up to the present time.

The properties owned by the Security Gold Mining & Milling Company consist of five full claims on the western slope of Palmer Mountain, eleven miles south of the international boundary line between the United States and British Columbia, located in Okanogan County, Washington. The holdings aggregate over 100 acres. This district is one of the largest gold producers in the entire Northwest. Forty years ago thousands of men were busily engaged in washing out the gold in the most primitive sort of placer mining, the existence of quartz not being known at the time. The Express Companies and the United States Mint bears witness to the great production of the yellow metal in the old days. The gold veins in this district, large and small, are very rich and lie between a body of granite and a body of slate. The mother vein runs north and south through this locality, and is believed to have divided north and south of Palmer Mountain, leaving the whole of this great mountain

DESCRIPTION OF PROPERTY. within the vein, walled up by granite on one side and slate on the other. A practical mining engineer and geologist, who has been all over Palmer Mountain and the district, gives it as his opinion that there is not a pound of dirt or ore on the whole mountain that will not assay gold. The Security claims immediately adjoin the holdings of the Palmer Mountain Gold Mining & Tunnel Company, which has spent over three hundred thousand dollars in opening up one of the most valuable mining properties in the entire West.

TITLE. The title to these properties rests absolutely in the Security Gold Mining & Milling Company, and there is not a single dollar of indebtedness of any description against the Company or its properties.

GRADE OF ORE. The ore values shown in the mines of the Security Gold Mining & Milling Company are all of a rich character seldom seen. The surface outcroppings assay all the way from \$20 to \$500 per ton. Previous to the great strike on May 10th, of which mention will be made later, our engineer estimated the *average value of the Security ores to be about \$30 a ton*, which, under the modern methods of treatment, is of a grade sufficient to pay handsome returns. As at present conducted, gold can be profitably mined when the ore runs in excess of \$5 a ton. In fact, some of the largest producing mines of the world have not

shown an average value of over \$10 per ton, so that compared with these, Security has a highly superior grade of ore.

The continuity of the Security veins has been proved beyond the shadow of a doubt. The Palmer Mountain Gold Mining & Tunnel Company has driven a cross-cut tunnel, at a vertical depth of over 1,200 feet, into Palmer Mountain over three-quarters of a mile, cutting the Security veins transversely. This was

of the greatest value in determining the depth of the Security veins. *The continuance of the rich surface veins at this great depth* showed an immense body of high-grade ore, all ready to be opened up, so that there was not the slightest element of speculation whatever attached to the Security proposition.

The veins outcropping on the surface were opened up for a distance of some 200 feet, in order to ascertain their direction and depth. On the western claim, a tunnel has been driven into the mountain at a depth of some 200 feet, *following the vein all the way*. In this way, there was not a stroke of unnecessary work done, and the ore was opened up with the least possible expenditure of time and money.

The width of the vein has increased with every foot of work done, and the ore dumps bear witness to the remarkable values contained therein. A shaft was also sunk at a distance of 100 feet from the surface for the purpose of securing greater depth and to locate an advantageous point from whence to start a second tunnel, which is to be driven at a point below the other.

On the morning of May 9th, the camp was electrified by the news that a vein *over two feet in width, assaying over \$5,000 to the ton*, was exposed by a shot at the extreme inner end of the tunnel. Within an hour, the men who were at work in the shaft over 35 feet away brought the startling news that this *rich vein had shown at this point as well*. This showing made was the most unusual that had ever occurred in the State of Washington, and

stamped the Security properties as being of a value seldom seen in any district. The news was immediately telegraphed to Mr. John Boyd, the General Manager, then in New York, who at once made arrangements to start for the mines. A telegram received from Mr. Boyd, dated May 25th, read as follows: *"Arrived at mines to-day. Examination shows strike to be the richest and most extensive ever made in county. Ore rich as first encountered still continues."* This second wire, sent

sixteen days after the first strike, has a wonderful significance. It shows that for sixteen days *United States*. Samples from this ore showed the unprecedented value of \$31,147.83. (Assay report follows.) The marvellous fact demonstrated by this double strike is that this gold ore *lies in a true vein* and is not a pocket formation.

The Washington papers immediately heralded this news broadcast, and the entire State of Washington was excited. The *Spokesman's Review*, published at Spokane, Washington, which is the foremost newspaper of the Northwest, under date of May 16th, after giving half a column to the strike, said that all the vacant ground surrounding the claim was immediately staked out, and stated that thousands of miners were flocking to Palmer Mountain as fast as possible.

As to the payment of large dividends on the Security Gold Mining & Milling Company stock, there is not the slightest doubt. The capitalization of the Company is so moderate, that large returns could be made even from a low grade of ore. Considering the high value of the Security veins, there is no reason why marvelously large dividends should not be paid.

DIVIDENDS.

The Company expects to start its mill running this fall with ore already on the dump. They could begin to pay dividends at once if it were thought good policy to do so, but it has been considered more prudent to wait a few months, until the development work will permit of continuous returns. We think this plan will meet the approval of all fair-minded persons who have had any experience in mining enterprises.

A "SECURITY" BUSINESS PROPOSITION

THE MILL CAN NEVER GRIND WITH THE WATER THAT IS PAST!

BUY "SECURITY" WHILE YOU CAN

THE BIG STRIKE.

"SECURITY" ADVICE

**DON'T STOP WORKING YOURSELF, BUT MAKE YOUR
MONEY WORK TOO. BUY "SECURITY."**

The Security Directors intend to make this Company a *permanent dividend payer*. To that end, it is not proposed to make returns until the Company is ready to pay them continuously. A great many worthy propositions have been placed in a false light by the premature payment of dividends, and it is safe to state **PLANS.** that when the Security begins to make returns they may be expected to go on for an indefinite period of years. The Company already has a complete stamp mill ready to start at a day's notice. Within a few months there will be sufficient ore blocked out, ready to warrant the running of the mill, and later on a larger equipment will be installed.

The Company is to be congratulated on securing a gentleman of the stamp of Mr. John Boyd as its General Manager. Mr. Boyd is the most prominent mining man in the State of Washington. The credit of opening up the Palmer Mountain district is due more to his efforts than to those of anybody else. He has the **MANAGEMENT.** highest standing in Okanogan County, not only as a miner, but as a sterling citizen. He was elected by his associates as the Electoral Delegate for the State of Washington when McKinley was declared elected the second time.

For the convenience of our customers, we have arranged to receive subscriptions for Security shares on the instalment plan. Payments may be made to cover ten months. We will accept ten per cent. with the order, and ten per cent. a month, until the amount is fully paid. Our reasons for this are twofold. First, it will make the times of payment easy for persons desiring to invest, and next, it will tend to distribute the Security stock among a great many small buyers. We would rather place these shares in the hands of a great many customers than to have the stock purchased in large blocks. Every person who invests in Security stock will have a most kindly feeling towards us **INSTALMENT SUBSCRIPTIONS.** for having recommended its purchase, which fact will tend to retain their business later on. Instalment purchasers will see this stock selling in the neighborhood of par, \$1.00 per share, before their subscriptions are fully paid.

We are anxious to interest a great many of our customers in this Company, believing that this stock will reflect the greatest credit upon ourselves. We are organizing a party of investors to visit the mines early in July, and have arranged to furnish free transportation from New York and return, and pay all hotel expenses at the mines, to any purchaser of an amount of stock which will justify this expense. **FREE TRIP TO MINES.** The old adage of "Seeing is believing" is particularly applicable in this case, as we have sufficient faith in the enterprise to believe that anybody who will make the journey to Okanogan County, will be only too glad to secure a block of this stock at the prevailing figures.

These in brief are a few of the prominent features of the Security Gold Mining & Milling Company.

IN CONCLUSION. As an investment, this stock is the most desirable purchase which we can offer to our customers, and it is our candid belief that every dollar put into Security shares will be productive, not only of large profits, but a continuous and satisfactory income.

THE DAY OF THE STRIKE

Form No. 168.

THE WESTERN UNION TELEGRAPH COMPANY.

INCORPORATED

23,000 OFFICES IN AMERICA. CABLE SERVICE TO ALL THE WORLD.

This Company TRANSMITS and DELIVERS messages only on conditions limiting its liability, which have been assented to by the sender of the following message. Errors can be guarded against only by repeating a message back to the sending station for comparison, and the Company will not hold itself liable for errors or delays in transmission or delivery of Unrepeated Messages, beyond the amount of tolls paid thereon, nor in any case where the claim is not presented in writing within sixty days after the message is filed with the Company for transmission.

This is an UNREPEATED MESSAGE, and is delivered by ~~order~~ of the sender, under the conditions named above.

ROBERT G. CLAWFORTH, President and General Manager.

RECEIVED at the WESTERN UNION BUILDING, 195 Broadway, N. Y.

B145 CH. YR. EY. 19 Collect .

Wenatchee Washn May 10 1903.

John Boyd,

56 Wall St., New York.

Have struck in face of tunnel also in shaft two
feet ^{of} ore will assay five thousand dollars.

James Charren.

932p

**"IT MIGHT HAVE BEEN!"
IS THE LAMENT OF THE MAN
WHO FAILS**

**DON'T FAIL!
BUY "SECURITY" NOW**

FIFTEEN DAYS LATER

Form No. 168.

THE WESTERN UNION TELEGRAPH COMPANY. INCORPORATED 23,000 OFFICES IN AMERICA. CABLE SERVICE TO ALL THE WORLD.

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This is an **UNREPEATED MESSAGE**, and is delivered by request of the sender, under the conditions named above.

ROBERT C. CLOWRY, President and General Manager.

RECEIVED at the WESTERN UNION BUILDING, 195 Broadway, N. Y.

W 2313 CH GH TF 26 COLLECT VIA WENATCHEE WASHN

LOOMIS WASH MAY 25

EMERSON & CO

35 NASSEN STREET NEWYORK CITY

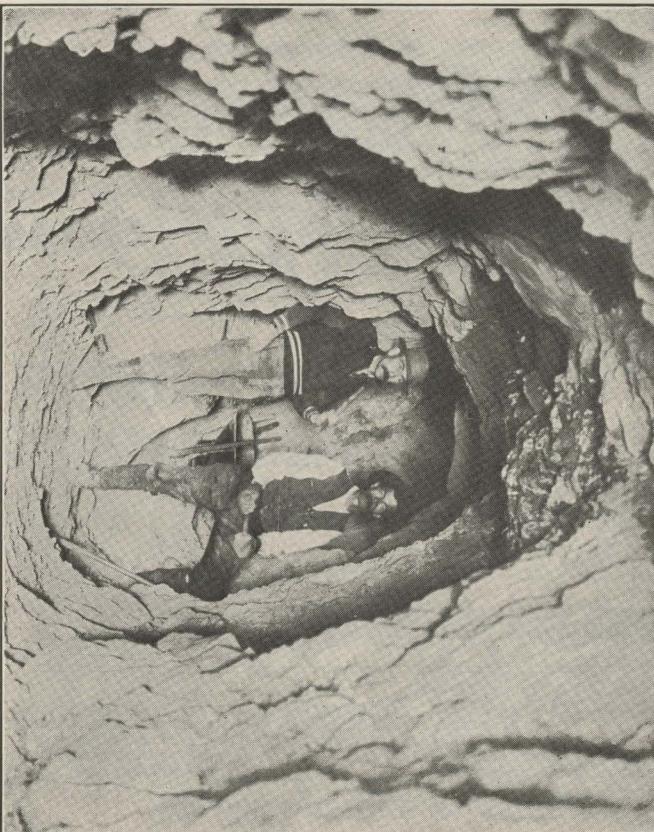
ARRIVED AT MINE TODAY EXAMINATION SHOWS STRIKE TO BE THE RICHEST & MOST EXTENSIVE EVER MADE IN COUNTY ORE RICH AS FIRST ENCOUNTERED STILL CONTINUES

JOHN BOYD MGR

4.⁵5PM

DIVIDEND MONEY
ACTUALLY IN SIGHT

THIS IS NOT A POCKET, BUT
AN IMMENSE PAY SHOOT
OF FABULOUSLY RICH ORE



INTERIOR OF TUNNEL, SECURITY GOLD MINING & MILLING COMPANY.
This is where the wonderful strike of May 10th was made.

LATEST ASSAY REPORT

RICKETTS & BANKS
Chemists Assayers and Mining Engineers
104 JOHN STREET.
CABLE ADDRESS "RICKETTS" NEW YORK.

Certificate of Assay.

No. 23175

NEW YORK, 23 May '03

The Sample of DR

From _____

Marked _____

Submitted for assay contains per 2000 oz. —

1506.91 oz
(\\$31,147.83)

Yours Respectfully,

To
Security Gold Mining
& Milling Co

Ricketts & Banks.

From THE PALMER MOUNTAIN PROSPECTOR, of Loomis, Washington.

Friday, May 15, 1903.

THE YELLOW STUFF.

A Rich Strike in the Security Tunnel.

A Property Under Development that is Showing Up a Wonderful Shoot of High Grade Ore.

Jas. O'Herin created a sensation last Friday evening when he brought down from the Security mine a bucket full of samples of the richest ore that has been seen in the camp for many days. They were not small pocket specimens, gathered up after careful research, but large slabs of quartz, pieces of the ledge knocked down by the shots of the last round. These pieces were literally peppered with gold, mixed in with silver and galena. The rock attracted much attention, and many have called at this office during the week to see samples left for exhibition. Free gold ore is not at all uncommon on Palmer mountain, but it has been some time since the last strike of the kind, and in this instance the shoot appears to be unusually extensive. In fact very rich specimens have been taken out of the Security, yet the gold has never before been found in that mine in apparently so great quantities.

What makes the strike of greater importance is that this free gold ore was opened at two points in the tunnel, 35 feet apart, at the same time. A force is at work driving a tunnel into the mountain, and at the same time another force is sinking a winze, following down the vein. This winze was recently started and is only down a few feet. Friday afternoon, after shooting in the face of the tunnel, the workmen, while mucking out, discovered that the white quartz was splotched with gold. They jubilantly announced the find to the men cleaning out the winze, and were informed that the same kind of stuff was showing up in the hole. This was true, and the ore was even richer in the winze than in the face of the tunnel. Such a happy coincidence does not often occur in the same mine, and shows that the shoot is very extensive. At the breast of the tunnel the ledge is about two and a-half feet wide. This ledge is widening out very perceptibly in the winze, and the quartz is becoming more thoroughly mineralized with every foot of depth. The ore shoot is of such a rich character that, if it holds out for

only a few feet more—and every indication points to a vast deposit,—the mine can easily ship sorted ore and more than pay operating expenses. There has been a good quality of ore in the tunnel from the very first. The best of it has been laid aside, and at the present time there are upward of 40 tons on the dump.

The Security is a group of claims joining the Palmer mountain tunnel group to the north. Only recently a company was organized in New York to develop this property. Work has been in progress a couple of months, and the tunnel is now in nearly 100 feet. As has been stated before a winze is being sunk on the vein some 50 or 60 feet from the mouth of the tunnel. This is for the purpose of thoroughly prospecting the ore shoot, and as later on it is intended to run in a tunnel lower down to connect with the winze it will give the mine an air shaft, which will give the different levels thorough ventilation. We have been of the opinion, and it is the opinion of others, that this lead is the western outcropping of the Black Bear ledge, from which high up on the mountain, much rich ore has been extracted in past years. This same ledge has been cut by the Palmer mountain tunnel at a depth of 1400 feet, showing that it is in place and is of great extent.

There is no question but that the Security is the making of a mine. The showing so far made is simply marvelous. The property is finely located for easy and economical working, and the plan of work in process of execution, which is opening the lead forward and downward, will expose a vast amount of ore.

Since the above report was put in type more rounds have been fired, and the remarkable showing already made is steadily improving both in quality and quantity of ore. The ledge in the face is between two perfect walls and holding its size. In the winze it is steadily widening out. This recent showing in the Security, coupled with the fact that from the firing of the first shot on the cropping a superior grade of ore has been in sight, has created an unusual interest in the progress of the work, and confirms the opinion so long held by those familiar with the surrounding mineral conditions that it only requires development to place Okanogan county in the same class with the leading mining districts of the coast.

THE SPOKESMAN-REVIEW, SPOKANE, WASH.
SATURDAY MORNING, MAY 16, 1903.

FABULOUS ORE STIRS OKANOGAN

GOLD RUNNING OVER \$5000 DIS-
COVERED IN TWO PLACES ON
PALMER MOUNTAIN.

THE RICHEST STRIKE IN YEARS

Discovery Sets Prospectors Busy—
They Take Up Neighbor's Ground.

CONCONULLY, Wash., May 12.—The people of Loomis are very much excited over the rich strike made in the Security mine. The force working in this mine ran into two feet of quartz that is literally full of free gold, and assays over \$5000 per ton. This ore was encountered in two places in the mine the same day, in the face and in a winze which is being sunk about four feet from the face of the tunnel. The vein from the face of the tunnel, four feet from the face of the tunnel, is three feet wide and the pay streak two feet wide.

This is the richest strike made on Palmer mountain for several years, if not the richest ever made on this famous mountain, which contains some very rich veins, and the strike has caused more excitement than any heretofore.

All of the vacant ground surrounding the claim was immediately staked as soon as word reached town. Very rich ore was recently opened up on the surface of this vein, and the Security Mining company was organized to develop the property, and operations were started last fall, and have continued since. Their tunnel, which is being driven on the vein, has been continuously in rich gold and copper ore, and recently a winze was started to connect with another tunnel to be started lower down on the vein. Remarkable as it may seem, this ore was struck both in the face of the tunnel and winze, on the same day. The Security mine is on the west slope of Palmer mountain, and is contiguous to the Palmer Mountain Gold Mining & Tunnel company's property, and is about a mile south of the Pinnacle Jimmie group and two miles north of Loomis.

THE TIME TO
BOARD A TRAIN
IS BEFORE IT
STARTS



BUY
SECURITY
NOW



OFFICE OF
Security Gold Mining & Milling Co.,
56 Liberty Street, New York.

BULLETIN No. 3.

February 19, 1904.

To the Stockholders of the Security Gold Mining & Milling Co.:

It is with more than ordinary satisfaction that your Directors present to the large body of stockholders, particulars of the present gratifying condition of the Company and its property, and lay before you an account of the recent developments which have not only amply demonstrated the intrinsic worth of this enterprise, but has given an added value to every share of the Company's stock.

The developments of the last few months have more than fulfilled the claims made for the Company, and the successful and economical carrying on of its operations has reflected much credit upon the foresight and business-like methods of our capable manager, Mr. John Boyd.

First Shipment On January 27th the Tacoma Smelting Company of Washington sent to this office a check for \$763.53. This represented the net returns from a shipment of 1,526 lbs. of ore. By consulting the report accompanying this check, it was seen that, before making this payment, the Smelting Company had deducted \$11.15 for freight and then allowed the Company only \$19 an ounce for the gold values and a proportionate amount for the silver. The treatment charges amounted to \$5. It is evident, therefore, that the actual value of the gold and silver was about \$833, which is approximately \$1,100 per ton.

We have arranged with the Smelting Company that on all future shipments the Company shall receive \$19.50 per ounce for the gold values.

The result of this shipment spread among many of the stockholders and your Directors have received many congratulations upon the excellent results obtained.

Recent Rich Strikes. While taking out ore in Tunnel No. 1 a new rich discovery was made between the winze and the mouth of this tunnel, and on Jan. 14th Mr. Beidler, our Superintendent, wired us as follows: "Struck new chute of ore of remarkable richness in upper tunnel twenty feet west of winze."

A short time previous, while conducting explorations, on the surface, at a perpendicular height of nearly five hundred feet above the level of Tunnel No. 1, Mr. Beidler discovered an ore chute which gives every indication of being equally as rich as that encountered in the lower workings. This

serves as an added proof of the permanency of the vein, and its significance can readily be appreciated. It means that we have a more continuous and larger body of ore above our present workings than was originally estimated, and demonstrates that our present line of development is correct. This discovery places the Company in the unexpected and very pleasant position of having above the present workings sufficient ore to keep its mill running for at least three years. It renders unnecessary any further sinking, the driving of Tunnel No. 3, or any other expensive dead work for at least three years.

Tunnel No. 2 is being driven in steadily and has cut several veins not hitherto known to exist. The main object of the tunnel has been, however, to strike the vein on which Tunnel No. 1 is being driven and through which the winze has been sunk. This good news reached us on Feb. 6th, when Mr. Beidler wired: "Have three-foot vein in lower tunnel quartz two feet"; and the day following further added to the good tidings by wiring: "Have four feet of quartz carrying galena in lower tunnel." The significance of this telegram is fully understood when it is remembered that all the previous high values were found in galena.

The vein has now been absolutely proven on the surface, in Tunnel No. 1, in the winze, and now finally by Tunnel No. 2. Not only this, but the same vein has been cross-cut in the tunnel of the Palmer Mountain Gold Mining & Tunnel Company, an adjoining property, at a vertical depth of 1,000 feet. It is very evident, therefore, that we need have no fear of the permanency of this vein or the high values it carries.

In this connection, the stockholders should bear in mind that this is not, by any means, the only vein the Company has on its property. Two other clearly defined veins can be traced on the surface of our property and which have been tested by open cuts. Judging from past experience, there is every reason to believe that these veins will be just as permanent and carry just as high values as the one now being worked.

Hendryx Mr. Boyd made a special trip to Spokane and Loomis last December, for the purpose of taking personal charge of the work of the Security mines for a short time, and also to examine and investigate fully the merits of the so-called "Hendryx"

Process. process of cyaniding ores. Mr. Boyd wrote from Loomis that the process was successfully treating ores of a character similar to ours at a much reduced cost and within a much shorter time than any other known process. On his return Mr. Boyd laid before the Board a more complete statement of the result of his investigations, and it is the intention of your Directors to install this system at the earliest possible moment, in connection with the present mill of the Company, together with complete machinery for its operation. This will result in the Company being able to treat a larger quantity of ore at a much less expense than originally contemplated.

The most important result of the installation of the Hendryx process is that it will save all the values in the ore and thus render unnecessary the shipment of concentrates to a smelter for treatment, as had been originally planned. We are thus rendered entirely independent of the railroads and expensive freight charges, for under the Hendryx system the gold will come from the mill in the shape of bullion ready to be sold.

Dividends. Shipments of ore are now being made to the Tacoma Smelting Company, and from the funds so derived your Directors will declare a dividend the latter part of this month or early in March.

Present
Condition
of Work.

Tunnel No. 1 is in 235 feet. Tunnel No. 2, 100 feet below, is in 269 feet, and the winze is down 100 feet. In order to connect Tunnel No. 2 with this winze, the men are now drifting from Tunnel No. 2 toward the winze, and we are just in receipt of a message that the connection has been made. This completely ventilates the entire workings of the mine. Tunnel No. 1 will now be continued along the vein, and as a result the workings will from now on be continued in the ore. There will be no further dead work for at least three years, as noted above.

Change of
Address.

Stockholders will kindly note that on and after February 20th the office of the Company will be at 55 New Street, this city.

In Conclusion.

Looking back carefully and critically at the events of the last few months, your directors feel that the stockholders are to be congratulated upon the results obtained. The mines of the Company have been brought to a producing basis as rapidly as good mining would allow, and your directors feel confident that future development will only serve to give an added value to your holdings, and a proportionate increase in the earning capacity of our mines.

Respectfully submitted,

CLARENCE M. SMITH,

Secretary.