

PROSPECTUS
OF THE
ANCHOR MINES SYNDICATE

THE GOLD DOLLAR, GOLD BULLION AND ANCHOR LODE CLAIMS 1-8

Vermillion Mining District

Gilpin County,

Colorado

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GOLDEN, COLORADO

Report furnished by Rollie Bailey,

Moline, Illinois.

PROSPECTUS

The property of The Anchor mines Syndicate comprises a group of ten (10) claims, 85 acres, located in the Vermillion Mining District, Gilpin County, Colorado. The Gold Dollar and Gold Bullion claims and 8 Anchor Lode claims numbered from 1 to 8 inclusive.

These claims constitute a solid group, and are remarkably well situated for economical mining operations, the slope of the mountain where the present workings are located is an angle from 34 to 40% degrees from the horizontal, affording an excellent opportunity for opening the veins by Adit Tunnels, which gain depth from the Apex of the vein very rapidly, and enable operators to reach a given point in these veins at a much less cost than the sinking of a shaft. Development by tunnels driven directly on the veins being the most economical method known to modern mining.

TIMBER AND WATER

This property is well supplied with timber and water, the timber will supply all of our mining needs thus saving one of the heaviest expense connected with mining operations. This District is one of the best watered in the mining sections of the State. This important factor adds greatly to the value of our property, assuring an abundant supply of water for mining and milling operations at all seasons of the year when a mill is built. on the property.

It is thus shown that topographical features of the District are favorable for tunnel mining, and timber and water is present in abundance for all purposes, thus saving one of the heaviest expense connected with mining, a large saving of machinery, and a saving of the cost of power for mine and mill.

It is the intention of the management of this company to confine the development of this property as far as possible to Adit Tunnels driven directly on the veins, which will open the veins and uncover the ore bodies from which production is assured. This fact is demonstrated by the condition of the property, several of the ore bodies have already been opened with a comparatively small amount of development work as will be shown under the proper heading.

Later it is the intention of the management to drive two other tunnels on this property, the first one to be driven will be a cross cut tunnel, this tunnel will not only cut the vein on every claim, but will cut a total of 18 vein in a distance of 1000 feet, all of these veins are large fissure veins, and some of them carry excellent gold values, this tunnel will also cut a Porphyry Dyke at a depth of 400 feet, this Dyke is almost certain to make a large body of high grade ore, at the junction of this Dyke and the Gold Dollar and Gold Bullion vein on the surface, flote has been found that carries values in excess of \$13,000.00 per ton, this point is only a short distance ahead of the present workings in the upper tunnel, all of the workings is toward this point and close, later we will drive another tunnel on the opposite side of the mountain from these workings, this tunnel will give us a depth of over 800 feet, and be one mile nearer Railroad.

The Gold Bullion and Gold Dollar claims are on the same vein, and developed by various openings, on one of these openings the ore comes to within 2 feet of the surface, and a shipment of solid lead ore was made from this opening, years ago there was a shaft and an incline tunnel that produced considerable shipping ore, that returned a profit even at the low price of minerals at the time, these old workings have caved in and will not be reopened, as all of the work for years to come will be tunnel work.

The upper tunnel is in a distance of 175 feet, showing at the present time about 4 feet of a good grade of milling ore, and improving with every foot of drifting, and without doubt will in a short time produce considerable smelting ore, at most any shot we may strike a cross vein in this tunnel, this is always looked forward to as making a large ore body at the junction in addition to the ore from the new vein, a short distance ahead we will strike the Porphyry Dyke at the Apex of the mountain, we have the greatest expectations when we strike this Dyke, this is the point where the extremely rich flote was found, and all of our work is toward this point, and will be pushed as rapidly as means will permit.

The lower tunnel is at the foot of the mountain on the same vein as the upper tunnel, and is in a distance of 350 feet, this tunnel is not on the vein, and will require an additional 30 feet to reach it, this is our real objective, as we will have a large amount of stoping ground overhead, this tunnel was driven 25 years ago, and the mouth of the tunnel is caved in on account of the timber having rotted, the retimbering of this tunnel was commenced last fall, but the lack of funds stopped this work before it was completed. Most of the work in the future will be done through this tunnel, it being at the foot of the mountain and on the road, and will give us a much greater depth than the upper tunnel. The vein in the old workings is 5 feet wide, an unusually large vein. The ore in this vein is silver-lead with some gold values, carrying 60 to 80% lead, 10 to 30 ounces in silver and 4 to \$7.00 in gold, having a gross value over \$100.00 per ton. This ore is known as Steel Galena and has a high value for Radio use, some of this ore has been sold for this purpose at prices from 50¢ to \$1.50 per lb, with the demand excellent, especially for Export. This property was discovered and worked by Mr. Raedel over 25 years ago, Mr. Raedel having owned and worked this property over 4 years, and being thoroughly familiar with it, believes that there is not a better property in the District.

The 8 Anchor claims have not been developed to any great extent, but enough work has been done on each of these claims to prove that all of them have the greatest merit, and when developed will be producers, by continuing the present tunnels we will cut several of the veins at a good depth, later when we drive the cross cut tunnel we will cut all of the veins at a depth of 400 feet, we will have a wonderful mining property with 18 veins being worked through one tunnel.

SUMMARY OF CONDITIONS

FROM THE ABOVE DESCRIPTION OF THE ORE CONDITIONS on the several claims it will be seen that the showing of marketable ore already made justifies the conclusion, that with the development necessary, several fine ore bodies will be opened, from which profitable shipments will be made in the near future, in fact we already have considerable ore. The condition of the entire property considering the comparatively small amount of development work done could hardly be improved, we are therefore confident with the*****

We wish to emphasize the advantages of the economic features which have been briefly touched upon, as there is nothing more important in mining enterprises of all kinds than the keeping of expenses down to the lowest possible limit, and in this enterprise nature has lavishly endowed us with special advantages, which only need to be enumerated to show their great importance. The topographical features furnish the key to the entire system with reference to its economical operation. The slope of the ground at an angle of more than 35° degrees from the horizontal at the present workings permits the working of all the veins by Adit Tunnels, gaining about 2 feet in depth for every 3 feet of tunnel driven at the present workings, and gaining foot for foot or more for every foot of tunnel driven on the future workings. This means first, cheapness of operation, the cost per foot of development is the basis of the cost of mining operations, no matter how rich the ore may be, the production will be swallowed up in the expense account. If the cost of development exceeds the result, it needs no argument to show that tunnels driven on the vein, with no hoisting of waste rock, or ore, no expensive

machinery and their upkeep, no heavy fuel bills for doing this dead work, is vastly cheaper than sinking a shaft, to the same depth, another consideration is that the tunnel drains the veins as they advance. Where all these accessories to an increased cost are absolutely necessary, the average cost of driving a tunnel in ground with such typographical features is no more than 50% than the sinking of a shaft to the same depth, in illminating the pumping of water as a factor of expence, only those that have had experience in the pumping and hoisting of water can appreciate the additional cost involved, another feature of the greatest importance that we should not overlook, that all of these veins are large, with a good grade of ore, and all of these veins carry lead and silver in addition to the gold, that means that when the property is developed to the point of production, we can go to sleep at night without fear of waking up in the morning to find that the ore body has pinched out. The Gold Dollar and Gold Bullion vein has been opened on the surface about 1000 feet, and shows value all the way, so that we have every reason to believe that the ore is continuous all the way, and we have as far as we can determine about 2000 feet ahead of us on this vein. Veins of this character have much larger ore shoots and more permanent values than a high grade gold vein.

TIMBER RESOURCES

The timber resources of this company come properly under this head, as the purchase and the hauling of timber any considerable distance in the mountain country, involves an expence that becomes unbearably high, especially in the development stage. There is all the growing timber on this property that will ever be needed.

MILL TO BE BUILT

It is the intention of the management to build a mill for the treatment of our low grade ores as soon as there has been sufficient ore blocked out to keep a mill busy. Opening already made have shown the existence of considerable bodies of low grade ores in addition to the smelting ore. With the present day methods of improved concentration of ores that make a saving of values from 90 to 95%, a very low grade ore can be treated to return a profit if a mill is on the property. A mill to treat all of the ores from a property will frequently double the profits from a mine.

MACHINE DRILLS

It is our intention to install a compressor and machine drills as soon as means permit, as this means we will progress a great deal faster, and the cost will be about $\frac{1}{3}$ of hand work. This is of the greatest importance at the present time.

PRACTICAL MINERS IN CHARGE

In presenting this enterprise to the public we wish to have the clearest understanding with all those who become interested, Mr. Raedel is a practical miner of many years experience, whose experience has led him to have confidence in mining as a profit making business when conducted with the care and intelligence necessary to all other enterprises. Statistics will prove this beyond any doubt. Mr. Raedel discovered the Gold Dollar and Gold Bullion about 27 years ago, and opened the property at that time, and shipped ore that returned a good profit and at that time Leased a portion of the property to Leasers that returned a profit to the Leasers and sold the property at good price, and again acquired the property about 4 years ago, believing it to be a better property than any he had seen in any of the camps since selling this property. In this prospectus you have the facts just as they are, with nothing overstated in the favorable conditions found, and nothing unfavorable concealed. You have the facts just as they are, and from these facts we feel justified in the prediction that with the development outlined above, the property will be brought into production in a comparatively short time. We are confident that an investment in this enterprise will be returned many times, in a much shorter time than is usual in enterprises of this kind. Every statement in this Prospectus can be amply verified, for the conditions are there for everyone to see.

CONVENIENT POWER AND TRANSPORTATION

An important factor in all mining enterprises is the convenience of power and transportation facilities, and the time is here when coal as a source of power has been practically eliminated, and we are very fortunate that we have an Electric Power Line within one mile of the property, from which we can obtain all the power necessary for our operations, at a much less cost than coal, our greatest fortune is that there is a smelter to be built at Golden, Colorado, making only a 35 mile Railroad haul to Smelter, this is expected to be completed by the time we are ready to ship. This will do away with the high cost of Railroad freight, and greatly increases the value of our property is only 4 miles from Railroad on a good County road, with a down hill pull.

FUTURE DEVELOPMENT

Everything will be done to guard the interest of the company to induce economy of operation, and to keep the Stockholders in constant touch with the management, there will be no salaries to any officers except for such necessary work actually done. Mr. Raedel agrees to give his time to the work for a very nominal salary until the mine is actually on a paying basis. No moneys are to be spent except for actual development in this property and the necessary machinery.

The plans of the management are to continue development along the lines already in operation as outlined above, and later as soon as means permit drive the cross cut tunnel to intersect all of the veins in this group, also other veins, making a total of 18 veins cut by this tunnel.

We are prepared to give all inquiries any reference that may be required, both in regard to the standing of the officers, and the character and value of the property, as well as the economic character of the development and operations planned, and earnestly desire the investigation of every statement herein made. We are convinced that careful investigation by the inquirer will result in the absolute verification of every statement made, and the purchase of company stock. We are not promising that you will receive thousands of dollars in dividends in a few months on every share of stock, but we are convinced that you will receive larger dividends from this stock than you have ever received from any other investment. The officers of this company no doubt will be well known to you, and in all probability will be residents of your community, and you will find that they are in the best of standing, and have seen all that this Prospectus states. The property is located in one of the best mining districts of this State, a District that has produced several hundred million in the past. We wish to state that one good investment is worth a lifetime of labor, and many a man has lost a fortune by passing up the opportunity of not getting into a great enterprise in its infancy. \$100.00 invested in mining has a greater earning power than twenty men at hard labor. We maintain that there is nothing absolutely sure in the world, in other words there is no absolute safe investment, but we feel that we have eliminated all but 5% of the element of chance in this company, which makes it we believe the safest investment on the market today. You will certainly get the best return for your money that you ever had.

WHAT WE OFFER

Mr. Raedel and other owners in this group of ten claims have turned their interest over to this company in exchange for stock. We have Capitalized this Company for \$100,000.00 with 100,000 shares at a par value of \$1.00 per share, full paid, non-assessable, with 50,000 shares of Treasury Stock, of this 50,000 shares of Treasury Stock we are only offering enough stock for sale to place \$10,000.00 in the Treasury. We firmly believe that amount in the Treasury will be sufficient to place the property on a paying basis, this amount will also buy our Compressor and Machine Drills, this will make it unnecessary to sell any of the balance of the Treasury stock, and will greatly increase the value of the outstanding stock. We will in all probability be able to build our mill out of the proceeds of the smelting ore.

REMEMBER we are only offering a small amount of stock, and this should be quickly sold, it will be a case of first come first served. Place your order now.

THE ANCHOR MINES SYNDICATE.

Rollie Bailey. Secretary-Treasurer.

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