

Liberty - Lorne Gold Mines, Limited

003350

NON-PERSONAL LIABILITY

NELSON. B. C.

December, 17th, 1938.

Mr. Victor Boggiano.
849-W-59th St.
Chicago., Ill.

re-Financing Development.

Dear Sir:

In reply to your letters of enquiry, Nov 1st, & 12th, relating to the above Mining Company, please find enclosed a copy of their "Prospectus", Maps, &c, and a Draft Copy of the Form A.O.I. "Registration Statement" giving full details of the "Directors" Plans for Development and Operation; and of their requirements for financing the work of carrying this forward.

Your N.Y. people will note that the Vendors, "The Liberty-Lorne Syndicate" took down a very modest amount of Shares from the "Liberty-Lorne Gold Mines Limited" in return for their holdings; and, that there are no payments outstanding on these properties; and that, there are no Treasury Shares out on the market to complicate the field.

The Directors require a financial connection who will work with them in this enterprise, and, having stated their plans clearly in the "A.O.I. Statement" your people will see at once whether they would be interested in going further into this matter. The Directors would be very pleased to get into direct correspondence with any financier or such a financial Group.

I have been acting as Consulting Engineer to the "L.L.G. M.L." since its Incorporation in 1935 up to the Annual Meeting, in June 1938, at which time I was elected Managing Director, and to continue as Consultant to the Company. At a recent Directors meeting held for that purpose I received their instructions to represent them in presenting their offer for the sale of One Million Treasury Shares. For the present, or until such time as we get into direct correspondence with a purchaser, the details of their offer to sell these Treasury Shares will be found in the Draft Copy of the "Registration Statement", Securities Act, A.O.I. Form.

For their information will say, that I have had Thirty Five Years professional practice in British Columbia, including Five Years on the South African Gold Fields with some of the largest Holding Companies; and during the past Ten years in private practice as Consulting mining engineer with office in Nelson. B.C.

Would also like to remind those interested in such matters that we have here in this Kootenay Districts of Southern British Columbia the greatest Smelter (C.M. & S), and in the Sullivan Mine, the largest Silver-Lead-Zinc Mine in the world. There are some Ten Gold Mills operating within an hours run from Nelson City but that this is still a virgin mining territory,

Liberty-Lorne Gold Mines.Limited.

I would also point out to Capital, such as may eventually control the L-L-Gold Mines Company, that there are eight groups of gold claims, aggregating 40 or more full claims of fifty acres each, that are being developed or held by their prospector owners at this time, that the L-L Coy could, looking forward, obtain full control of the Hall Creek Gold Camp for a length of five miles, including Water Rights on Creek; both for domestic and milling purposes, timber, and it would consolidate their power plants and reduce their power rates.

However such plans should not be made public, as it would lessen the Company's chances of making suitable arrangements.

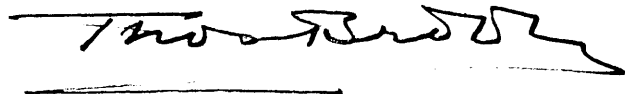
Since incorporation the Company has carried on annual assessment work only on their properties. During this time a reputed financeer took the matter over to London, holding up the Company for for nearly a year and one half. He being inexperienced in mining and in Company formation nothing came of his efforts. It was after the death of their President this year that I was called in to take over these matters.

The Directors agree that your New York people shall have an exclusive right to this offer during the pendency of consideration.

Please address all communications on these matters to the address below to save time.

Wishing you success,

Yours very truly,



Thomas Brown.M.E.
Man-Dir., L-L G.M.Ltd.
Room 18, K.W.C. Building.
Nelson. British Columbia.