509 Bloomingdale Ave.
Baltimore 28, Md.
August 8, 1960.

Mrs. Joseph Pollock,
Marshall, Virginia.

Dear Golda ;

Enclosed is a copy of a letter from Alma Harris relative to the mineral claims in which we have half interest and she has half interest.

It appears that this is an attempt to stampede me into making a decision for the Davis heirs to either sell her their interest in the mineral claims or commit them to take stock for them in a company to be formed providing she can get some one interested in working the mineral claims and the Reco Mining & Milling Co.'s property.

I have advised her that copies of her letter have been sent to the interested parties and that I would advise her further when I had replies.

From her letter it appears that she expected Bordula & Welch to default sometime before May 1st. when the option was cancelled but her solicitors did not advise Mr. Hamilton until late in July.

If you will read her letter carefully you will note several apparent discrepancies.

In section 4 she implies the mineral claims have little value but later she offers $2,000.00 for the Davis'heirs half interest. She wrote "being $200.00 for each 1/20th. interest" I assure she meant " for each 1/10th. interest"

She wrote " one of the Directors informed her last evening he had an prospect" Near the end of her letter she said " Three of the Directors concurred in all of the statements in her letter." I seriously question her ability to contact the three Directors in twenty four hours.

Sandon is supposed to be practically a 'Ghost Town' and I understand some distance from Nelson, BC. where Mr. Hamilton and Mrs. Harris'solicitors have offices. Sandon is also hard to reach from Nelson.

It appears that Mr. Hamilton does not have any first hand information regarding the situation at Sandon and that he simply passes along such information as Mrs. Harris' solicitors choose to give him. I don't know how we can get any accurate information on this situation.

For several years Mrs. Harris has been trying to get proxies from the Reco stockholders and she probably has sufficient stock and proxies to to control whatever action is taken by The Reco Mining & Milling Co. She would like to have authority to act for the Davis heirs on their share of the mineral claims so that she could negotiate with interested parties without consulting anyone.

It appears we must decide between three possible courses of action:

1 Shall we sell our interests in the 19 mineral claims to Mrs. Harris for $2,000.00 or $200.00 each ?
2 Shall we accept stock in a company to be formed to further explore for ore ? (This is contingent on Mrs. Harris being able to interest some one in such a proposition)
3 Shall we continue to pay taxes on the Mineral Claims and hope that sooner or later they can be sold? (The taxes are about $150.00 per year . Our share would be $75.00 or $7.50 each per year.

Mrs. Harris wrote Bordula & Welch did about $100,000.00 worth of work but did not say whether it was on the Mineral Claims or on Reco property.

Please let me have a Yes or No answer to the above questions and I will be guided by the majority opinion.

Sincerely,
James
James H. Davis

C.C. Henry Davis
Mrs. Wm. Oliver

ovlR

COPY

Sandon, B.C.
July 30th, 1960

Mr. James H. Davis,
c/O Mrs. Eleanor Blackburn,
509 Bloomingdale Ave.,
Baltimore 28, Md.? U.S.A.

Dear Mr. Ja mes ;

The option given to Messers Bordula and Weich was voided May 1st., the payment not forthcoming, and as they had ceased work and disposed of their equiptment several months ago it was quite evedent the option was to be terninated.

A greater amount was spent on the property then was agreed upon, and some very good work was done under professional guidance. I would say a hunderd thousand dollars was done, but the results were most disappointing and what little ore was found, was shipped, and when the final smelter returns comein, will approximate a return to each of the Davis heirs around twenty dollars. ($20.00).

Two years have passed but we have the advantage of this amount of work done endeavouring to show up new ore, and I consider we were fortunate to have made this deal at a time when no work was commenced on any other base metal property that I know of in B.C.- Conditions have steadily worsened and now a movement in the U.S.A., our principal meta l outlet, is to lower the quota intake, thus further discriminating against new base metal properties being delevoped and brought into production.

I have been giving full time for several months now endeavouring to get someone interested in the properties, and two of The Reco Mining & Milling Co.'s Directors, both reliable mining men, have also been active, but with negative results until last evening when one of the Directors informed me that he has the promise of one, and the possible chance of a second party coming in, in the near future to look at the Reco . In fact, the one party is expected in on the 9th. or 10th. of August.

It appears that to make any kind of a deal an entirely different approach has to be made, and I list the points to be considered.

1. The general opinion is that there is too many people in the deal to be dealth with, and the death of one could complicate matters consicerably. Have had two refusals to consider the properties due to this reason.
2. Mining Companies will spend money to explore and devalop a property but they won't put up real money for payments, very little if any. They expect the mine owner to take stock in the company which they form to take over, and take his chances along with them. If the property develops into a mine, both benefit, if not , they are out the monies expended, and the stock becomes worthless. The stock issued to the owner is escrowed, and released gradually as time goes on and development proceeds, and as the Registar sees fit.
3. With Reco M.&M.Co. having shareholders with larger block of stock of stock thanI, I am handicapped in protecting the Davis heirs interest, as well as my own, when the Davis heirs do not cooperate in fowarding me their proxies. Reco Directors place a much higher value on Reco M.&M.Co.'s property and a much lesser value on the Mineral Claims owned by yourselves and myself, and, I might add, the work done recently has strengthened this opinion.

4. There is considerable "Moose Pasture" (in mining parlance,worthless) in the jointly held claims, and their value is principally in adding acreage to the Reco M.&M. property.If not combined with the Reco property,am doubtful that they could be sold at all.
5. There will be taxes due Oct.31st. for this year. I have not yet checked on them,but understand there has been some increases.

I a m getting on in years,amd am anxious to realize something on these mining interests,and,I am sure you are all of the same viewpoint,and that a dollar now is worth more to one than two after one has passed on.

Would you all be willing to take a chance on stock for your one-half interest in the 19 jointly held mineral claims,should we be able to interest these parties in to a deal?

I am definitely willing to take a chance as I see no other possible kind of a deal. In fact,altho I can ill affordit,Iwould go as faras to be agreeable to the further gamble of offering $2,000.)) for the Davis heirs one half interest,being being $200.00 f0r each 1/20th.interest,should you all prefer to realize sure cash instead of taking stock.

I am willing to do this sorely to be able to be in a position along with the Reco Directors to bargain and close a deal on the entire properties. If these parties could be interested, they are reliable mining interests, a nd have producing mines and a professional staff.

The above mentioned amount may not appear to be much,however,at the rate of the last option, it would be the returns of twenty (20) yeaes.

Would appreciate hearing from you by August 9th. at thr latest: not time for a reply by letter,but a 50 word night lettergram by telegraph could advise your disposition.

I regret this urgency, but one has to be able to act quickly when the opportunity presents itself. Our summers are short,and if we can't negotiate a deal now, it will mean another year of delay.

There are three reliable mining men on the Reco Board of Directors and they concur in all of the above statements.

In anticipation of your cooperation,

Yours very truly,

(Signed) Alma Harris
(Mrs John M Harris)