

Yakima, Washington,  
November 2, 1934.

TO THE STOCKHOLDERS OF NATIONAL GOLD:

A meeting of a representative group of vitally interested National Gold Stockholders was held in the Auditorium of the Chamber of Commerce Bldg., Yakima, Washington, October 29th, 1934 at 8 o'clock P.M., the purpose of this meeting being to determine what action should be taken to redeem the property of this corporation.

On November 16th, 1933, judgment in the amount of \$13,164.51 was awarded W. J. Priestley for services and expenses against this property and was bid in by him at Sheriff's sale Dec. 29th, 1933 for the amount of this judgment, giving him absolute ownership of the property.

At the time the judgment was given, Mr. Priestly entered an agreement providing that if within one year \$20,000.00 would be supplied to equip the property for operation, he would forego the payment of his judgment until the property would earn it for him, and would return the claims to the National Gold stockholders subscribing to such fund.

It was not deemed advisable by the Board of Trustees to try to raise this \$20,000.00. However, Nov. 16th, 1934 is the expiration date of the above named agreement and will soon be here. If nothing is done, we will have no chance to regain possession of the property which we have lost.

Recently Mr. Priestley, who is trying to get the Apex property adjoining the National Gold into production and is now erecting a small mill on the property, advised that he would extend the present agreement, allowing additional time in which to redeem the property and regain possession, providing the National Gold stockholders would supply him with \$5000.00 for which he would deliver them in addition 500,000 shares of Apex Mine Co. stock.

We are confident that both these properties are meritorious. Upon the National Gold twenty-one claims 2732 feet of 5 X 7 tunnel and drifts have been driven, and from this property in 1932 a car of crude ore was shipped to Tacoma Smelter which assayed .87 ounces of gold, 9.37 ounces of silver, 4% lead and 10.8% arsenic. While the Apex shipment to the smelter during its operation in 1926 shipped several cars running 1.4 ounces of gold, 12 to 15 ounces silver, and with present values of gold and silver these properties are surely worth more than twice their potential value of a couple of years ago.

It is the opinion of the committee that by raising this \$5000.00 with the understanding that the agreement named above would be extended to a time agreed on from the date that the first carload of concentrates from the Apex mine is sent to the smelter, that it would be an easy and economical way of proving the values of National Gold without further expenditure along that line due to the fact that the properties join each other. It would then give us an opportunity to interest some concern in erecting a mill or perhaps give opportunity to sell the property to advantage.

In view of this offer of extension the stockholders at the above mentioned meeting passed a motion authorizing the appointment of a committee, empowering it to



raise this sum of \$5000.00, if humanly possible, within the next 10 days.

Furthermore in view of the facts, as above stated, the imperative need for immediate action is clear and it is up to the stockholders to contribute to the limit of their ability. In order to make additional inducement to stockholders for the purpose of getting contributions toward this \$5000.00 fund, the committee recommends that to each stockholder so subscribing and paying, \$100.00 for example, there will be given 10,000 shares of Apex stock and a like amount of stock in the new organization, when organized.

It would be a part of the consideration and a condition on which the sums subscribed be paid that satisfactory specifications in an agreement with W. J. Priestley be made. And if it were found impractical or impossible to arrive at a satisfactory agreement with Mr. Priestley, all sums so subscribed and paid would be returned to the subscribers.

In order to insure us of funds required, we are suggesting what we feel would be your share with the further hope that your present ratio can be maintained, giving you the opportunity to join in the direction of this new corporation.

Records show you to be the owner of 29800 shares of stock in the National Gold Corporation and we are expecting that you will support this drive for funds with your remittance within seven days of \$ 400.00, or as much more as you wish to subscribe. You to reply immediately to this notice or we will be forced to the conclusion that you are not interested in protecting your investment.

Please make remittances to FLOYD SMITH, Chairman, 107 West Yakima Avenue, Yakima, Washington. All funds contributed will be deposited in a trust fund in the Yakima First National Bank of Yakima, Washington.

A special meeting of all stockholders interested will be held Monday evening, Nov. 5th, 1934, at 8 o'clock in the auditorium of the Y.M.C.A. building at No. 6 South 4th Street, Yakima, Washington. All stockholders are urged to attend.

Floyd Smith  
Clarence Starcher  
Erling Helliesen  
O. N. Waltz  
Committee.