

Office of the SEWANEE MINING CO.

No. 26½ Broadway, New York, 19th Feb., 1856.

TO THE STOCKHOLDERS OF

THE SEWANEE MINING COMPANY:

In their brief report of the 16th ulto., your Directors signified their intention of addressing you more fully on my return from the South, and I have this day been requested to make the following communication to you:

You are aware of the object of my late protracted visit in Tennessee. A bill granting the credit of that State, to aid in the construction of a rail road to connect the Copper Mines of East Tennessee with the East Tennessee and Georgia Rail Road (which, when built, would have been continued into North Carolina and Georgia, forming the most direct route from Memphis, via Raibun Gap, to Charleston, S. C., and to Richmond, Va.); and also to complete your Company's road to the "Wooten" Coal Banks, and thus uniting the Coal with the Copper fields—was passed by the House of Representatives early in January, but in the Senate—the opposition to the bill was determined and vigorous, and on its second reading it was lost by a large vote, a motion to reconsider which was negatived.

I at once abandoned all idea of resuscitating the bill, and declined a proposition to that effect, which came from persons friendly to the object. We need ask no favors from the members of a Senate whose views, with some honorable exceptions, are too limited to comprehend the great importance of developing the resources of their State; and Tennessee must consequently suffer; her immense mineral treasures in Polk County remain comparatively untouched, since individuals, without State aid, will not undertake to build a road by which they may be made available.

The Sewanee Company is not dependent; the aid for which we asked was but small and temporary, and would have been returned a thousand fold, in the benefits which our enterprise will confer upon the State, and particularly on that portion through which the Nashville and Chattanooga Railroad passes, where the supply of fuel is insufficient for household and absolutely necessary mechanical purposes.

To effect the completion of your Company's road, the Board of Directors have this day unanimously agreed upon the plan embodied in a series of resolutions, of which the following are copies:

"On motion of WILLIAM S. WETMORE, Esq., it was

"Resolved, That to enable this Company to procure the necessary funds to continue their road to the Wooten Mines, the President be and is hereby authorized to issue 40,000 shares of the Stock of this Company, of the par value of ten dollars per share, to be known and called '*Preferred Stock*,' which shall draw interest on its par at the rate of three per cent. per annum, payable semi-annually, and which shall be further entitled to all dividends that may be declared from the earnings of the Company, in the same proportion as the original stock.

"That in case of the issue of any mortgage on the Company's property, this Preferred Stock shall be included in and covered by said mortgage; the Company reserving the right to redeem said stock at any time at par.

"That there shall be issued as a Bonus to the Subscribers to the Preferred Stock, fifteen shares of the original 100,000 shares of capital stock, on each 100 shares of Preferred Stock that may be subscribed and paid for punctually in accordance with the terms of subscription.

"That the President be and is hereby authorized to sell the *Preferred Stock* at the rate of five dollars per share, payable in five equal monthly payments, commencing on the first day of May next; and that a copy of the foregoing resolutions be forwarded to each stockholder.

"Stockholders shall be entitled to take their pro-rata of the '*Preferred Stock*,' provided they give notice to the Secretary of the number of shares they may wish to take on or before the 1st day of April next for residents of the United States, and on or before the 1st day of July for residents in Europe."

The advantages offered to the holders of this preferred stock are such, that it is presumed every Stockholder will subscribe for his full proportion, which will be in the ratio of *four* shares of the preferred to every nine of original Stock. Preferred Stock not subscribed for by the present stockholders within the time fixed by the resolution of the Directors, will be offered to the public. Present holders may subscribe for greater amounts of Preferred Stock than their proportion, and in case any should decline to subscribe, those who may have subscribed for an excess will be allotted the full amounts of their subscriptions, or *pro rata* according to their present interests.

Nine miles of your road are completed from the junction with the Nashville and Chattanooga road to the top of the Cumberland Mountain. The whole distance to the "*Wooten*" Coal Banks is somewhat over 19 miles.

87,636 shares of Stock have been issued, and 80,000 dollars in Bonds, which mature in 1870.

The property of your Company *at present*, consists of 17,950 acres of land, in fee, and the mineral right and right to use timber to 6,280 *acres*; nine miles of rail road completed, and rolling stock, two engine houses, and an office and coal yard at Nashville.

The road, rolling stock, buildings, coal yard, and mine opening have cost, in cash, something over 200,000 dollars.

Up to the 1st of February, instant, 4,400 tons of Coal had been sent from the mines, at a cost of 16,400 dollars, and the receipts for the same will amount to about 20,800 dollars. This result cannot but be regarded as highly favorable, when we take into consideration the limited means of conveyance, the lack of confidence which has been felt by the people in our ability to supply their wants, and the excessive cost of mining at our present locality, where the Coal is limited in quantity. At "*Wooten*," the Coal is inexhaustible, and can be mined at fully fifty per cent. less cost than at the terminus of our present road.

We shall meet with no opposition in the Coal market after the second year, since all other sources of supply must yield to those which we shall command.

Stockholders should give notice at an early day of the number of shares of Preferred Stock for which they wish to subscribe. Communications to be directed to *Henry Ward Barnes, Secretary*, at this office, by whom due notice will be given of the allotment of shares.

SAMUEL F. TRACY, *President*.

1856

Wm. G. F. Johnson
of Samuel J. Tracy
Descriptive
Landscape

Genl. Thos. G. de Mosquera
26 1/2 Broadway