

THE WEST – CALDER OIL COMPANY (LIMITED.)
Incorporated under the Companies' Acts, 1862 and 1867.

CAPITAL, £160,000,
IN 16,000 SHARES OF £10 EACH, PAYABLE AS UNDER:-
£1 per Share on Application.
£2 per Share on Allotment.
£2 per Share Three Months after Allotment.
£2 per Share Six Months after Allotment. The remaining £3 As may be required.

DIRECTORS-

CHARLES BANNATYNE FINDLAY, Esq., of Messrs Richardson, Findlay, & Co., Merchants, London and Glasgow.

THOMAS REID, Esq., Ibroxhill, Provost of Govan.

GEORGE WILSON CLARK, Esq., of Dumbreck, Merchant, Glasgow.

THOMAS DUNLOP FINDLAY, Esq., Easterhill, of Messrs T. D. Findlay & Co., Merchants, Glasgow.

LEWIS THORPE MERROW, Esq., of Kennebec House, Merchant, Glasgow.

STEWART SOUTER ROBERTSON, Esq. Yr., of Lawhead.

RICHARD S. CUNLIFFE, Esq., of the late Firm of Randolph, Elder, & Co., Engineers and Shipbuilders, Glasgow.

Bankers.

CITY OF GLASGOW BANK and Branches.
COMMERCIAL BANK OF SCOTLAND and Branches,

Solicitors.

Messrs M'CLURE, NAISMITH, & BRODIE, 87 St Vincent Street, Glasgow.

Interim Secretary

WM. MACKINNON, Esq., of Messrs M'Clelland, Mackinnon, & Blyth, Chartered Accountants, 140 St Vincent Street, Glasgow.

From the applications already made, the Directors have now at their disposal only from 3000 to 4000 Shares.

PROSPECTUS

This Company has been formed for the purpose of acquiring from the present proprietors the valuable Leases of Shale and other Minerals of Gavieside and the north-east division of South Cobbinshaw; together with (1) the extensive Oil Works erected at Gavieside for the manufacture of Paraffin and Lubricating Oils and other products from Shale; (2) the whole Working Plant and the entire Interest and Goodwill of the business hitherto carried on in connection therewith, and all rights incident thereto; (3) the Profits accruing to the proprietors from a sub-lease of an adjoining Mineral Field; and (4) the Right, as after-mentioned, to Coal and other Minerals in the Lands of Woolfords. The Oil Works are situated in the centre of the famous West-Calder Shale District, and by means of a Branch of the Caledonian Railway carried into the Works the produce can be conveyed to all parts of the kingdom; moreover, they command an ample supply of Shale of the finest and most productive quality, which is wrought and laid down at the Retorts at a very modest cost. These Works embrace 150 Retorts for the manufacture of Crude Oil, with Buildings and Machinery of the most modern and approved construction for the manufacture and refining of Burning and Lubricating Oils, and the requisite Plant for the freezing and pressing of solid Paraffin, the manufacture of Sulphate of Ammonia, and other products; with Workshops, Workmen's Houses and all other necessary apparatus and appliances. The Works, as at present constructed, are capable of making and refining 1,596,000 gallons of Crude Oil per annum. being the produce of 42,000 tons of Shale; but to carry out and finish the original plan of the work, and to overtake the increased production of Crude Oils from Retorts proposed to be erected at Cobbinshaw, it will be necessary to extend the Refinery: and according to a report made by Mr George Bennie, Mineral Oil Engineer, this can be done at a cost of £7500, and when completed, the Work would be capable of refining 3,304,000 gallons of Crude Oil per annum. It is proposed to erect 104 large Vertical

Retorts on Cobbinshaw, capable of treating annually 1,710,000 gallons of Crude Oil per annum. Mr Bennie, in his report, states that the sum of £20,000 will amply provide for the erection of these Retorts, the sinking of the new Pits after-mentioned, and the erection of the necessary Workmen's Houses; and he strongly recommends these operations, as they will be attended with an increase in the production much greater in proportion than the corresponding outlay ; and his opinion is that when the whole alterations and additions are made, a business can be done at the combined Works of a more lucrative character than at any other Work of the kind in Scotland.

The Mineral leaseholds and rights to be acquired by the Company are:-

I. GAVIESIDE MINERAL FIELD

This field is situated in the Parish of West-Calder. It extends to about 150 acres, and contains all the Shale measures from "Raeburn's" downwards, as also the "Two Feet" and Houston's" seams of Coal, all of which are the subjects of lease. Two of the seams of shale – viz., "Raeburns" and "Fell's", have been worked, and have proved of the finest quality, the yield of Crude Oil per ton of Shale during the past three years being as high as 38 gallons. The lease extends for a period of 20 years, and is held on very favourable terms, the fixed rent being only £200 per annum, and the royalties in lieu of it being exceedingly moderate. The field is fitted by two Pits, commanding an output of 160 tons per day ; and a third has just been put down, which will be handed over to the Company complete and free of expense, and when opened up will give additional output of **160** tons per day. The quantity of Shale of the "Raeburn's" and "Fell" seams, workable by these fittings, is estimated at 675,000 tons; and in addition to these there are other two seams, each of 120 acres in extent, which are being wrought in the adjoining properties, and which, in Gavieside, can be worked crosscutting from one of the present Pits. One of these seams is estimated to contain 600,000 tons of Shale.

II. SOUTH COBBINSHAW MINERAL FIELD

The entire Property of South Cobbinshaw extends to about 1000 acres. It contains all the seams of Shale in the Gavieside Mineral Field, and of equal quality. The Works will be connected by a branch from the Caledonian Railway, which passes through the property. The south-west division of the field, which extends to about 500 acres, has been sub-let, and has proved by pits and bores to contain 3,450,000 tons of "Raeburn's" and "Fell's" Shale. The sub-leases are working vigorously, and the profit accruing to the proposed Company upon the sub-lease is threepence per ton on all Shale raised, which would amount to £43,125 on the above-named quantity. The north-east division, containing about 500 acres, which this Company proposes to work, is also rich in the finest Shale, a number of bores having been put down, proving the "Fell" seam, which is found to extend to at least 300 acres, and to be of a thickness of 26 inches. This seam alone contains 1,200,000 tons, a large quantity of which can be got at comparatively little cost. Of the other seams, "Raeburn's" has been partially proved, showing it to be of a considerable extent and of fine quality. It is proposed to put down at once two Pits to the "Fell" seam, which, from the proximity of the Shale to the surface, and the moderate angle at which the strata lie, will not involve any outlay of more than £2000, including all fittings and connections with the Railway. The two divisions of the field are held under a lease, of which 17 years have yet to run, at a moderate fixed rent, or, in the landlord's option, certain royalties, which are also very moderate.

The combined resources of the Mineral Fields, so far as proved, exclusive of the portion sub-let, are equal to 2,475,000 Tons of Shale of the very finest quality, giving an annual supply of 90,000 Tons for the next 27 years, and this quantity may be largely increased by the development of those Seams which have yet been untouched.

III. THE RIGHTS OF THE PRINCIPAL TENANTS UNDER THE SUB-LEASE BEFORE-MENTIONED

A thorough and complete examination of the Books of the Company has been made by Mr William Mackinnon of the Firm of Messrs M'Clelland, Mackinnon, & Blyth, Chartered Accountants in Glasgow, extending over a period of three years, and brought down to the end of October last. His report made thereon shows the cost of raising Shale, and of the various manufactures therefrom; and on the data therein given an account of Income and Expenditure has been made, upon the assumption of the Works being extended, so as to produce and refine 3,306,000 Gallons of Crude Oil annually. From the examination of this account, it will

be found that, taking the actual cost of the whole period, there is, after making the most ample and liberal allowances, a profit of £33,776 per annum; but adopting the costs of the last six months, during which time the working has been carried on more economically, and the Plant has been considerably improved, a profit of £44,440 per annum is shown, being a return on the proposed Capital of 21 and 27 per cent. respectively.

Since Mr Mackinnon's report was prepared, an acquisition has been made, on favourable terms, of the Coal, besides other valuable Minerals, in a portion, extending to about 150 acres, of the Estate of Woolfords, adjoining the lands of South Cobbinshaw. This field has been bored in several places, and has been found to contain throughout the "Hurlet" seam of coal, of a thickness of 4 feet 2 inches, which can be worked from a Pit of 28 fathoms in depth. This acquisition, which also possesses peculiar Railway advantages, will tend materially to add to the profits of the Company.

The Purchase Money for the transfer of the entire Business, Works, Plant, Leases, and Goodwill, is £80,000, of which £50,000 is to be paid in Cash, and the remaining £30,000 in fully paid up Shares of the Company, to be called B Shares; but by Agreement the holders of these Shares shall not be entitled to any Dividend out of any year's profits till after the holders of the other Shares, to be called A Shares, shall have received a Dividend of Ten per Cent. – the surplus, after providing for this Dividend, being applied as follows:- First, in making payment of a like Dividend on an amount of each B Share equal to that called up and paid on the A Shares, and of Interest at the rate of Five per Cent. per annum on the amount of each B Share equivalent to that not called up and paid on the A Shares, but that only in so far as there shall be profits available for these purposes; and Second, in making such a division of the profits that remain that all Shares of both classes shall participate equally, without reference to the amount of calls paid on the A Shares; and this mode of disposing of the profits for each year shall be continued till the Shareholders, other than the holders of B Shares, shall have received 100 per Cent. of the Dividends, after which all Shareholders, without distinction, shall participate ratably. It is further agreed that the Vendors and their Nominees, and their respective heirs and successors, shall not be entitled or have power to sell or otherwise dispose of all or any part of the B Shares during the space of five years from and after the formation of the Company, and that during that period the Company shall not be bound to register any Transfer of any such Shares.

The only contract is a Provisional Agreement, dated 18th April 1872, entered into between Thomas Dunlop Findlay, Merchant, in Glasgow, as Factor and Commissioner for John Findlay, of Boturich Castle Dumbartonshire, conform to Factory and Commission therein mentioned and Louis Thorpe Mellow, Merchant in Glasgow, of the first part, and William Mackinnon, Accountant in Glasgow, of the second part; and this, together with Report by Mr John R. Williamson, Mining Engineer, Edinburgh, and the Reports by Mr Mackinnon and Mr Bennie, and the Memorandum and Articles of Association can be seen at the Offices of the Solicitors and the Interim Secretary of the Company.

Prospectuses and Forms of Application for Shares can be obtained from the BANKERS, SOLICITORS, and SECRETARY of the COMPANY.

The Scotsman, Friday 19th April 1872