1887

In the early part of 1887 the Hastings Mill property passed by conveyance from Heatley to Strouss representing a Syndicate, who ran with Heatley from the Hastings Saw Mill Company Limited, each owning one half the stock. The mill at that time was still in possession of and being operated by Heatley, and was to be turned over to Strouss on 30th June 1887. Prior to that date negotiations had been opened between Heatley and Strouss whereby the former was to take a half share with Strouss & Syndicate in a joint stock Company to be formed (the present Hastings Saw Mill Company Limited) the Mill & land &c to be sold to the Company by Strouss ~~and Heatley in addition to paying for his share~~ at a rate agreed on and Heatley was to turn over certain timber leases, logging camps & their appurtenances to the Company without cost. Owing to difficulties in negotiating with Strouss, who was then in London, as was Heatley, the scene of negotiations partly shifted from London to Victoria being carried on there by Alexander on the part of Heatley with the Syndicate whom Strouss represented. One, and indeed the principal difficulty in arriving at a settlement was the area of the mill site which Heatley insisted should be 8 3/4 acres (vide his letter June 15th) and which was encumbered by an agreement between Strouss & party and the C.P. Railway Company whereby the latter were entitled to one third of the land should milling operations be discontinued. Heatley telegraphed to Alexander 18th June "We offered give up camps and leases free and take half" "interest in mills, store, camps leases put in at 85000 (8)" "freehold unfettered, Strouss demands 95000 and subject" "railway one third therefore negotiations ended and you" "will wind up directly" and again on 20th "Arranged with" "Strouss our terms, understood freehold mill site guarantee" "eight two third acres unfettered, satisfy yourself this" "understood then commence new roads and continue" "mill operations account new Company forthwith reply."

1887

In the early part of 1887 the Hastings Mill property passed by conveyance from Heatley to Strong representing a syndicate, who was with Heatley from the Hastings Saw Mill Company limited, each running one half the stock. The mill at that time was still in possession of and being operated by Heatley, and was to be turned over to Strong on 30th June 1887. Prior to that date negotiations had been opened between Heatley and Strong whereby the former was to take a half share with Strong's syndicate in a joint stock company to be formed (the present Hastings Saw Mill Company limited) the mill standing to be sold to the company by Strong ~~[illegible]~~ at a sale agreed on and Heatley was to turn over certain these cases logging camps & their appurtenances to the company without cost. During the difficulties in negotiating with Strong, who was then in London, as was Heatley, the scene of negotiations partly shifted from London to Victoria being carried on there by Alexander on the part of Heatley with the syndicate from Strong represented. One, and indeed the principal difficulty in arriving at a settlement was the area of the mill site which Heatley insisted should be 8¾ acres (vide his letter June 18th) and which was encumbered by an agreement between Strong & party and the C.P. Railway Company whereby the latter were entitled to one third of the land should milling operations be discontinued. Heatley telegraphed to Alexander 18th June "the offered give up camps and leases free and take half" "interest in mill, store, camps leases put in at 85000(6)" "pushed unfettered, Strong demands 95000 and subject" "Railway one third therefore negotiations ended and you" "will wind up directly" (was again on 20th) "arranged with" "Strong our terms, understood pushed mill site guarantee" "eight two third acres unfettered, satisfy yourself this" "understood then commence new roads and continue" "mill operations account our company forthwith apply."

Alexander proceeded to Victoria and laid this telegram before the Syndicate Strauss was repuscuting. They refused to guarantee the mill site "unfettered" (i.e. unencumbered by the agreement with the C.P.R.) but the point at issue was the agreement not the area stated at 8¾ acres. & the following despatch was sent Heatley "Victoria parties cannot guarantee "freehold unfettered until Railway replies their proposal. Why about stock logs and lumber". By letter of 29th June Strauss Agent demanded that the property should be delivered over to him and Alexander telegraphed Heatley "Ship finished "Strauss Agent asks delivery mill Tuesday failing arrangement answer", to this Heatley replied "Failing inclusion entire "mill site impossible arrange purchase therefore deliver "mill subject to settlement of accounts reply amount to "be received by us, also your estimate total value camps "furniture stock logs lumber etcetera not necessarily taken "over by Syndicate". This led to an interview between Oppenheimer, one of the members of the Strauss Syndicate Alexander, Mr Abbott of the C.P. Railway to see if it were possible to arrange terms for the cancellation of the C.P.R. claim to one third of the land. Having arrived at an understanding with Mr Abbott that such could probably be done & a basis of arrangement having been agreed on, Oppenheimer and Alexander proceeded to Victoria and met the other members of the Syndicate or at least those who were managing the business, and after consultation they agreed that should they be unable to give the mill site unencumbered (i.e. the 8¾ Acres as then understood) they would make good the deficiency in area from other land immediately to the South of the Railway line, and the following telegram was sent Heatley "Have little doubt "railway will relinquish claim on mill site, had interview "with Abbott and arranged terms satisfactory to him "which he recommends railway to accept. Should arrange-"-ment fail Strauss agree make good any deficiency from"

"land immediately South of track. Are taking stock con-
"jointly with purchasers. Will furnish details asked soon
"as possible. Wire whether I shall close camps and sell
"teams logs and plant" to which Heatley replied "Inclined
"agree substitution other land approved by yourself, with
"this exception our letter of thirteenth June must be agreed
"in intact, logs, lumber belong ourselves, not handed over,
"failing immediate acceptance clear up. reply."
In this dispatch reference is made to a letter of 13th June
which Heatley had addressed to Strouss embodying the terms
on which he would become a purchaser of one half interest
in the proposed Company & which letter (copy appended) had
been forwarded to the Strouss Syndicate in Victoria.
These terms as contained in the said letter were fully discussed
by Alexander and the meeting of members of the Syndicate &
to two points they (the Syndicate) demurred viz: with reference
to the management being made unalterable and the commission
due to the Managers on all sales & purchases, and the following
telegram was sent Heatley "Owners desire your management"
"and will co vote when Company formed and agree to
"commissions except on purchases and home sales made
"directly by Local manager but cannot bind company in
"perpetuity. Think this final. wire answer Victoria"
To this telegram Heatley replied "Accept owners terms
"provided all our other conditions letter thirteenth June
"accepted and logs and lumber in stock belong to us, get
"written agreement reply." A further discussion as
to the logs and lumber in stock took place but it was
finally arranged that for these Heatley was to be paid, and
Alexander was instructed by the members of the Strouss Syndicate
to telegraph to Heatley their acceptance of his terms (i.e. as
per letter of 13th June modified however in accordance with
the Telegrams recited above) & the following dispatch was
sent "Owners have accepted tell Strouss". A letter
was then written based upon the letter of 13th June and

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modifying Telegrams (Copy appended) by Alexander and confirmed by the Agent of Strauss reciting the different points of the arrangement.
Subsequently the Hastings Saw Mill Company Limited was formed one half of the Stock of which was taken by Strauss and his Syndicate and the other half by Heatley and Partner – In all these negotiations the area of the Mill Site which is perfectly defined by being that portion to the North of the C.P.R line is represented as being 83/4 Acres and as such was transferred by Strauss to the Hastings Saw Mill Co Ltd and a conveyance in trust to the said Company was also executed of an area of land South of the track equal as nearly as possible to one third of 83/4 Acres to become the absolute property of the Mill Co Ltd Should they (the Strauss Syndicate) fail to extinguish the CPR Claim within a certain time.
Heatley therefore contributed to the Company a certain value in timber leases, logging Camps and appurtenances over and above paying for half the Stock of the Company on the understanding that the Strauss Syndicate should take the other half of the Stock and for a fixed price transfer to the Company certain property inter alia "the mill site containing 83/4 Acres" – This mill site is now ascertained to contain but 6 1/3 Acres – What recourse has Heatley? —