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Item 23

*Nevada-Garfield Cons. Mines Co.
Mina, NV*

AMERICAN

ZINC CO.,

WALTER G.

SWART FILES,

NEVADA

OLDER 375

DATE

Oct. 14th, 1911.

INFORMATION SHEET FROM W. G. SWART, DENVER

SHEET NO.

214.

Handed to me for investigation by E. A. Clark in New York City, October 5th, 1911.

Brought to Mr. Clark by J. H. Merong, 18 Broadway, New York. Mr. Merong is simply a promoter.

I met Mr. Arlando Marine #5 East 42nd Street, New York who is one of the officers of the Company, also met Mr. E. C. Minard, president of the Company, same address. These men are wholesalers of building stone.

The property is 17 miles West of Mina, Nevada and was worked in early days for silver.

7 Patented and 12 unpatented claims. Mill site, water rights, etc. Good road. Plenty of water for milling, etc., etc.

Five reports were shown me as follows:

1. Made in 1884 by W. P. Miller, M.E. for English investors who bought the mine and floated it as "Garfield Limited".
2. Made in 1885 by W. Milford, M.E.
3. Made in 1886 by C. A. Hamilton of San Francisco.
4. Made by Bewick and Moreing of London in 1885.

These reports are in printed form, constituting portions of a prospectus and are in no case complete.

They all show a very considerable tonnage of oxidized silver ore and lead ore as in sight, ranging in value from \$50.00 to \$750.00 per ton (based I presume on silver at upwards of \$1.00 per ounce) The total net value of the property is stated to be from \$250,000.00 (Bewick & Moreing) to \$1,220,000.00 (Miller).

These reports are too old to have any bearing on the value of the property today, except as showing that the mine has produced a fair amount of high grade ore.

The fifth report is dated April 25th, 1911, and is written by Llewellyn A. Morrison, M.E. and New York engineer about whom I have so far been able to learn nothing.

Mr. Morrison says the mines are fissures in andesite, and that there is over 12,000 feet of development work. The bulk of the rich oxidized ore has been removed for shipment, but there is a large tonnage of milling ore on the dumps and in the old stopes. The dumps he estimates at 100,000 tons; the stopes at a much greater amount. Average value of the mill ore \$15.00 per ton. He goes into detail in describing the ore bodies, as for example:

"The backs of this ore body---for 1000 feet are from 700 to 1000 feet and reach to the surface. The vein is over five feet wide with a heavy pay streak on the south wall about 2-1/2 feet wide, making 50,000 tons of high grade ore which can be safely counted on as worth \$30.00 per ton or a gross value of \$1,500,000. This estimate does not include---the lower grade ore of which there is a large tonnage. This estimate, further, does not include any of the richer sulphide ores mentioned above."

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"There is therefore an ore body out out in the Great Henley on two sides for 700 feet long by 330 feet deep. The pay streak safely averages over 2-1/2 feet wide. My own very careful sampling of the high grade--- averaged \$35.52 per ton---- in gold and silver"

Mr. Marine has seen the property and I questioned him closely about it. He says Mr. Morrison's statements that these big bodies of ore are in sight is not correct. They cannot be seen nor measured. They are only "prospective". He gives no real reason for their not now being actively engaged in mining and shipping the high grade ores. There undoubtedly is no high grade now in sight. He further stated that they had to mine eight to ten tons of low grade to get one ton of sacked ore (high grade).

The Company is an Arizona corporation with \$1,500,000 capital stock, par value \$1.00 per share. They have \$400,000 still in the treasury. They want us to either underwrite this treasury stock or buy the mines. Their price is \$1,500,000 for the property. They will of course take less---a great deal less.

This thing would not interest me a minute except for one thing, Mr. Marine makes the statement that some four or five years ago their president Mr. E. G. Minard, met Mr. Holden in Tonopah and took him out to see the property, not as a purchaser, but simply to give him a line on the out-lying districts. After seeing the property Mr. Holden is said to have asked whether they would be interested in selling the property to him on the basis of one million dollars. The only thing I don't understand is why the story doesn't run to the effect that Mr. Holden pulled a certified check for a million out of his pocket and tried to force them to accept it.

There is of course a chance that Mr. Holden liked the looks of the property, and on that chance only I have arranged to hold the thing open until I can get word from Mr. Holden. Will Mr. Holden therefore kindly relieve the suspense as soon as possible.

W. G. Swart.

LATER The suspense is relieved. Mr. Minard has just called to tell me that it was another Mr. Holden whom he took to the property. If I should stay over until tomorrow he would probably decide that it was another property also.

The game is worthless.