

ANALYTIC REVIEW OF MINES AND SECURITIES OF GREAT GOLD CAMP

EARLY PRODUCTION ASTONISHING

Rawhide Proving Its Right to an Eminence in the World of Gold Mining—Geology of the District Assures Permanency to Fabulously Rich Ore Bodies—No Milling Problems—Ores Are Not Refractory—Camp's Important Mining Securities Which Represent "Inside" Properties With Ore—Queen, Coalition, Grey Eagle Fraction, Ballon Hill, Mascot and Other Offerings.

THE GEOLOGY OF RAWHIDE.

How these ore bodies were found is an interesting study as well as most encouraging one. "Stockworks" is a term given to a reticulated mass of rock which is made up of a number of small seams and veins running in every conceivable direction and filled with silica and metals. If this were the full meaning of "stockworks" it would seem a very discouraging condition, but fortunately there are larger and major veins here which are found not only in the shearing zones, but also as fractures, thus affording double vent to the ascending waters and their precious accompaniments, gold and silver. This represents impregnation.

PROCESS OF REPLACEMENT.

The center of mining activity is on and around Balloon Hill, Grutt Hill, Murray Hill and Hooligan (or McLeod) Hill. These four hills adjoin one another and compose the backbone of the district.

The properties embraced in this "inside" territory are the following:

Rawhide Queen Mines Company

EXPERIENCE IN MONTANA

STRIKES OF DAILY OCCURRENCE

In addition to these great strikes remarkable discoveries are being made daily on adjoining and neighboring properties, notably the Murray lease, on the estate of the Rawhide Consolidated Mines company; the Gray Eagle tract, on the estate of the Fortnightly Market; northeast, the Grutt, Proskey and Luning leases on the Wild West claim of the Rawhide Coalition Mines company; the Miller, De Armand and other leases on Hootigan Hill, within the estate of the Fortnightly Market; and the claim of the Rawhide Balloon Hill Mining company, the Ogilvie-Reynolds and Nat. C. Goodwin leases on the Balloon claim of the Rawhide Queen, and other properties in the vicinity.

In the western section of the district, in the three townships of the town of Rawhide, several important strikes have been made during the past two weeks, indicating that that part of the district contains several promising prospects. These are the Tiger, Bullwhacker and Steinheimer, all of which in that locality, have opened up shipping ore at a depth varying from 20 to 60 feet, the strike in the Royal on the 60-foot level having disclosed ore running as high as 100 ft. in places.

It is also shown the developments throughout the district during the past fortnight have fully verified the predictions made in the last issue of this Fortnightly Market Review and placed Rawhide among the great gold camps

within the next twenty days, the company will at once begin the erection of a new mill, with a view to treating all the ores from its mines."

Mr. King's experience in managing some of the best gold mines in Montana has peculiarly fitted him for solving the problem of successfully operating the new camp. His first great success was putting the Gilt Edge mine, situated in Fergus county, Mont., on a dividend paying basis. Several companies had operated the mine for years, but all had failed to put it on a paying basis. When Mr. King took charge of the mine the cyanide process of extracting gold from refractory ores was in its infancy. He was the first to use the Gilt Edge. It required from two to three pounds of cyanide to a ton of gold to make the extraction, and the cost of the cyanide rendered it impossible to make a profit on the ore, which averaged 10 to 15 lbs. to the ton. In a short time Mr. King, by the adoption of improved methods of his own invention, reduced the quantity of cyanide necessary to extract the gold from a ton of ore to one pound, and in a short time this saving enabled him to operate the mine at a handsome profit. The Farnes-King mine, situated in the same county, was also made a profitable producer by Mr. King, who introduced the new method of treating the ore. Under his management the two mines produced over \$3,000,000 and paid big profits to the stockholders.

All the big operators in the country now have their representatives on the ground, making examinations of the principal properties, and a number of important deals have already been consummated. Prices of inside properties are high, and have been for some time.

going up by several hundred and thousands of dollars. The acreage, which could have been bought for a few thousand dollars two weeks ago, cannot be touched for less than \$50,000 to \$60,000 on the market. The sale of the town of the Grey Eagle Fraction, which adjoins the Balloon claim and the Balloon Fraction of the Rawhide Queen mine, owned by the same party, is under lease to the Grey Eagle Fraction Mining & Leasing company, have refused \$500,000 for that piece of ground. The same company, the Grey Eagle W. King, president of the Rawhide Queen Mines company, who owns 55 per cent of the stock of that corporation, has just refused \$2 a share for his holdings, and he says that he would not for a moment consider an offer of less than that price. The claims that are still in the prospect stage have changed hands during the past two weeks at prices ranging from \$3,000 to \$25,000.

POPULATION OF TOWN BIGGER
THAN GOLDFIELD.

The town of Rawhide is building up with remarkable rapidity. There are now more than 300 wooden buildings in the camp, and 250 are in course of construction. The town is made up of shanty habitations. Fifteen mile teams of 10 to 20 animals each are engaged in hauling timber from the railroad, and many sawmills are being constructed to serve the service. More than 100 carpenters are employed at \$8 a day, and contractors are sending outside for workmen to complete the contracts on time. Real estate values have been more than doubled in a fortnight, it being impossible to buy for \$5,000 what could which sold two weeks ago for \$3,000.

Many operators from Nome and the Klondike are now on the ground, attracted by the reports that rich placer districts have been discovered. The placers, which are situated at the lower end of the town, in the canyon which runs down the middle section of the town, are owned by H. H. Hurlbert and Grant, Baldwin, Murtha, Hurlbert and

KEARNS ON WATER AND MILLS

as high as \$200 a cubic yard has been found at several points. The nuggets weighing 100 to 400 lbs are frequently found. It is believed that these placers can be worked at an enormous profit by the dry-washing process, and if washed and concentrated by the new method being developed, which is now assured, this rich ground will produce fortunes in placer gold.

MILLING FACILITIES

The question of water for mills and transportation to smelters needs no solution in Rawhide. Water in abundance is to be had for miles from camp, on the flat, by sinking 50 feet. Thomas Kearns has just organized a company and raised the capital to supply town and country with water. A reservoir is now being erected on Balloon Hill. The nearest railroad station is Schurz, 36 miles away on the Southern Pacific. The charge for hauling the ores to the rail head is the heaviest in the world, piled on the ground. The developments on the rich estates of the Rawhide Queen, Rawhide Consolidated and Rawhide Consolidated and Smelter, and the mills, of large capacity to reduce their ores, President E. W. King of the Rawhide Queen is now considering plans for the installation of a 40-stamp mill at a cost of \$100,000. It is probable that work will be commenced early next month.

In speaking of his project, King said: "While a rich camp like Ray has been accepted as a source of ore of the high-grade ore, it sooner or later has got to get down to the actual production of bullion on the ground, and the sooner that is accomplished the better for the district and the mines in it. A large proportion of the ores of the district can be treated by the straight stamp and amalgamation method, but some of the ores which carry high grades will, unfortunately, be of the future class, and have to be smelted or treated by the concentration and cyanide process. From experiments that I have made in my own laboratory at Helena, I am satisfied that the extraction of bullion from these ores can be made on all the ores in the camp. The ores of the Miller, on Coalition ground, Kearns No. 2, on Green ground, Deane, and Mexican, on Coalition ground, in particular, can be treated simply with stamps and plates and a very high extraction made. All of the ores from the leases on the Coalition ground, however, and Alexander leases are situated, some under this classification. There is no reason why fifty stamps could not be

union of the properties can best be expressed by the statement that I am willing to put my money into the camp. The distribution of the gold deposit is not limited to one or two lodes. Anywhere in the mineral belt a man has a chance to make money."

ANOTHER EXPERT VIEW.

James G. Flynn, formerly mine superintendent of the Combination and Mohawk mines, has been making the following report on the Balloon Hill portion of the district: "I have spent three days in making a more thorough and complete examination of the Balloon Hill property, and have tallied off its containing millions of the precious metal have been dispelled. Squat on the hill are the mining locations known as the Balloon, Balloon Fraction, Grey Eagle, and the No. 2, Diabase and March Rose. The Grey Eagle Fraction is under lease in its entirety to the Grey Eagle Fraction Mining and Leasing company. The Balloon claim, the Balloon Fraction, the Diabase and the March Rose are the property of the Rawhide Queen Mines company. The formation is porphyry and diabase. This diabase is a large intrusive dike about 400 feet wide, running parallel with the hill. The contact with the porphyry on the west side is being prospected by nine leases, the Grey Eagle Fraction, and the Kearns No. 2, Kearns No. 1, Reynolds-Ogilvie, St. Ives and Nat. C. Goodwin on the Balloon and Balloon Fraction. The diabase is a fine-grained, black, showing for the amount of work done. The most remarkable and, in fact, one of the greatest prospects I have ever seen is in the Kearns No. 2. On this lease there is a cross-cut with a width of 22 feet, cross-cut at the bottom to the hanging wall. There are values from the surface to the bottom of the shaft, but the richest ore and the best showing are in the bottom. The first block of this is in ore running from \$100 to \$500 per ton. The rest of the cross-cut is in ore of a good milling grade of from \$10 to \$20, and is being milled at the mill here. The mineralized part of this vein is a secondary silification of porphyry and is very soft; that is, the silification has not been complete. Within this ledge is a hanging wall of diabase. The silification, the mineralization of this is what might be termed "banded;" that is, there are bands of very rich ore alternating with the leaner or poorer grade of ore. The diabase is a massive, the seams separate the enriched zones from the leaner ones, and perhaps from the hanging wall of the channels of the gold-bearing solution. I see no reason, geologically, why this diabase should not extend to great depth and along the entire length of this contact. I feel confident that developments in the next 90 days will open up mines that will rival any in the state."

RAWHIDE MINES AND PROSPECTS

W proceed to a review of the important mining companies of Rawhide that own inside ground on or surrounding or situated between Balloon Hill, Grutt Hill, Hooligan Hill, Silver King Hill and Murray Hill, which mark the center of activity. In doing so, we bear in mind the mistakes and shortcomings of camp boomers and mining-stock promoters of the Green-water type and of other districts that have been overcome to the cost and heavy loss of investors. In this connection it should be pointed out that Green water was the outgrowth of a conspiracy hatched up in the cafe of the Waldorf-Astoria in New York, and that the securities of that camp were manufactured to feed a growing demand for mining stocks that grew out of the tremendous boom that was brought about by the merger of various Goldfield producers in the Goldfield Consolidated. There is nothing "manufactured" about Rawhide. The camp has grown despite depressed financial conditions throughout the country, and ore discoveries alone are responsible for it. Indeed, but for the fact that the strikes of high-grade made in Rawhide have been of such tremendous significance, the boom would have been throttled in its infancy by the absence of buying power for securities of the average variety.

From the north end of the district, and throughout the country, and Rawhide would have died still-born.

RAWHIDE QUEEN MINES COM
PANY.

The Rawhide Queen Mines company, whose ground is centrally located on Balloon Hill, is incorporated for 1,000 shares at \$100 each, of which 300,000 shares are retained in the treasury for development purposes. The officers of the corporation, which was the first hold-out company organized in the district, are: J. H. Harris, president; J. H. Barrett, vice president; William Lane, secretary, and D. V. Snowgoose, treasurer. The property consists of three full claims and three partial claims, all of which are known as the Bonanza and Diabase claims and the Balloon Fraction and two small fractions not yet named. The estate contains 65 acres, situated squarely on Balloon Hill, and is bounded by the state line on the extreme north end. A controlling interest in the property was taken over on January 1 of the present year by E. King, the well known banker and mining man of the city of Reno, who has been operating in Montana for nearly 20 years, being the moving spirit in the Gilt Edge Mining company, the Great Northern Development company, the Alder Gulch Mining company, the Great Kendall Mining company and the Alder Gulch Mining company. He built three large mills in Montana, and has many mining operations throughout the northern part of that state. He has been in Montana since 1890, and has been Mr. King's control produced more than half the gold output of Montana, and he is considered one of the most eminent authorities on gold mining in the United States. He has been a member in the Montana legislature and former president of the Montana Society of Mining Engineers. A little over four months ago King's attention was called to the camp, and he came down from Montana and paid a visit to the new district. After a few days' inspection of the camp, he returned to Reno, and bought some stock in the Ruby Silver Mining company, which was operating a lease on the Balloon claim, now owned by the Rawhide Queen Mines company. He then called on D. V. Snowgoose and J. H. Harris, and on all of Balloon Hill and that they had re-bonded it to Hinckley & Harris of Reno for \$50,000. He then came to Reno and re-bonded the property to himself, and the bond from Hinckley & Harris, and when the payments came due he made them and organized the Rawhide Queen Mines company, which well defined the property and opened up the Rawhide Queen estate, and all of these have been traced into the property of the Rawhide Balloon Hill Mining company, which adjoining the Rawhide Queen claim, and east of there. There are twenty-one working leases on the estate of the Rawhide Queen Mines com-

think it, the greatest thing in this world. It is going to be contentious, too, for we have opened up the veins in some places on the surface for a distance of 300 feet each way from the shaft. We are now having the finest kind of walls, both No. 2 and No. 3. It beats anything I ever saw. They are sucking everything that is coming up. We have three carloads of ore shipped, and as soon as the road is graded to the surface, we will start the boat and the tug on regular shipping. We are putting in a 25-ton hoist, and when this is installed we will send a carload every other day. On the 20th of February I bought a controlling interest in the Miller lease, situated on the Hookland claim of the Washburn Coal and Iron Mining company, on the Hookland claim. There is an ore-shoot 23 feet wide, extending from the surface to the present depth of the shaft, which is down to level, and where the ore is 50 feet level, and where it is only 15 feet deep. They had opened up five feet of that ran \$175 a ton. On the footwall, both at the surface and on the 50-foot level, where we are cross-cutting, the ore is 20 feet deep. The entire 23 feet of vein matter, outside the 15-foot streak, runs about \$24. I have hired four men to work on the Kearns lease No. 3, which is an extension of the Kearns No. 2, on the Halfway Peak claim. There are three claims on this ground, assaying over \$80 a ton. We are pushing work there for the Kearns No. 2 vein, which runs through No. 3.

Summing up the showings on this new territory some very definite conclusions may be drawn. The history of prospecting in the west has a gold mine given such absolute evidence of becoming a steady producer of millions as does the Rawhide Queen at its present stage of development. Baldy Creek, the two other really sensational gold camps of this county, has had two distinct ore bodies opened up of such phenomenal richness and thickness the same early stage of development as the Rawhide Queen, and we doubt if any mine in either them at any stage of development showed the presence of rich ore bodies of such great width. We are inclined to believe that the Rawhide Queen itself, and believe that the Queen will mark a new era in American gold mining. To suggest that Queen shares may eventually sell at \$20 or \$30 is simply to make a prediction for which there is no basis whatever. These showings and geological conditions that surround them. As indicated by the foreword of this market report there is every reason in the world from the geologist's standpoint for the belief that the Rawhide Queen and other properties on Balloon Hill penetrate to the deep, and there appears to us to be only one chance for worth \$20 or more per share in the Rawhide Queen. It becomes an exception to the rule and the theory of the geologists based on all mining tradition, is overlooked. We are informed that application for listing of the Rawhide Queen Mining Company's shares in the San Francisco Stock and Exchange Board has been made and that the shares will, in all probability, be listed and traded in on that historic board, which will have the effect of exciting trading in the Constacks in the case of Mackay, Fair, Flood and O'Brien within the week. We have been inundated with bids throughout the week at \$1.65 per share for stock in this company, and it is probable that our partially filled orders. As far as we can discover, the visible supply of this stock is not over 150,000 shares; the balance being held by the owners of the control at a price, at this writing, of about \$1.75 per share. This stock was sold during an early period in the history of the property and represents some scattering blocks of ownership stock belonging to several of the early original holders. Some of these blocks are small, but none, and no necessity has been found for it, because practically all the ground is under lease and the company is already deriving a heavy income in royalties from the surface rights. In an efficient market for Rawhide Queen shares in the immediate future, and we advise our friends to lose no time in getting their orders into the market and possessing themselves of as much of this stock as they desire. We believe 44 shares is warranted for this security in present ore showings, and that the shares have a speculative value of from \$5 to \$15 per share in addition. Telegraphic quotations to buy "at the market." The rise will be rapid and will undoubtedly be sustained. It is now bargain time.

RAWHIDE COALITION MINES
COMPANY.

This company owns a vast estate, which covers more of the choice inside area of the close-in part of the Rawhide district than any other of the companies. The acreage is owned by the Haulman family, of which the Rawhide Queen, which is itself a part of the estate. The property consists of 64 claims and three fractions, or 104 acres in all. It is a compact group and embraces all of the property in the Haulman family, including the Ballou-Hall, 7440, nearly half of Grant's lot of Silver King Hill and all of the townsite ground, and may be said to be the heart of the bonanza portion of the district. The name portion follows: The Silver King Nos. 1, 2 and 3, Guess II, Happy Hooligan, Happy Day Sunday and Wild West claims and the Silver Slice Annex. Wild West and Silver Slice Annex, all of the claims, and comprise an estate approximately 2,400 feet wide by 2,600 feet long, but more than a half mile square. The estate adjoins all of the property that have so far produced bonanza status. Adjoining it to the north are the Grutt Fraction and the Masco claim, on the east are the Ballou claim of the Rawhide Queen Mines company and the Grey Eagle Fraction, two bonanza claims. To the south, as the noted Rawhide claim, the original location of the camp, Eugene Grutt, the big pioneer operator of the district, who owned heavy interest in the district. Grutt Fraction claim, Earle Fraction claim, announces had under no consideration will he dispose of his holdings in these groups of properties. Other noted properties that surround the mine estate of the Haulman family. The mine company are the Roseberry Rawhide and the Hoodlum group; the Last Chance claim, which recently furnished a generation, only 400 feet from the Silver King Annex and which is only 400 feet away. There is not a group of claims in the heart of the camp, does not either adjoint the district group or lie within a few hundred feet of it. The estate of the Rawhide Coalition Mines company, and recently one of these are already producing high-grade ore. Among the No. 2 of the latter is the noted Silver King claim, known as the Miller lease. It was recently taken over by Thomas Keating, owner of the famous Kearns leases on Ballou Hill, and three shifts of five men were immediately put to work in the mine. The group began ore-cutting on the sixty-five level to determine the width of the rich zone.