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WHEN MINING IS A LOTTERY.

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The following editorial from Mines and Minerals clearly outlines the difference between true business methods and the hazardous style so much in vogue in mining investments:

"Why are the terms 'mining risks,' 'mining ventures,' etc., so generally used in speaking of the buying and selling of mining properties? Is mining simply a lottery? Do mining speculations differ essentially from other speculations? Are mining risks unusually hazardous? The answer is emphatically no, when the common sense principles which are used in other business are applied to mining transactions. Why, then, do such phrases receive such almost universal acceptance in the daily and even in the technical press?

"To be sure there are mining sharpers and mining tricksters just as in every other business, but it always takes two to make a mining bargain, and if the second party to the transaction will use the same care that he gives to his ordinary business the amount of money lost each year through unprofitable mining investment will be greatly reduced and the bad name which mining transactions have received in some quarters will soon be shown to be undeserved.

"It is very difficult oftentimes to teach an ordinarily careful business man that 'all that glitters is not gold,' and it is incomprehensible to those who are versed in mining matters that the many prospectuses filled with fool promises should so readily catch the suckers who seem literally to be swarming in certain localities, inviting some one to come and fool them.

"Men who would not think of going upon the ordinary stock exchange, rush headlong into mining ventures, and it is literally true in this connection that 'fools rush where angels fear to tread,' though we would not be understood as assuming the mining fraternity to be altogether angelic.

"The man who is unacquainted with mining matters, or as he is called, 'the tenderfoot,' is at the mercy of the man having the property for sale, and in no other business probably is there a greater need for an experienced and thoroughly reliable middleman who can report honestly upon the property for the prospective investor and who can at the same time do full justice to the property and to the seller of the same.

"We hesitate to use in this connection those much abused words 'mining expert,' but this term is so generally in use that we are scarce at liberty to discard it and would simply say that there are experts and experts, and one is often fain to say, 'What's in a name?' A certain mining engineer of national reputation some time ago defined a mining engineer as 'a man with practical experience about the mines, coupled with a good technical education secured either from a technical training school or by wide and wise reading, together with a good stock of common sense.' A mining expert he defined as 'a bald-headed graduate of a foreign university, who knows the books thoroughly from A to Z, but don't know a — thing about mining.' While this latter definition may seem rather harsh, the distinction will appeal to every one who has any knowledge of the subject.

"Every mining excitement breeds a group of experts whose mining pedigrees can usually be traced to the beginning of the excitement, and whose mining knowledge has probably been acquired in a neighboring newspaper office, corn field or country store.

"How, then, does the tenderfoot pick the proper man? Preferably, of course, by personal contact, and as the result of personal judgment in sizing up a man, which is one of the first essentials of successful business men. Socondly, he must consider the character of his report very carefully before investing upon the strength of it. Does it bear the car-marks of a business document, or is it a pseudo-scientific document that starts with the nebular hypothesis and ends with the latest geological theory, with an incidental reference to the property in question? In the latter case, beware.

"The experienced, reliable engineer, or expert, if some prefer that term, takes as little for granted as possible and does very little prophesying, while he uses with great caution such terms as 'true fissure veins,' 'increasing richness and width with depth,' 'nearness to a rich property,' 'vein crossings,' etc. The inexperienced expert gives full range to his imagination. He uses these terms indiscriminately and reads the

horoscope of a mining property with the assurance given only by that wonderful searching glass invented by Mr. Frank Stockton in his story of the 'Great Stone of Sardis.'

"We would not pretend to say in detail what a mining expert should be and should not be, but the following suggestions, given by Mr. Walter McDermott, before the London Institute of Mining and Metallurgy some years ago will give the investor some of the ear-marks by which a good report can be judged.

"A report need not be long-winded to justify the fee paid for it, but should be so full in actual description as to enable a reader inexperienced in mining to draw his own conclusions from the facts given, without having to trust entirely to the deductions of the writer. The important details to be set forth clearly are those relating to position and facility of access of the property, local conditions as to fuel and water and timber supply; extent and forms of openings, variations in thickness of deposit, character and value and form of occurrence of ore. It is important in giving a clear idea of the property that the distribution of the payable ore in the deposit should be described. It makes a great difference sometimes in the conclusions to be drawn, whether the value consists in a uniform value throughout the rock. On account of the necessity for this description it is not always sufficient to state that an average width of vein contains an average of so much value per ton, as this may be in the nature of a conclusion, not of a fact, and so may need to be justified by the actual facts of the report. The extent and character of the dump piles at a worked mine often afford valuable confirmatory evidence as to the character and value of the property. I have seen reports in which piles of rich ore were stated to be on hand in the mine in certain quantity and value, but on figuring out the expert's own statements as to width of pay ore and extent of openings, it was clear that the hole in the ground could never hold the ore said to have come out of it. The configuration of slopes in a worked mine often gives very suggestive ideas as to the run of pay ore, and as to the probable character of the ground still standing.

"Geology and mineralogy should naturally be used with discretion, not only for purposes actually bearing on the description and conclusions to be drawn, not for mere padding, nor for the airing of theories better treated in a purely scientific paper."