

# TO ISSUE BONDS ON THE GOLGONDA MINE

## Prussing Plan of Reorganization Abandoned and New Proposition Submitted to Old Stockholders.

### PROBABLY BE ACCEPTED

**\$75,000 Worth of 6 Per Cent First  
Mortgage Debentures Proposed to  
Be Issued to Liquidate Old Indebtedness  
and Provide a \$45,000  
Working fund.**

The Prussing plan for a reorganization of the Golconda has been abandoned. A new proposition, involving the issuance of \$75,000 worth of first-mortgage debenture bonds, bearing six per cent interest, has been submitted to the controlling holders of Golconda stock. There is such a firm basis for the belief that the bonding proposition will be accepted as to warrant that the famous old mine will be reopened on a large scale on or before January 1, 1905.

All the above was learned today by a Miner representative from an authoritative, though not official source.

Neither H. T. Hendryx nor James A. Howard, two of the gentlemen most intimately interested in Golconda negotiations, would talk for publication when approached by the Miner reporter today. Mr. Hendryx, who as junior member of the Geiser-Hendryx Investment company, has been active in support of the Prussing reorganization plan, returned yesterday from Pendleton, where he attended a meeting of the directors of the old Golconda company, and from Portland, whither he went to confer with the Webfoot stockholders of the old company, at the head of whom stands C. S. Jackson, owner of the Portland Journal.

"The old directors voted against the Prussing plan," said Mr. Hendryx. "Modifications were suggested, and it was to find out how the Portland stockholders regarded the modified plan that I made a hurried trip to the coast. While I am in no position to state definitely whether the modified plan will be more successful than the original proposition, still I am sanguine that matters will be amicably adjusted in a short time."

In answer to a query as to the truth of the report that the modified plan embraced the issuance of bonds, Mr. Hendryx said:

"You will have to excuse me from a further discussion of the matter."

James A. Howard, who in person and by proxy, holds control of the present corporation owning the Golconda, returned Monday from

Pendleton. To a Miner man he said that the Prussing proposition could not be accepted, but that all parties concerned were working on a substitute plan, which appeared, said he, to possess merit. Mr. Howard, likewise, refused to divulge the details of the new plan, but as above stated, the Miner has good authority for the statement that the modified plan involves the issuance of \$75,000 worth of first mortgage bonds.

It is further learned that from the proceeds of the sale of these bonds, eighty-five per cent of which are said to be already subscribed, all prior mortgage indebtedness will be liquidated and the unincumbered property be pledged to secure final payment of, as well as interest on, the debenture bonds. It is understood that old Golconda stock will remain in its present hands, and will participate by priority in all dividends. The new bond issue will probably not be underwritten by a trust company, which is the usual plan for guaranteeing interest and principal. Something even better than a trust company will be back of the bonds, in the shape of a million-dollar mine, superbly equipped, and capable, under such improved conditions as will be brought about by the provision of a snug working fund, of paying handsome dividends, a certain percentage of which is to be set aside in a sinking fund for the benefit of the bond holders. The prospective purchasers of the contemplated bond issue are the members, it is assumed, of the Chicago syndicate which is headed by Alexander Prussing, author of the rejected reorganization and stock assessment plan.

The proposed \$75,000 bond issue will liquidate all existing indebtedness against the Golconda, which approximates \$30,000. The remaining \$45,000 realized from the issue of debenture securities will be constituted a working fund, ample for all purposes.

#### Site for Government Building.

A deed has been filed with the county recorder from W. A. Houston to the United States for 100 feet square on the corner of Main street and Auburn avenue, Baker City. This was the site selected for the government building soon to be erected in that city. The deeds calls for \$4,800, the amount appropriated for the purchase of a site, while, as a matter of fact, the property brought over double that amount, the balance having been raised by adjacent property owners. The matter has been delayed several months, as considerable red tape was necessary to secure a clear title to the property. It is believed the next congress will make a generous appropriation for the building.

## METHESELAH AMONG MINES

To those of us who count as historical the happenings of a generation ago, it will be significant that the industry of Laurium was at its best at the time of the Peloponnesian war, 2,000 years before Columbus sailed on his great quest.

Events which happened forty years ago in connection with the discovery of the Calumet & Hecla copper mine already wear the halo of history to us, though these happenings are as of an hour ago compared to the beginnings of mining at Laurium; but it is no less typical of these two localities, as far apart geographically as the enterprises which gave them mining renown were, and are, different their intensity, that the Calumet & Hecla has contributed more valuable metal to the world's commerce in forty years than Laurium in twenty-four centuries. The great mine by the lake is the product of the period; if it had been found even ten years earlier it would have had a stunted development, because the recognition of the value of the copper-bearing conglomerate bed synchronized with the first success of the stamp-milling of the native copper ores of Lake Superior, which up to that time had been profitable in proportion of the amount of "mass"—or large bodies of native metal—which they yielded to the miner's toil. Moreover, the Calumet has been the pet child of its day, in that it received, rather than invented, the mechanical devices permitting of deep mining and extensive underground exploitation. Aided by great wealth, stimulated by a lode of wonderful uniformity and situated in a region which attracted the enterprising of many lands, this mine received the concentrated aid of the mechanical genius of a generation of men.

Wars, long and numerous, changes of dynasty, a complex geological structure and an ore of refractory character have been among the hindrances which came in the way of success to those ancient mines in Greece which attract our attention by their longevity. Surely this Laurium is the Methuselah among mines; will it outlive the young giant by the lake, who spends his strength so lavishly? Men think all men mortal but themselves; they consider all mines liable to exhaustion except their own. We will leave it to the gentlemen at Boston, who direct the one, and to the gentlemen at Paris, who control the other, to compare notes.

The significance of the comparison is in the rapidity of accomplishment and the intensity of exploitation. To the people who have developed the American continent, a half century is a geologic period; we count time not by hours, but by heart-throbs; not by the slow beat of the historian's pendulum, but by the nervous pulsations of one in a grand hurry. To find, to explore, to exhaust a mine is an affair of a few years; we tear out the wealth accumulated by the patient operation of natural agencies through many thousand years, and pass on to the search for another. The mine in Michigan enriches one generation, that in Greece supports the people of several centuries.

But there is a waste of delay, as there is a waste of speed. By modern

standards the loss of interest on the money value of the ore, which lies idle for several hundred years before it goes into the arteries of commerce, represents a sum vastly in excess of any that is lost by a too-expensive method of rapid extraction. The silver and lead which lay useless in the oldest of Laurium for 2,000 years, to be nibbled by a long succession of slow-working operators, yielded a fraction of the profitable use which would have accrued had it been exploited on the magnificent scale and unrelenting activity of the Calumet, to pass quickly into art and industry. The Calumet & Hecla has produced 1,708,869,387 pounds of refined copper, from 1867 to 1903, inclusive. The value of this output has been about \$245,000,000. What an amount of electrical conductivity and swift transmission of human intelligence does not that suggest? The colossal power this output of copper could transmit would run all the machinery that was at work from the Peloponnesian war to the day of Waterloo; the intensity of electric light which this metal could have transmitted would illumine the earth as at the dawn of time, and the length of wire to be manufactured from all this copper would have been enough to wind the world around many times in swift communion of idea and instantaneous warmth of human sympathy.—Engineering and Mining Journal.

#### Sale of Cornucopia Chattels.

Colonel W. F. Bucher, of the law firm of Butcher, Clifford & Correll, yesterday returned from Cornucopia, where he was in attendance upon the sale by sheriff of the personal property of the Cornucopia Mines. As trustee for the lien-holders against the property, whose claims amount to about \$50,000, Colonel Bucher bought in the property at the sale, bidding there for \$2,500. The next sale of property of the Cornucopia mines under the decree of the Baker county Circuit court will be that of the real estate, which will take place November 28. It is impossible to learn whether or not the Searles estate will take up these claims and pay the local debts of the company or not, but there is fairly good authority for the statement that it will. The property is supposed to be worth nearly a million dollars, local debts against it something like \$50,000.—Democrat.

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