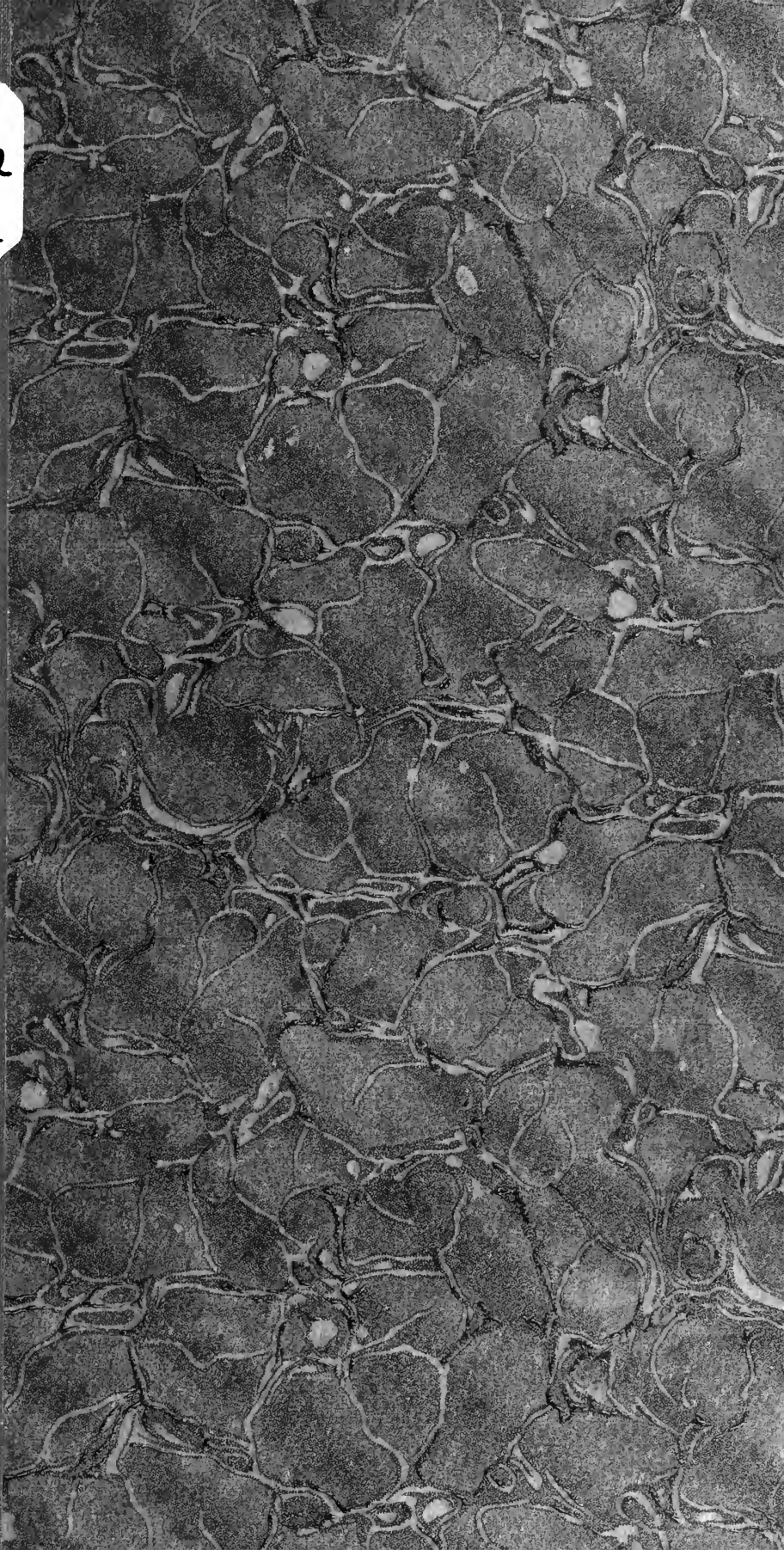


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" "
Commission of
Four Mineral Zones



REPORTS

OF THE

SCIENTIFIC COMMISSION

OF THE

REPUBLIC of FRANCE

ON THE

GUAYAPE AND JALAN RIVER CONCESSIONS

AND ON

SIX MINERAL ZONES

ALSO

Statement of ex-Inspector General of Mines

STATE of HONDURAS



TEGUCIGALPA

State of Honduras.—National Printing Office, 3rd. Avenue E., N.º 42

1897



Honduras

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DECREE

*conceding to the French Scientific Commission for Central America the
Postal franchise for the Interior of the State of Honduras*

Tegucigalpa, the 2nd. of October 1896.

Having seen and examined the petition presented by Mr. Alph. L. Pinart, President of the French Scientific Commission for Central America, asking the Postal franchise for the correspondence of the said Commission in the interior of the State; and

Considering: that for the purpose of the Surveys and explorations to be made by the said Scientific Commission in different localities of the country, that the aforesaid should be in constant relations with the authorities and other parties in connection with said Surveys and explorations, the President

DECREES:

That all the Post Offices in the State should receive and forward as official correspondence all the correspondence duly identified with the seal of the French Republic Scientific Commission for Central America.—To be communicated and registered.

(Signed) BONILLA.

The Secretary of Public Works,

MANUEL A. REYNA.

CONSULATE OF THE UNITED STATES

Tegucigalpa, Honduras, April 22nd. 1897.

I hereby certify that I have carefully read the foregoing writing and compared it with the original, and that I find it to be a correct translation of a Decree published in number 1.396 of "La Gaceta," the official organ of Honduras.

Given under my hand and official seal the day and year above written.

WM. M. LITTLE,
U. S. Consul.

TRANSLATION

Tegucigalpa, 20th. of April 1897.

MAJOR E. A. BURKE.—City.

My dear Mr. Burke:

According to your request expressed in your favour of the first instant we have the pleasure to send you the full and faithful translation in Spanish of the report, which we made in French to Mr. Pinart, President of the French Scientific Commission, and Member of the French Syndicate, after the inspection we practiced during the months of October and November past, on the properties and concessions you have in the Department of Olancho.

As you know, these reports were accepted and approved by Mr. Pinart, and would be or have been transmitted to the Ministers of Commerce and Foreign Affairs of the Government of the Republic of France.

This translation is authorised by our own signatures and by the seal of the Commission of which we have the honor to belong; you can according to your desire, make of them such use you judge convenient to your interests.

We have the honor to be etc.

(Signed)

MANUEL LEMUS,
Secretary.

(Signed)

HENRY G. BOURGEOIS,
Civil Engineer.

CONSULATE OF THE UNITED STATES

Tegucigalpa, Honduras, April 22nd. 1897.

Before me Wm. M. Little, Consul of the United States, this day personally appeared Manuel Lemus and Henry G. Bourgeois, each personally known to me, and did acknowledge the foregoing to be their own signatures.

Given under my hand and official seal the day and year above written.

(Signed) WM. M. LITTLE,
U. S. Consul.

Official seal
of the Consulate.

TRANSLATION

Juticalpa, November 24th. 1897.

MR. ALPH. L. PINART,

President of the Scientific Commission of the Republic of France in Central America and Member of the French Syndicate.

Dear Sir:

We have the honor to forward in this same enclosure the reports on the concessions which by contracts with the Government of Honduras, were made to Mr. E. A. Burke for the "Guayape" and "Jalan" rivers, and that of the Six Mineral Zones conceded to him by Decree of 26th. of September past, which are situated between the above mentioned concessions and the said rivers.

We are very sorry we could not consecrate a longer time to the survey of this region, which contains such incalculable riches, and which is worthy for many reasons, to secure the attention of financial people looking for auriferous riches, of the scientists, and, of the encouragement and help of the Government of Honduras, which has in Olancho the most valuable jewel of the treasures contributed to the territory of this privileged section of Central America.

At the conclusion of each one of the reports, we have established our conclusions which result from our impressions, and we leave it to your judgment to formulate the general conclusions to be deducted from the whole matter.

Although some of our opinions may seem to be exaggerated, you must not so estimate it, because, in the presence of the reality, which seemed to us to be an exaggeration of nature, we remained below the truth, fearing to be considered as visionary if we should state the full truth.

The numerous collection of mineral samples which we took from the mines, from the exploration works and from the outcroppings, and the abundant, varied and splendid samples of washed gold we obtained from the "Panal" river to the quebrada "Valentona" in the "Guayape," and from the "Tonate" to "La Jagua" in the "Jalan," will be the best demonstration that, although our inspection has only been of

36 days it has been made conscientious and as accurate as possible—and which allowed us to state our mind, which we believe to be just and impartial.

We have the honor etc.

(Signed)
MANUEL LEMUS,
Secretary.

(Signed)
HENRY G. BOURGEOIS,
Civil Engineer.

Seal
of the Commission.

CONSULATE OF THE UNITED STATES

Tegucigalpa, Honduras, April 22nd. 1897.

Before me Wm. M. Little, Consul of the United States, this day personally appeared Manuel Lemus and Henry G. Bourgeois, each personally known to me, and did acknowledge the foregoing to be their own signatures.

Given under my hand and official seal this day and year above written.

(Signed) WM. M. LITTLE,
U. S. Consul.

Official seal
of the Consulate.

EXTRACTS

from Report on the Mr. E. A. Burke's, "Guayape" and "Jalan" Concessions in the Department of Olancho.

GUAYAPE

In the inspection and studies personally made by us, during the months of October and November past, we have been convinced of the existence of enormous deposits of auriferous sands, which compose the banks, the flats and the bed of the river and of many of its confluents, which largely confirm the reports made by different Engineers and prospectors who have been employed by Mr. Burke in different times, being what every one knows in Honduras, about the great

riches of the Guayape, that which travellers who have crossed this region describe, and the testimonies furnished to us by the Governors of the departments, by the Municipal authorities of several towns, and by many reliable persons of those towns who have as patrimony the washing of gold on the banks of both Guayape and Jalan rivers.

After travelling all over its extension, the mineral lands which by contract belong to Mr. Burke, the only fear you feel, is that in expressing your conclusions, deducted from what you have seen and studied, you can be accused of exaggerating. It is proper to say, that there is little useless ground in all the extension of the concession, because, if it is not in the bottom of the river, it is in the banks or in the flats more or less elevated, where can be established very profitable exploitations.

In a report so brief as the present must be, it is not possible to mention every one of the points able to be profitably and immediatly exploited, and this is the reason why we only will describe some of the most remarkable.

(See the descriptive part of the Report 15 pages.)

* * *

CONCLUSIONS

Resuming: we can say, that when the concessions, of Mr. Burke in the Guayape river, have been visited and inspected, even hurriedly, the impressions remaining are:—1st. that, from the "Panal" river, the beginning of the concession, to the Quebrada "Valentona," where it ends, there is accumulated a great quantity of gold, more or less coarse, whose amount is very difficult to appreciate, but that without fearing of a mistake we can assert, would be if extracted, more than sufficient to liquidate the public debt of France; that it is only necessary for this region to be sufficiently known, and the capital, and European or North American skill be carefully and energetically applied, for having the "Guayape" riches to eclipse the fame of California and Australia, and to have disabused the erroneous idea of the disastrous effects of the revolutions in Honduras, and of the insecurity of the mining enterprises during the revolutionary movements, because every one knows in Honduras that the revolutions are not so frequent as it is said, and every one

knows also, that during the most extensive revolutionary fights of political partys, the enterprises, and principally those belonging to foreigners suffer but slightly, and that they have the sympathies of revolutionists and Government troops, provided their representatives would not be mixed in the political questions;—2nd. the second impression is the question you cannot avoid considering, that is to say:

Why until now, these elements have not been developed and others, which have not been indicated herein, owing to the abundance of wood, the cheapness of the labor and the good help which is allowed to the undertakings by the Government and the people of the country?

This is a real phenomenon which cannot be explained, but,—1st. by the vicious proceedings practised during the colonial dominion which rendered labor odious in the mining enterprises, due to the cruelties committed on the natives who were compelled to work, by those who were protected by the Colonial Administration,—2nd. By the indolence which is natural to the natives of tropical regions, and to the absence of necessity produced by the abundance of natural products, or of cultivated products, which grow almost without any labor;—3rd. by the distrust of the foreign capitalists of the great enterprises in Central American countries, which are supposed to be always in permanent state of revolution. This is an error which must be attacked in every way;—4th. by the ignorance in which the financial people of the world is, of the riches which exist in Honduras. Many other causes of less importance could be enumerated, but it is enough to indicate these, because if they should disappear a new era would start for this rich but unhappy country; the progress and wealth would develop, and then Mr. Burke shall be proud of having been one of the pioneers in the accomplishment of this fact.

It would be impossible to fix the number of enterprises, which could be established on the banks of "Guayape" river, but it is safe to assert without fearing to be charged with error, that there is room for more than sixty, excepting those which could be established on the Jalan and in the mineral zones which lie between both Guayape and Jalan rivers

More than one hundred samples of gold were washed by us and we bought others;—to each one of them is attached the indication of the locality from which it has been obtained,

the time required to wash it, the number of pans (*bateas*) washed, etc., etc. These are the best proof of the veracity of our appraisings and affirmations.

We must, even after having resumed our conclusions, remark two facts, which although they are not fully confirmed, are worthy to secure attention and to be further specially studied.

In some of the gold samples washed near the bank called Murcielago over the Guayape river, in those taken at different times at Quebrada Grande del Rucio and other places, it has been found traces of *Tellurium* and *Platina*. The assays to be made in Paris should illustrate this matter. The samples of the mine called "Plomosa" seem to contain one of these metals outside of gold and silver; so we recommend it specially, as well as a sample of a blue decomposed rock, which exists at the locality called "Agua Caliente" in the Quebrada Grande, which we would not be surprised to carry diamonds.

(See the 10 pages descriptive part of Report of Jalan.)

* * *

JALAN

Resuming:—we will say: that the concession made to Mr. E. A. Burke over the Jalan river and its banks, contains auriferous riches only comparable to those of the Guayape;—that the abundance of precious woods, which exist in all its extension will facilitate every enterprise;—that the numerous confluent rivers which flow into Jalan can furnish a considerable amount of very cheap motive power;—that the innumerable mineral veins, which this concession includes, will be the basis for the establishment of many valuable mining enterprises, as well as sluicing and hydraulic plants;—finally, that we believe for these reasons that this concession is of a great value, which now cannot be estimated, but which will be demonstrated when exploited, to be sufficient to convert the Department of Olancho into the richest of Honduras.

Juticalpa, November 24th. 1896.

(Signed)

MANUEL LEMUS,
Secretary.

(Signed)

HENRY G. BOURGEOIS,
Civil Engineer.

Seal of the
Scientific Commission

CONSULATE OF THE UNITED STATES

Tegucigalpa, Honduras, April 22nd. 1897.

Before me Wm. M. Little, Consul of the United States, this day personally appeared Manuel Lemus and Henry G. Bourgeois, each personally known to me, and did acknowledge the foregoing to be their own signatures.

Given under my hand and official seal the day and year above written.

(Signed) WM. M. LITTLE,
U. S. Consul.

Official seal
of the Consulate.

EXTRACTS

from the Report on the Six Mineral Zones conceded to Mr. E. A. Burke in the Department of Olancho, by the Decree of the Government of the State of Honduras, Republica Mayor, of 26th. of September 1896, made by Messrs. M. Lemus and H. G. Bourgeois, Members of the Scientific Commission of the Republic of France in Central America.

These Six Mineral Zones are situated in the space which lies between the Guayape and Jalan rivers, having been named as follows: — “Murcielago,” “Micos,” “Chabela,” “El Salto,” “Hall” and “Frewenberg.”

We will make a brief description in the same order in which we made our visit.

MURCIELAGO

This zone is situated on one of the South slopes of Misoco or Micos mountains, at about 3.000 feet above the sea level, distant two leagues North-west from the town Guaimaca, and between the concessions granted by the contracts for the Guayape and Jalan rivers.

Of the works made in the ancient times, with the exception of a gallery 16 “varas” (48 feet) in the mine called “El

Murcielago," all others are caved, at the heading of this gallery, the vein which runs East and West, shows $6\frac{1}{2}$ feet wide, and only the foot wall is well defined.

The crosscut shows $10\frac{1}{2}$ feet between walls at the facing, and there appears something particular, because the vein seems to be formed by the union of two different veins, or a vein carrying two different kinds of ore: one carrying silver and the other composed of ferruginous quartz carrying gold and silver, both rich enough, according to the assays practised by the Assayers of Mr. Burke, no doubt the samples we took will confirm this fact as they are of very good aspect.

(Detailed description in report.)

* * *

LOS MICOS

This zone is limited on the North-west by the preceding zone and includes several veins or mines known and other to be prospected or that are now caved. The mines which are known are: Los Micos, Candelaria and La Esperanza; there is also "La Mina de las Tablas" or "Mina Perdida" of which they say very much, but its exact location is now unknown, etc.

(Detailed description in report.)

* * *

EL SALTO

On the road running from Guaimaca to the town Campamento, which is also the road going to Juticalpa, capital of the Department of Olancho, nearly four leagues North-east from Guaimaca; and where the road crosses the Salto river, is situated the zone called "El Salto."

This zone includes several veins, whose outcroppings can be seen on both sides of the road; but very few of them have been sufficiently explored. The general aspect is that of a considerable mineral group.

Samples taken and assayed from the boulders of rotten ferruginous quartz lying over the river bed, from the banks on both sides, and from the slope of the hills, have showed, in the horn spoon tests, gold, in such proportion that it is

impossible to have any doubt of its presence in the veins from which these boulders have been separated and which are in sight, as we say above etc., etc.

(Detailed description in report.)

* * *

CHABELA

The Chabela zone situated North-west of the town of Concordia, embraces the mine "Chabela," running North-east and South-west, and another vein called Chabela II running North-west and South-east, which must consequently cross the Chabela proper.

In the Chabela a crosscut was made, which showed the vein four "varas" (12 feet) wide, between perfectly defined walls. A shaft open, six "varas" (18 feet) deep, and one gallery running South-west, dip South. At the heading of the gallery the vein is $3\frac{1}{2}$ "varas," ($10\frac{1}{2}$ feet) wide of ferruginous quartz, mixed with ferruginous clay. The assays made in the horn spoon, showed good and abundant gold.

Samples taken separately from both sides, and from the Center, are of an excellent aspect, and copper ores appear to be mixed.

Close to the mouth of the mine is an ore deposit estimated to be of about 50 tons.

The Chabela II running North-west and South-east, as we said above has been prospected in two places, one of these prospects being nearly 120 "varas" (360 feet) from the mouth of the Chabela, it shows $1\frac{1}{2}$ "varas" ($4\frac{1}{2}$ feet) wide, between good walls, in good ore, which shows also copper mineral, and which gave in the horn spoon test, good show of gold and even native copper, etc., etc.

(Detailed description in report.)

* * *

HALLS

Going back, between Concordia and Campamento, there is the village called El Portillo in which jurisdiction is situated this zone, which includes a very considerable group of mines; many of them have been prospected and more or less worked, but all are not yet known.

Among the twenty prospects or works made we could only visit twelve, as we thought it was quite sufficient to get a fair idea of the importance of this zone, which, for many reasons, is worthy to be carefully and closely studied, but which could not be visited in detail in this first inspection which necessarily had to be hastily made.

We could continue for the next day the examination of the prospects and the works opened on the other veins, but considering that, what we had seen, was more than sufficient to appreciate the importance and the riches of the zone we suspended our visit; well convinced that we were in the presence of a gold mineral district or zone whose extension and riches cannot be duly appreciated, except by extended examination, which requires not a few days, but weeks and perhaps months to be conscientiously surveyed. Everywhere outcroppings of veins crossing and running in all directions are remarked.

Our impression is that Hall Mineral Zone is one of the most gigantic mineral accumulations which is possible to contemplate. It extends to the banks of Guayape river on one side, on the other side to the Cañada Grande, and on North side to the neighborhood of Concordia, etc.

(Detailed description of twelve veins, placers, etc. in report)

* * *

FREWENBERG

This 6th. and last zone is situated in the jurisdiction of El Rucio near different concessions, from which, the principal is that of Bell and Rector.

In reality in this zone, there is discovered only the vein called "Frewenberg," which gave its name to the zone. Its direction is North-west and South-east, which is the general direction of the Andes range in this section of Central America; its width is 90 feet—between well defined walls. In the whole width of this enormous vein the ore is composed of ferruginous gold quartz, more or less rotten. The ore is not of a very good aspect but all the tests in the horn spoon practiced at the camp of Mr. Fred Bell showed gold in more or less abundance.

The tunnel which demonstrates the extraordinary width of this vein has been made on the eastern slope and near 90

“varas” (270 feet), from the top of the high mountain in which it is situated, and which is the *divide* between the Jalan and Guayape rivers, because from there flows the waters which form the “Quebrada Grande of Rucio” and its confluents, as well as those which form the Rio España and its confluents; both flow into the Guayape, while the “Quebrada Platanares” which joins the quebrada “El Danto” and others, form the “Rio Frio,” which emptys into the Jalan.

The riches of the auriferous sands carried by the “España” river, the “Quebrada Grande of Rucio” the quebrada “Platanares” and all their confluents, the existence of the rich veins of the Bell and Rector zone, and the numerous leads discovered, many of them having been profitably worked in the District El Rucio and El Vijao, which run, more or less in the same North-west and South-east direction of the great vein Frewenberg; all these facts demonstrate that in this spacious mineral District the mother vein of all is in the mountain which contains the Frewenberg.

(Detailed description in report.)

* * *

CONCLUSIONS

Our impression is:—that each one of them represents a great and positive value;—that there is, in each one of them a large room for the establishment of very valuable enterprises, which will be very remunerative, provided the necessary and technical surveys would be previously made;—that these surveys taken as basis for the organisation of the enterprises, they shall be entrusted to competent and honest men, who could manage them intelligently, economically and principally with integrity and good faith, the last being the main and the most important condition.

The inquiries that we have scrupulously and impartially made about the small or ill success obtained in the mining, as well as in the hydraulic and sluicing gold washing enterprises at “Boquin,” “Concordia,” “Quebrada Grande de Concordia,” “Almacigueras,” “Jalan River,” “El Retiro” and others, have demonstrated to us clearly, that the disasters and failures which have occurred, are only the natural effect of the lack of aptitude or ignorance, in some cases, of the

neglect and of lack of honesty and good faith in some other cases, and of all these causes combined in the most of cases.

We are fully convinced that if it would be possible to avoid these conditions it would be seen very soon many enterprises running in this privileged region, and we will soon see there, wealth and progress, because for obtaining this, there are all natural elements necessary: salubrious and delicious climates, very fertile lands, where it is possible to obtain every kind of products with a small amount of work;—abundant woods and water;—very favorable topographical conditions to build very easy and numerous roads;—villages and towns whose inhabitants desire to work, who sympathise and help the laborious and enterprising foreigner, and finally, mineral riches, principally auriferous, and other metals as tellurium, perhaps precious stones as the diamond, accumulated in a relatively reduced surface, but such, as to the present time, we believe never has been seen in the Universe.

Juticalpa, the 24th. of November 1896.

(Signed)

MANUEL LEMUS,
Secretary.

(Signed)

HENRY G. BOURGEOIS,
Civil Engineer.

Seal
of the Commission.

CONSULATE OF THE UNITED STATES

Tegucigalpa, Honduras, April 22nd. 1897.

Before me Wm. M. Little, Consul of the United States, this day personally appeared Manuel Lemus, and Henry G. Bourgeois, each personally known to me, and did acknowledge the foregoing to be their own signatures.

Given under my hand and official seal the day and year above written.

(Signed) WM. M. LITTLE,
U. S. Consul.

U. S. Consulate Seal.
Tegucigalpa.—Honduras.

EXPLORATIONS AND VOYAGES

HONDURAS

(Translated from "The Courier of London and Europe," Paris.)

At the last meeting of the Geographical Society, presided over by Prince Roland Bonaparte, Mr. Pinart on his return from an Exploration of the Mineral Districts of Honduras, and the upper central regions of the River Coco or Wanks, in the Department of New Segovia in Nicaragua, made a brief statement of the general lines of his interesting voyage and the route he travelled.

* * * * *

In Tegucigalpa relations were established with the Government, which, after a kindly reception, furnished all necessary auxiliaries for continuing the voyage.

From there Mr. Pinart visited the rich mineral districts of Yuscaran, Cacamuya, etc., and extended his studies to the limits of Mosquitia, traversing the regions washed by the River Coco, afterward, returning to Honduras by the pass of Malacates or S. helles he reached Juticalpa, passing through Danli, where not long ago were found the fossil bones of enormous birds.

Mr. Pinart says that a great part of the Department of Olancho, whose capital is Juticalpa,, is exceptionally rich in gold mines and cattle. The plains of Jamastran and Juticalpa can sustain thousands of cattle.

The rivers, such as the Guayape, the Jalan, etc., are extraordinarily rich in gold.

The sands and alluvial lands along the banks of these rivers yield to the gold washers a minimum product of 60 cents per cubic yard.

The mountains which border the valleys of these rivers are crossed by very rich and important veins of auriferous quartz, easy of explotation. Of this the most convincing proofs are the magnificent samples of washed gold and auriferous quartz brought by Mr. Pinart.

* * * * *

Mr. Pinart adds in conclusion, that in spite of the bad fame which is attributed to Honduras and Nicaragua there is

no country in the world where there is greater personal security for the stranger, provided he does not interfere in the political questions of the country.

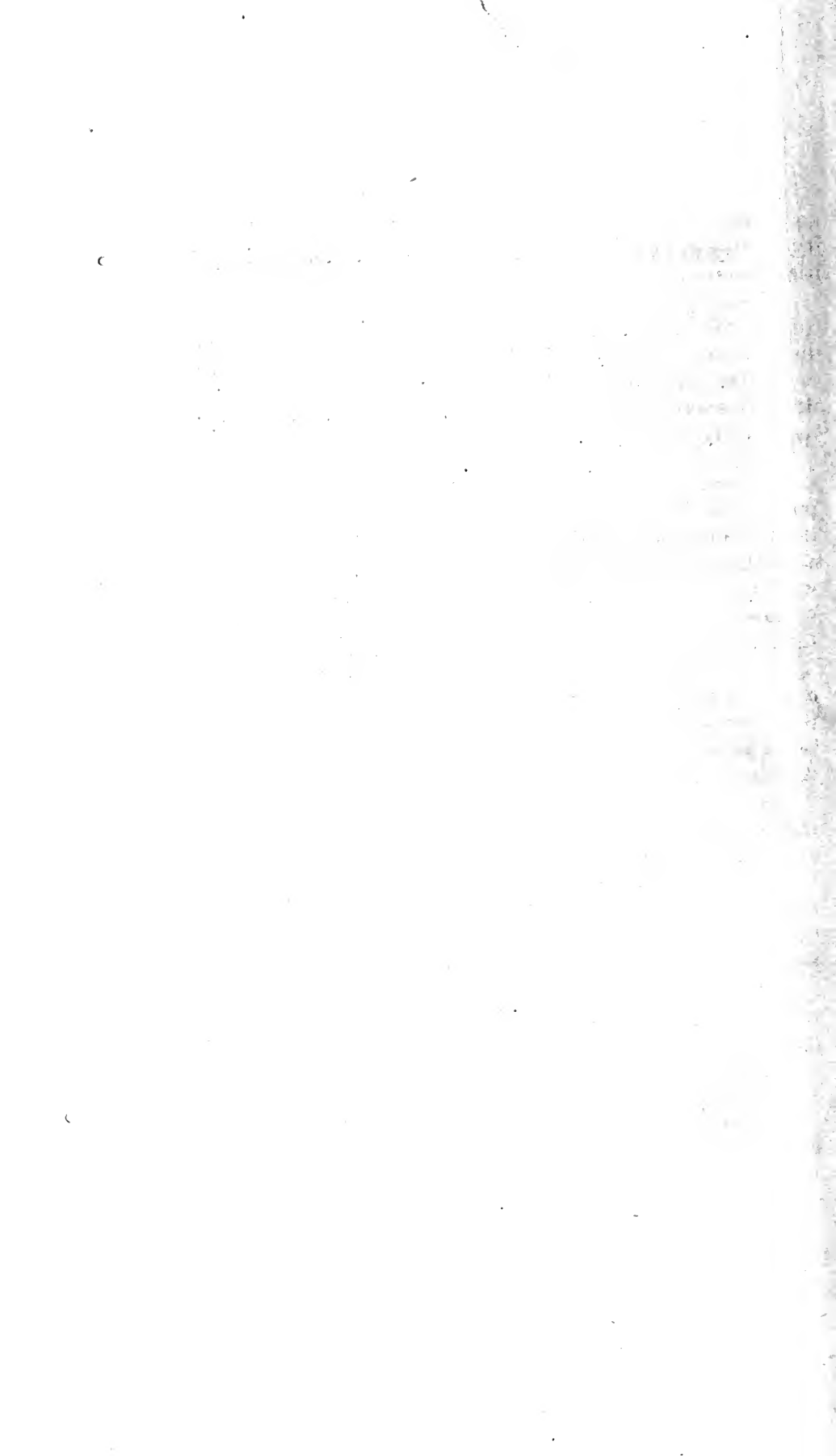
The people are honest, kind and hospitable, and whatever Government exists, they have always energetically protected the lives and property of foreigners.

Finally the name of France is every where esteemed, and all parties solicit more close and intimate relations between our country and theirs.

The above is a faithful translation of the extracts from "The Courier of London and Europe," Paris.

MANUEL LEMUS,
Secretary.

Seal of the Commission.



STATEMENT OF Dr. R. FRITZGARTNER,

ex-Inspector General of Mines.

Tegucigalpa, September 7th. 1896.

HON. ALFONSO L. PINART,

Scientific Commission of the Republic of France.

My dear Sir:

I have the honor to acknowledge receipt of your appreciate favor of 4th. September, and in reply beg to say, that it affords me great pleasure to submit for your consideration a few observations touching the subject to which you refer, with the hope that they may be useful in promoting the welfare of the Republic, which has been the field of my labors for the past sixteen years.

I take the liberty of using the English language instead of the Spanish because of the fact, that my notes on which those observations are based have been made in English and being aware of the fact that you are thoroughly familiar with that language.

A review of the history of mining in Honduras, fairly and impartially written, would greatly serve the Republic, and point the way to a better future in mining here, but the world we seek to reach, is rushing forward at such a pace, it has no time to study the lessons of the past, hence all we may hope to do, is to record the events transpiring, and briefly venture opinions information or advice.

The recital of details containing painful incidents and experiences, will perhaps serve no good purpose, but strangers should bear in mind, that each incident or experience of this character which has affected adversely the foreign investor in mines, has found fellow sufferers in Honduras.

There are some leading questions and primary facts however, which need to be frankly discussed and squarely met, in order to clear the way for the new era which is evidently dawning upon the mining industry of Honduras.

I assert and believe, that Honduras contains more and better minerals, more well known old mines of gold and silver presenting evidence of abundant paying ores, than any other known country of equal area, but I also know, that mere

assertion or belief, will not carry conviction into communities which have contributed and lost hundreds of thousands of dollars, ostensibly in the effort to develop these same properties.

A calm discussion of some of the causes of past failures will attract the attention of the class we seek to reach, when we begin to back up our assertions and belief with bullion shipments and practical results. We are upon the threshold of this new era, the time is appropriate for plain speech.

It would be a vain task to undertake explanations that will satisfy the promoter who has floated his roseate schemes, into the hands of speculative but inexperienced citizens of Europe and the United States, or to hope to convince the multitude of ignorant Directors who never saw a mine or mill, that something more is necessary to command success in mining besides a sample of rock, a rich assay, a glowing prospectus and a pocketful of shares.

It is due to Honduras, and to the truthfulness of our mining history to declare, that a majority of the companies formed for work in this country, were organized without the previous examination and report of competent Engineers or miners, in the absence of which no experienced or prudent investor in mines puts out large sums of money.

Inexperienced shareholders named the same class of Directors, forming a board in conjunction with the promoter, who in many cases had pocketed his profits in advance, and exercised a potent voice in naming the first Manager, who in many cases was as inexperienced as the Directors that sent him out, or was content with any situation, so long as salary was forthcoming.

Ignorant Managers have erected expensive buildings, ordered insuitable machinery, transported and erected it, before testing the ore to determine its needs, and nine times out of ten, before opening and ore supply that would give a ten days run.

Then count the companies formed to make room for the promoter, with millions of capital "on paper," but with barely cash enough in the Treasury to buy a small mill, transport and erect it. If the mines were good, there was no money to open or work them, and if they were bad, the same reason prevented the fact from being demonstrated, hence in the minds of unlucky investors the failure remains enveloped

in mystery. He realizes an aching void in the "bolsa," and vents his feelings in a vigorous denunciation of Honduras.

A large number of failures can be traced to another cause. Honduras being remote from the main currents of the world's travel, a trip across the Ocean and residence in the interior of the country, where the language and customs are strange, separated from family, presents objections to the skilled Engineer, millman and mine Superintendent, who is rarely at a loss to obtain employment in the settled countries of Europe or North America. Companies or individuals with small capital could not pay adequate salary to secure this class of men, and therefore employed persons without proper experience or training, or, placed diversified duties on men who were familiar with but one branch of the business.

Another class of Managers or Superintendents have inflicted losses on shareholders and injury upon Honduras.

The class of men who, when removed from customary restraints, have drifted into habits of dissipation and vice, forgetful perhaps of the fact, that the greater the distance from their employers, the greater moral responsibility existed for an energetic, prudent, and conscientious discharge of duties.

These observations have carried me into the domain of detail, but they appear just to the country and necessary to impartial statement as:—If the experience of many investors has been of a melancholy character, they may be assured that the results to Honduras have been no less sad.

The Government and people have extended to foreigners, the most cordial welcome, spreading over them and their property the fullest protection of law, often going beyond its strict requirements to foster and encourage foreign enterprises.

Changes of Administrations have wrought no change in this policy.

Honduras has passed through the promoting and speculative stages however, that have left their scars in foreign capitalistic circles, and strewn the Republic with the wrecks of ill formed and badly managed companies.

The lesson has been learned, that mining is a business, to be conducted on business principles, requiring essentially, honest, economical and efficient administration to secure success, and without these, the best of mines will go to the bad.

Having reached this position it is gratifying to know that we shall have to deal with essentially a business administration of the Government in the future.

The Executive is familiar with the methods of the promoter, financier and capitalist, also with the needs of practical mining, and is determined that this country shall take its proper place in the marching line of metal producing nations.

There will be no cessation of the effort to attract foreign capital, or failure to extend it proper protection.

If the Government ceases to make indiscriminate grants, requires adequate guarantees and enforces the obligation of contracts, there can be no just objection or complaint.

The good mines and zones will find good and serious owners, and the bad ones will cease to be footballs of speculation and deception in foreign markets.

Having touched upon some of the discouraging events of the past, let me glance at the present situation, and consider the grounds for declaring that a "New Era" is evidently dawning upon Honduras.

The past few years with all its misfortunes have been of eventful interest. They have witnessed the introduction of more than \$ 500,000 worth of improved mining machinery which has been erected, or is in course of erection, for well known and reliable mines.

Development work has been prosecuted in a formal manner on several of these properties, with results of the most satisfactory character.

In the face of war, the great "Rosario" has enlarged its development work and increased its bullion shipments, bidding fair to pass the million point this year, because, as the mine reached greater depth, the ore has increased in richness, gaining in gold and silver values, and crosscuts have brought in fresh bodies of ore.

In the old Monserrat group at Yuscaran, work has never ceased, and, there again the development work has penetrated into the mountain, reliability of ore supply is proved, new tunnels have been made, others straightened and connections made down to car level, and the system of bringing out ore on the backs of natives, which prevailed in that mine for more than 50 years becomes a thing of the past.

With a large ore supply in sight, new mills and a full line of supplies, these old mines take their place in the list of

large producers, free of complications and in spite of the decline of the white metal, as its first class ore carries over an ounce of gold to the ton.

From the famous old Guayabillas property at Yuscaran, which has been equipped with the best improved machinery and 20 stamps, comes the word that the workings in that zone find wide and rich ore bodies, and this gold producer should be added to the list this year.

Kingsleys machinery also is rapidly going into place on the mines of San Andres.

The limits of this letter will not permit reference to the numerous old mines, which require only the application of capital, with intelligent and honest administration to bring them into production, such as the Clavo Rico, Cuyal, San Bartolo, Plomo, San Marcos of Sabanagrande, Santa Lucia, Opoteca, Murcielago, Animas, San Antonio, San Marcos of Colon, etc, nor to the gold fields of the Jalan and Guayape.

The battle of these years of depression has been fought to put into production some of the old mines which have been equipped with machinery, and to talk to the world through bullion shipments. Then we may look forward for the "New Era" when serious, sensible and experienced investors, will send competent men into a country, that offers a richer reward and quicker returns for judiciously invested money, than can be found in any mining country under the Sun.

Very respectfully, your obedient servant,

R. FRITZGARTNER.

NOTE:—

DR. R. FRITZGARTNER'S CREDENTIALS

University of Tübingen	— — —	Wurttemberg.
Polytecnic School	— — — —	Stuttgart.
School of Mines	— — — —	Frëiberg.

Three years Assistant Mineralogical Department.
Museum of Natural History, Albany, New York.

Made first Report which attracted capitalist who
formed the New York Honduras Rosario Mining Co.
Inspector General of Mines, Honduras 10 years.
Metallurgist and Assayer, Mint, Honduras.



