

From The Office of:

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## NEWS RELEASE

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### LOST INCA EMERALD MINE STILL LOST; LEFKOWITZ ORDER BARS PROMOTERS

Forty-five investors who put \$100,000 into a venture to find and exploit a lost Incan emerald mine in Ecuador and a South American gold exploration have lost not only their hopes for riches but their original investment Attorney General Louis J. Lefkowitz said yesterday.

The bizarre investment scheme became known yesterday when the Attorney General obtained an order in Supreme Court, New York County, barring the promoters of the scheme from engaging in the securities business in New York State.

Named in the order signed by Justice George Starke are Persinger Associates, Inc., and its president, Neil B. Persinger, of 173 Center Avenue, Mamaroneck, New York.

Attorney General Lefkowitz said that an investigation by his office into the sale of \$100,000 worth of stock and notes to the public revealed the unauthorized solicitation of

funds by the defendants to finance a lost Inca emerald mine in Ecuador. Forty-five New York, Connecticut, Indiana and New Jersey residents invested in the venture.

An affidavit of Orestes J. Mihaly, Assistant Attorney General in charge of the Securities Bureau, states that the original idea of the exploration of the Ecuadorian jungles for the lost Incas mine was first conceived by Mr. Persinger who, with several acquaintances, some of whom were former special forces experts with the United States Armed Forces, formed a partnership to finance the investigation in Ecuador.

Thereafter, other investors were induced to purchase the stock of Persinger Associates, Inc. also of the Mamaroneck address at \$5.00 a share. The sales of stock were made in many cases after presentations by Mr. Persinger in various locations in New York and Connecticut, including the Stock Exchange Club in Manhattan and an American Legion hall in White Plains, New York.

The venture was unsuccessful and the emerald mine in Ecuador remains lost and legendary. The company's attempt to switch to exploration for gold in Ecuadorian rivers was also unsuccessful.

The order, consented to by the defendants, permanently bars Persinger and his company from soliciting funds from the public in New York State. The sales of stock were in violation of law and did not meet minimal registration requirements of the securities law.