Prospectors in search of some lost North Boise mines had known of large but otherwise unpromising veins in Silver Mountain for twenty years or so before Matthew Graham's careful examination of some dull red outcrops there created interest in the district late in 1885. Graham—a well-known Atlanta miner—felt that, although the ledges of Silver Mountain had attracted no attention in the past, they offered great possibilities for large-scale quartz mining in the future: assays of some good samples confirmed his expectation, and only the deep December snow held back a rush to Silver Mountain.

Matt Graham had gained long experience in promoting important Atlanta mines in New York and London, and for years had spent most of his winters in New York City, where his close resemblance to Congressman William Marcy Tweed still was noticed long after Tweed had died in prison following exposure of the notorious Tweed Ring. Now Graham set out to develop Silver Mountain. His friends in Atlanta (only 16 miles to the southeast) responded immediately; an Atlanta newspaper correspondent foresaw, December 30, 1885, that:

The North Boise mines will draw thousands of miners, prospectors and capitalists. The tin horn gamblers will be there to work the greenies. There are ledges out there looking far better than the Custer mines did in 1878, since when $2,500,000 have been taken out.

When Graham reached Boise and reported that he had veins four to six feet wide with surface assays of $50 to $2,000 of free milling gold and largely metallic silver for which no complicated reduction process would be required, the Statesman concluded, January 2, 1886, that "It is evident that the new discovery will eclipse any of the older quartz discoveries in Idaho." And the Atlanta News (quoted in the Boise City Republican, January 23, 1886) spoke even more enthusiastically:

The ledges in Silver district are simply enormous; they vary in width from ten to three hundred feet, cropping out like gigantic walls to protect their wealth, and can be traced for miles.
Exploration of the most promising lode on Silver Mountain commenced early in 1886: two shifts of men drove a tunnel some 240 feet to strike the vein about 200 feet below the surface, with results favorable enough that Matt Graham managed to interest London capitalists in supporting his new Idaho Gold and Silver Mining Company, Ltd., sufficiently that by the fall of 1887, a $15,000 road was completed to the camp and a 500-foot exploratory tunnel (along with a 112-foot inclined shaft) was run into the lode. The lode, 30 to 40 feet wide where the vein struck it, contained what was interpreted to be ore worth $30 to $50 a ton, with a richer zone six feet wide running at $90. Encouraged by such a flattering development report, the company began to build an elegant 20-stamp mill. About 150 men were employed. (Wages of $4 a day for miners, $3.50 for outside workers, and $7 for carpenters and stone masons, were unusually high for the time; these rates reflected the difficulty of getting skilled labor to work in that remote district.) Fifty or sixty men worked right through the extremely hard winter of 1888, and reports of rich new strikes made for great enthusiasm in the new camp.

In the summer of 1888, the Silver Mountain boom reached its height. The new town of Graham boasted of having "six saloons, one store, five boarding houses, one restaurant, two blacksmith shops, a jail, a Justice of the Peace and Deputy Sheriff, one butcher shop, two faro games, three livery stables, a fine hall, 300 men, forty-one ladies, and the controlling vote of Boise county . . . ."

George M. Parsons, the mine superintendent, decided the jail--"a strong affair of logs, nails, planks, and iron"--would have to be erected after numerous incidents of assault and battery and of larceny insured that there would be "quite a number of guests" sent there by Justice James D. Agnew.

By August 12, the mill was completed, and a mile-long tramway to haul ore from the mines to the mill went into service. Telephones connecting the mine and mill were installed, and in spite of its wilderness location, Graham was well supplied with the conveniences of civilization.

About all that the promising new mining camp of Graham lacked in the late fall of 1888 was ore that could be treated in the excellent modern mill which had been installed at an expense of $350,000 in that difficult location. After a few trial runs, the mill shut down, and Matt Graham spent the winter in London arranging for more British capital to develop the necessary ore bodies. Mining at Graham had been commenced on the theory that, although surface prospecting was generally disappointing (in spite of some rich samples that could be found in the outcrop), development at depth would reveal enormous rich ore bodies. When the lode could not be worked at the depth tried originally, Graham wanted to drive a 5,000- or 6,000-foot tunnel at much greater depth in the summer of 1889. But while Graham was on his
way to London, an attachment for unpaid debts led the county
sheriff to take over administration of the mine on November 23,
1888; and those who spent the winter in Graham had a gay time:
only the watchman had anything to do and his job was not really
very hard.

Three English mining engineers completed an examination of
the property on June 10, 1889. "Very much pleased with the
mines," they recommended that Graham's 6,000-foot tunnel be
driven. But London capital--already invested to the amount of
600,000 in the North Boise mines--was not forthcoming.

In three sheriff's sales--the first at Graham on August 31,
at Rocky Bar, September 10, and the third at Idaho City on
November 16, the Idaho Gold and Silver Mining Company's property
was auctioned off to satisfy unpaid creditor's claims. In the
final sale, the $350,000 mill went for $9,500, while the tramway,
buildings, and the thirteen mines (thought to be the most
valuable silver properties in Idaho only the year before)
realized only $500. Altogether it was estimated that about
$1,000,000 was expended to prove that gold and silver
ore--mineral deposits which can be worked profitably--was
entirely lacking at Graham.