PRINTED: 11-14-2006

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: CLIMAX

ALTERNATE NAMES:
VIRGINIA DARE
CUB
LION
LIOPARD
MONTGOMERY
STOCKS PROJECT

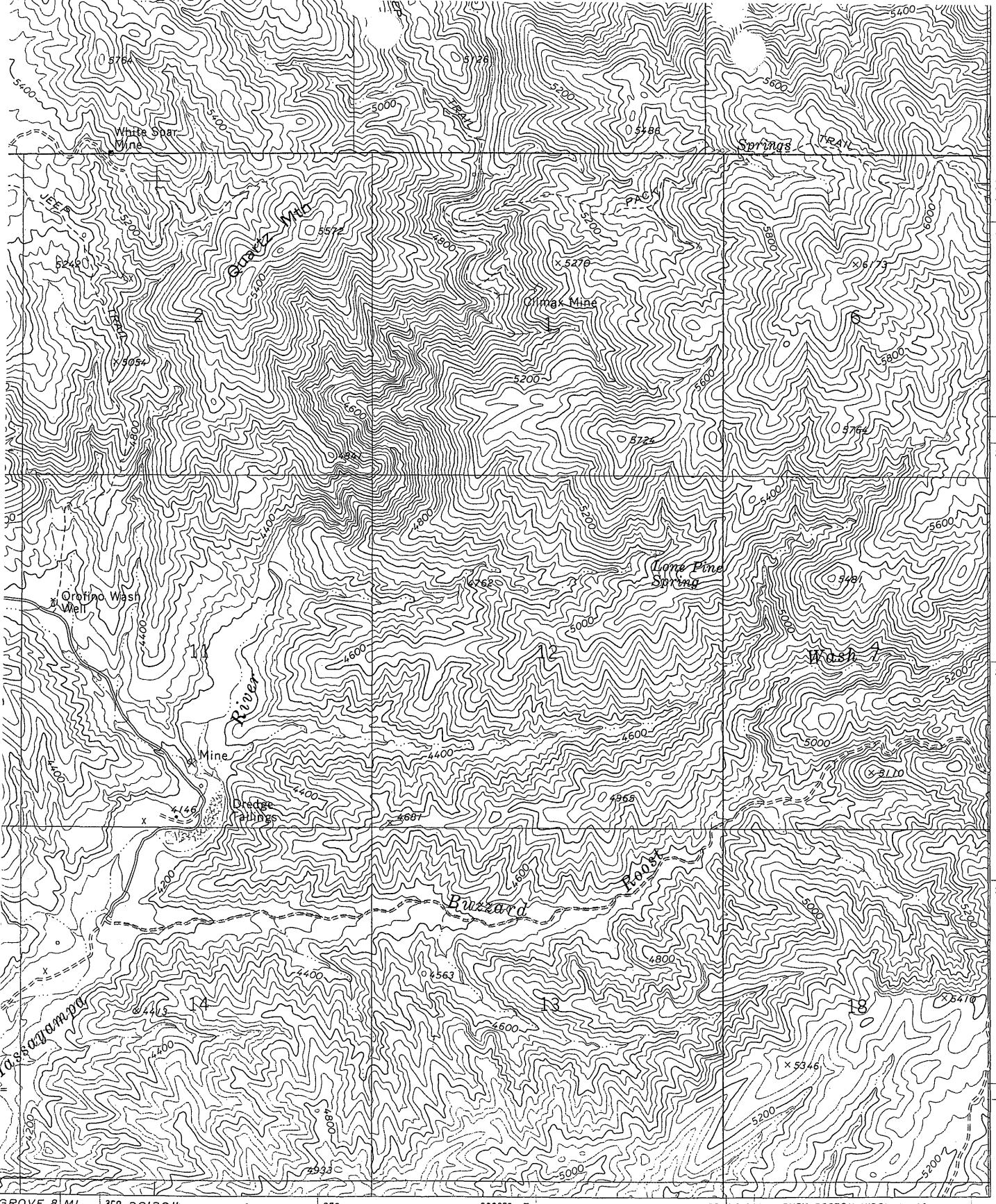
YAVAPAI COUNTY MILS NUMBER: 231B

LOCATION: TOWNSHIP 12 N RANGE 3 W SECTION 1 QUARTER NW
LATITUDE: N 34DEG 24MIN 44SEC LONGITUDE: W 112DEG 31MIN 33SEC
TOPO MAP NAME: WILHOIT - 7.5 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:
GOLD

BIBLIOGRAPHY:
ADMMR CLIMAX MINE FILE
USGS BULL 782, P 113
BLANDY, J.F. "MNG RGN AND PRESCOTT" AIME
TRANSACTIONS VOL XI, P 286, 1882-3
YAVAPAI MAGAZINE MAY 1918 P 5-6
ADMMR CLIMAX COLVO FILE



CLIMAX

WILHOIT - 7.5 MIN

1 MILE

00 FEET

TER

ARIZONA

ROAD CLASSIFICATION

Primary highway, hard surface

Light-duty road, hard or improved surface

Secondary highway, hard surface

Unimproved road

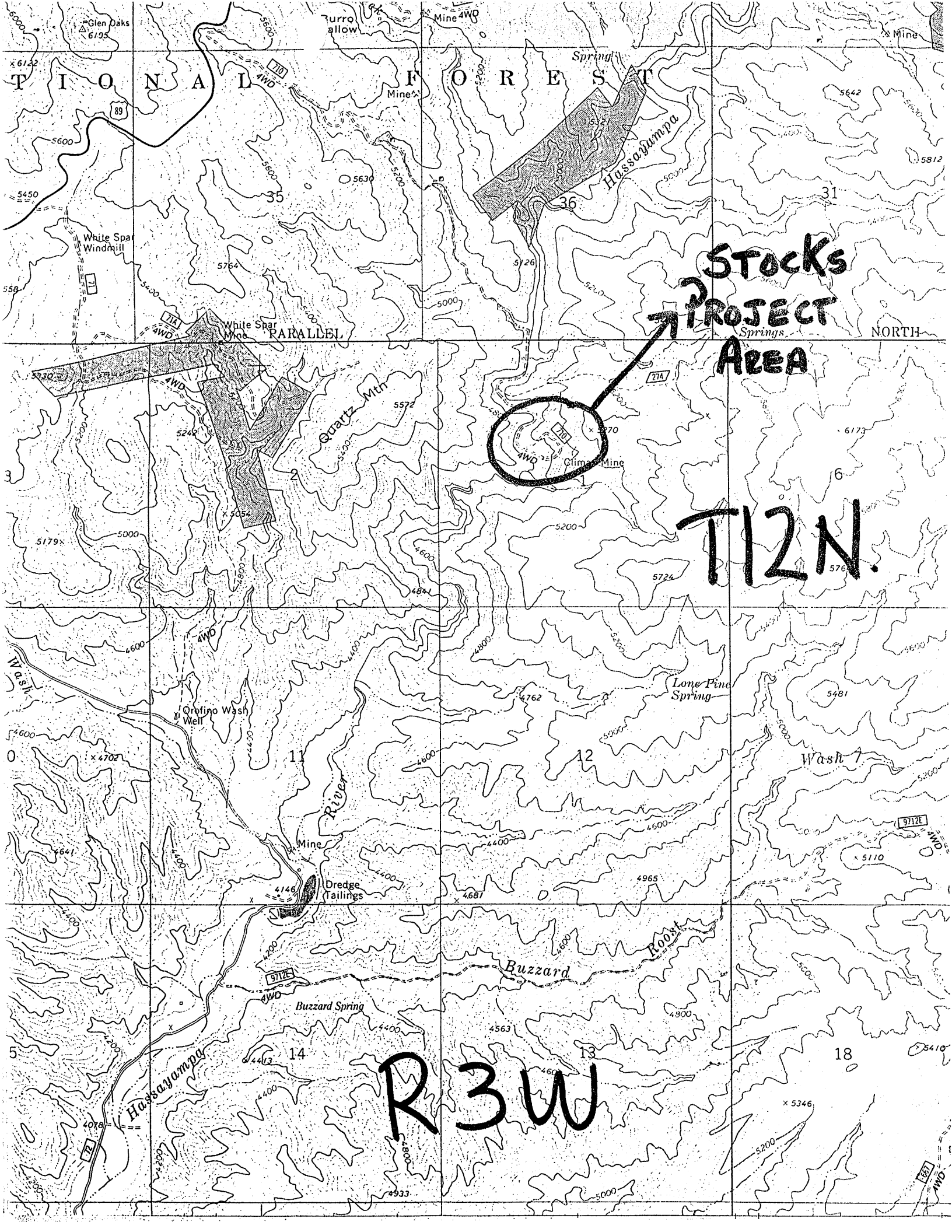
Interstate Route

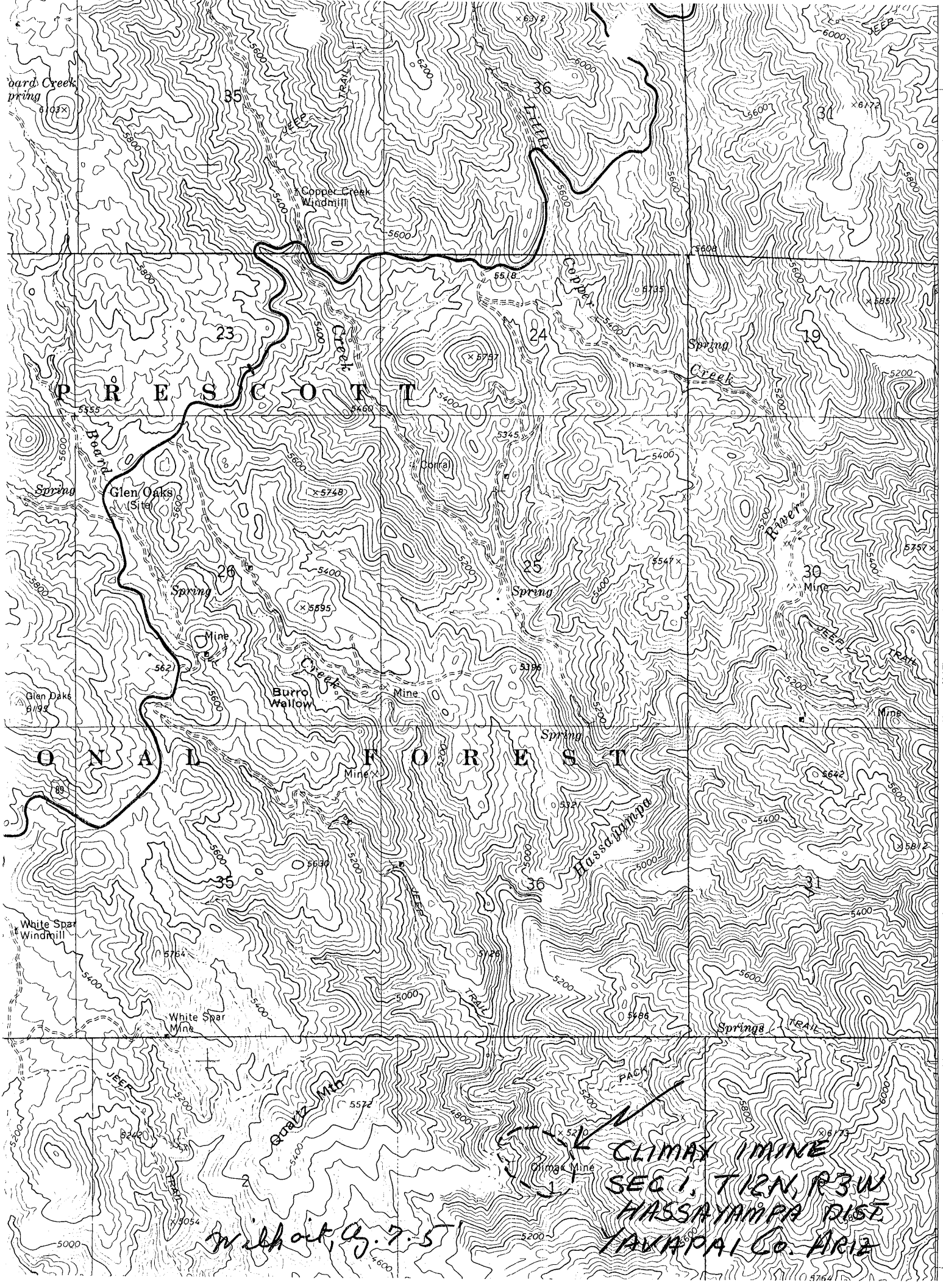
U. S. Route

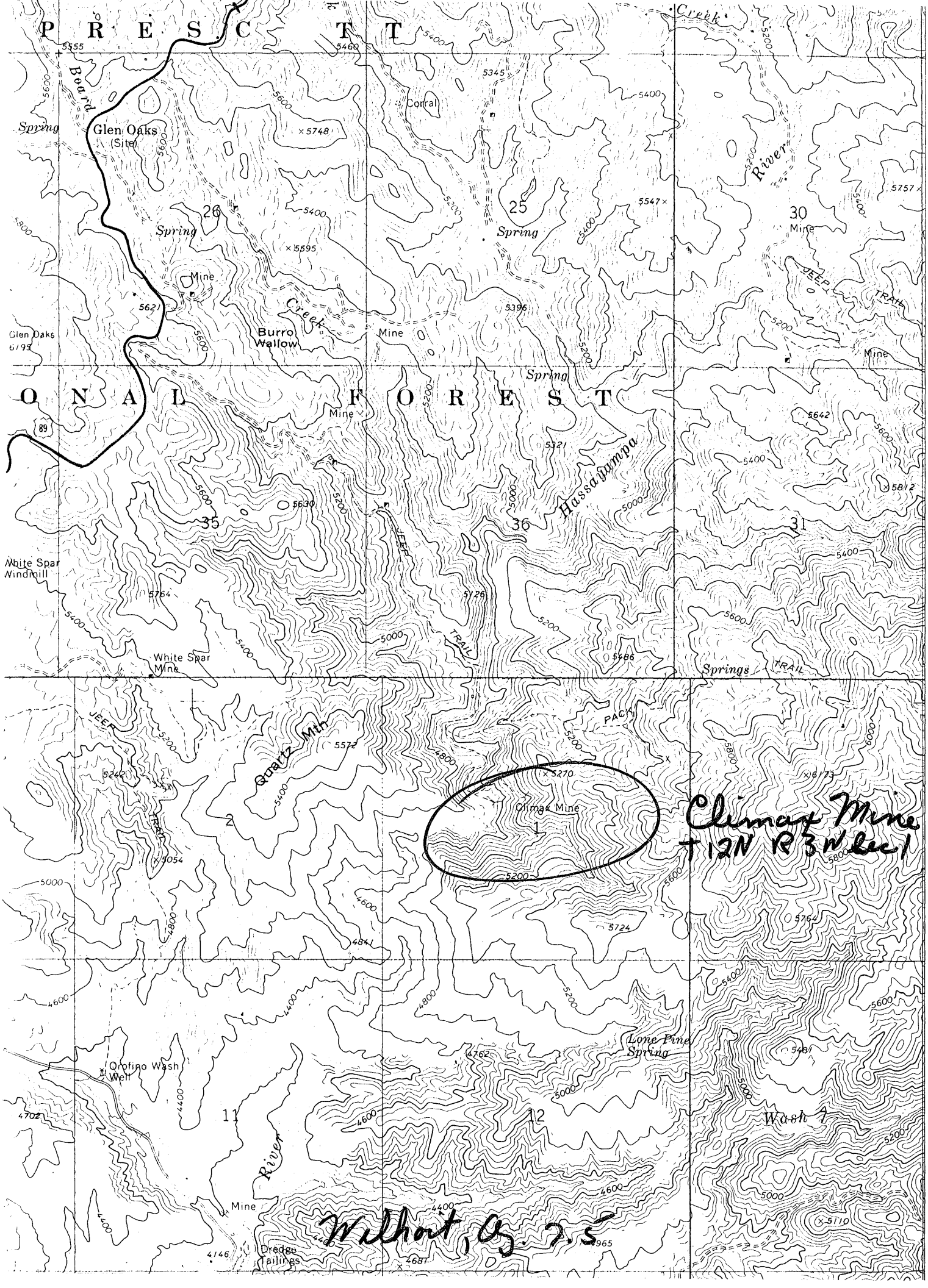
State Route

(BATTLESHIP BUT, 3552 IV SW

WILHOIT, ARIZ.


Glen Oaks
Burro Hallow
Mine 4WD
Mine
Spring
T I O N A L F O R E S T
Hassayampa
35
36
31
White Spar Windmill
White Spar Mine
PARALLEL
Springs
NORTH
STOCKS PROJECT AREA
Quartz Mtn
Climax Mine
T12N.
Wash
Orofino Wash Well
Lone Pine Spring
Wash
River
Mine
Dredge Tailings
Buzzard
Roost
Buzzard Spring
Hassayampa
R3W


Board Creek
Spring
Copper Creek
Windmill
Little
Copper
Creek
Spring
Creek
P R E S C O T T
Board
Spring
Glen Oaks
(Site)
Corral
River
Spring
Spring
Mine
Mine
Creek
Burro
Wallow
Mine
Glen Oaks
Spring
O N A L F O R E S T
Mine
Hassayampa
White Spar
Windmill
White Spar
Mine
Springs
Quartz Mtn
Climax Mine
(MT. UNION 1:62 500)
CLIMAX 1 MINE
SEC 1, T12N, R3W
HASSAYAMPA DIST.
YAVAPAI CO. ARIZ
Wilhoit, Ag. 7.5'


P R E S C T T
Board
Creek
Spring
Glen Oaks
(Site)
Corral
River
26
25
30
Mine
JEEP
TRAIL
Burro
Wallow
Glen Oaks
O N A L F O R E S T
89
Hassayampa
35
36
31
White Spar
Windmill
White Spar
Mine
Springs
PACK
Quartz Mtn
Climax Mine
Climax Mine
T12N R3W sec 1
2
1
Lone Pine
Spring
Orofino Wash
Well
11
12
Wash
Mine
Dredge
Tailings
Wilhoit, Qs. 7.5'
(MT. UNION 1:62 500)
3552 IV
3812
3811
3810
T. 12
25'
3809
3808
3807

* GENERAL REFERENCES

Climax Mine File

REFERENCE 1 F1 < USBM - ABGMT FILE DATA

REFERENCE 2 F2 < AZ DEPT MINERAL RESOURCES FILE DATA → File Data

REFERENCE 3 F3 < ABGMT CLIPPINGS FILE

REFERENCE 4 F4 <

U.S. CRIB-SITE FORM

RECORD IDENTIFICATION

*RECORD NUMBER B10 <>

*RECORD TYPE B20 < X 1 M >

DEPOSIT NUMBER B40 <>

*REPORT DATE G1 < 8 2 ✗ 0 1 > (YR. MO.)

*INFORMATION SOURCE B30 < 1 2 >

*FILE LINK IDENT. B50 < USBM - 004 025

*REPORTER(SUPERVISOR) G2 < DEWITT, ED. H. ( ) (last, first, middle initial) (last, first, middle initial)

*REPORTER AFFILIATION G5 < USGS >

*SITE NAME A10 < CLIMAX MINE

*SYNONYMS A11 < VIRGINIA DARE GROUP

LOCATION

*MINING DISTRICT/AREA A30 < HASSAYAMPA DISTRICT

*COUNTY A60 < YAVAPAI >

*STATE A50 < AZ >

*COUNTRY A40 < U.S. >

*PHYSIOGRAPHIC PROV A63 < 1 2 ✗

*DRAINAGE AREA A62 < 1 5 0 7 0 1 0 3 ✗

*LAND STATUS A64 < 0 0 ✗ ✗ ( )

*QUADRANGLE NAME A90 < WILHOIT (1 9 6 9)

*QUADRANGLE SCALE A100 < 2 4 0 0 0

*SECOND QUAD NAME A92 < ( )

SECOND QUAD SCALE A91 <

*ELEVATION A107 < 4 8 0 0 ✗ FT

UTM

*NORTHING A120 < 3 8 0 8 7 3 0

*EASTING A130 < 3 6 0 0 4 0

*ZONE NUMBER A110 < + 1 2

*ACCURACY

ACCURATE ACC (circle)

ESTIMATED EST <

GEODETIC

*LATITUDE A70 < - - N

*LONGITUDE A80 < - - W

CADASTRAL

*TOWNSHIP(S) A77 < 0 1 2 N : ✗ : ✗ : ✗

*RANGE(S) A78 < 0 0 3 W : ✗ : ✗ : ✗

*SECTION(S) A79 < 01 : ✗ : ✗ : ✗

*SECTION FRACTION(S) A76 < SE OF NW

*MERIDIAN(S) A81 < GILA AND SALT RIVER

*POSITION FROM NEAREST PROMINENT LOCALITY A82 < 3.0 MILES WEST-SOUTHWEST OF MAVERICK MOUNTAIN

*LOCATION COMMENTS A83 < LOCATED ON EAST CANYON WALL OF HASSAYAMPA RIVER. 1.0 MILE SOUTHEAST OF THE CATOCTIN MINE. UTM COORDINATES TO LOWER OF TWO ADITS

* ESSENTIAL INFORMATION

\+ ESSENTIAL SOMETIMES OR HIGHLY RECOMMENDED

COMMODITY INFORMATION

*COMMODITIES PRESENT C10 < K.U. | P.B. | AU. >
*ORE MINERALS C30 < GOLD >
COMMODITY SUBTYPES C41 <
*GEN. ANALYTICAL DATA C43 <
COM. INFO. COMMENTS C50 <

* SIGNIFICANCE

	PRODUCER	NON-PRODUCER
MAJOR PRODUCTS	MAJOR < AU. >	MAIN COMMODITIES PRESENT C11 < >
MINOR PRODUCTS	MINOR < A.G. | P.B. | C.U. >	MINOR COMMODITIES PRESENT C12 < >
POTENTIAL PRODUCTS	POTEN < >	
OCCURRENCES	OCCUR < >	OCCURRENCES OCCUR < >

*PRODUCTION

PRODUCER	NON-PRODUCER
PRODUCTION (YES) (circle) PRODUCTION SIZE (SML) MED LGE (circle one)	PRODUCTION UND NO (circle one)

*STATUS — EXPLORATION OR DEVELOPMENT

PRODUCER	NON-PRODUCER
STATUS AND ACTIVITY A20 < 4 >	STATUS AND ACTIVITY A20 < >

*DISCOVERER L20 <
*YEAR OF DISCOVERY L10 < > *NATURE OF DISCOVERY L30 < B > *YEAR OF FIRST PRODUCTION L40 < 1903 > *YEAR OF LAST PRODUCTION L45 < 1944
*PRESENT/LAST OWNER A12 <
*PRESENT/LAST OPERATOR A13 <
EXPL./DEV.COMMENTS L110 < MAIN WORKINGS ON THE CLIMAX, CUB, LION, AND LEOPARD CLAIMS (UNPATENTED)

DESCRIPTION OF DEPOSIT

*DEPOSIT TYPE(S) C40 < VEIN >
DEPOSIT FORM/SHAPE M10 < TABULAR >
DEPTH TO TOP M20 < > *UNITS M21 < > *MAXIMUM LENGTH M40 < 2000 > *UNITS M41 < FT >
DEPTH TO BOTTOM M30 < 600 > *UNITS M31 < FT > *MAXIMUM WIDTH M50 < > *UNITS M51 <
DEPOSIT SIZE M15 < SMALL > M15 < MEDIUM > M15 < LARGE > (circle one) *MAXIMUM THICKNESS M60 < > *UNITS M61 <
STRIKE M70 < N 24 W > *DIP M80 < 77 E TO VERTICAL >
DIRECTION OF PLUNGE M100 < > *PLUNGE M90 <
DEP. DESC. COMMENTS M110 <

DESCRIPTION OF WORKINGS

Workings are: SURFACE M120 UNDERGROUND M130 BOTH M140 (circle one) *OVERALL LENGTH M190 < > *UNITS M191 <
DEPTH BELOW SURFACE M160 < 600 > *UNITS M161 < FT > *OVERALL WIDTH M200 < > *UNITS M201 <
LENGTH OF WORKINGS M170 < 5000 > *UNITS M171 < FT > *OVERALL AREA M210 < > *UNITS M211 <
DESC. OF WORK. COM. M220 < NO. 5 DRIFT, 500 FT LONG

GEOLOGY

*AGE OF HOST ROCK(S) K1 < P.R.O.T., T.E.R.T. U/PB ZIRCON GREATER THAN 1760 MILLION YEARS; UNDATED >
*HOST ROCK TYPE(S) K1A < AMPHIBOLITE, SLATE, METARHYOLITE ; RHYOLITE >
*AGE OF IGNEOUS ROCK(S) K2 < P.R.O.T., T.E.R.T. U/PB ZIRCON GREATER THAN 1760 MILLION YEARS >
*IGNEOUS ROCK TYPE(S) K2A < META-BASALT ; RHYOLITE ; RHYOLITE >
*AGE OF MINERALIZATION K3 < C.R.E.T.-P.A.L.E.O. UNDATED, PROBABLY PALEOCENE - MIOCENE ; POSSIBLY PRECAMBRIAN >
*PERT. MINERALS (NOT ORE) K4 < QUARTZ, PYRITE, FLUORITE, CALCITE >
*ORE CONTROL/LOCUS K5 < FAULTING, SHEARING >
*MAJ. REG. TRENDS/STRUCT. N5 < FOLIATION IN PRECAMBRIAN ROCKS TRENDS N-S >
*TECTONIC SETTING N15 <
*SIGNIFICANT LOCAL STRUCT. N70 < DIKES AND VEINS PARALLEL FOLIATION >
*SIGNIFICANT ALTERATION N75 < NONE >
*PROCESS OF CONC./ENRICH. N80 < OXIDATION AT NEAR SURFACE >
*FORMATION AGE N30 < P.R.O.T. U/PB ZIRCON GREATER THAN 1760 MILLION YEARS >
*FORMATION NAME N30A < UNDIFFERENTIATED GREEN GULCH VOLCANICS AND UNNAMED METAVOLCANIC UNITS >
SECOND FM AGE N35 <
SECOND FM NAME N35A <
*IGNEOUS UNIT AGE N50 < C.R.E.T.-T.E.R.T. >
*IGNEOUS UNIT NAME N50A < UNNAMED RHYOLITE DIKES >
SECOND IG. UNIT AGE N55 <
SECOND IG. UNIT NAME N55A <
GEOLOGY COMMENTS N95 < DEPOSIT IS VEIN WHICH CUTS PRECAMBRIAN METAVOLCANIC AND METASEDIMENTARY ROCKS. RHYOLITE PORPHYRY DIKES OF PROBABLE K-T AGE ASSOCIATED WITH VEINS IN PLACES, BUT NOT IN OTHERS. >

GENERAL COMMENTS

GENERAL COMMENTS GEN < GEOLOGY OF IMMEDIATE MINE AREA POORLY KNOWN >

CLIMAX (f) YAVAPAI

John Truffa
602-277-6451
Climax and Cotoctoni
Mines located approx
15 mile S of Prescott
Hwy 89 on Bradshaw
Mtn Range.
Climax BLM Serial No AMC -
34127 ET AL 9 Claims

Cotoctoni Blm BLM Serial No
AMC-34123 ET AL 5 Claims
Sell or lease prefer to
sell

4422 N. 18 PL.
PHOENIX, AZ 85016

11/7/94

Frank Cobb V.P.
Western-12 Metals Corp.
706 E Bell Road
Phoenix, Ariz 85022

T&R Land & Mining Co
4422 N 18th Pl.
Phoenix, Az 85016
Oct 19, 1994

Dear Mr Frank Cobb: V.P.

In accordance with the Default Provision unde Section 14 Default of the Mining lease and option Lessor John P Truffa dba T&R Land & mining Co. and Frank Cobb Western-12 Metals Lessee. Dated May 9, 1994 the T&R Land and Mining Co has the right to terminate the agreement upon Ten (10) days notice to you in the event you should be in default.

Section 3 Royalty Payments. Part A Quote: On the seventh (17th) date of every month the Lessee will pay the Lessor the sum of Five hundred $500.00 dollars.

May 17, 1994 a check in the amount of $500.00 dollars Ck. No 3073 signed by Teresa Cobb was payment for May 17th to June 17, 1994 to days date is Oct 19, 1994 and no payment has been received by lessee you are certainly in default.

Section 14, Default: If lessee fails to correct a default in any provision of this agreement within Ten (10) days after lessor gives written notice of the default by certified mail and lessee fails to correct the default in ten (10) days after the certified letter is mailed. lessee shall in that event have no further claims or rights under this agreement and shall immediately surrender possession of the claims to lessor without any legal action or order of any court.

Do T&R Land & mining Co
John P. Truffa
Lessor

Mr Frank Cobb V.P.
Western 12 Metals Corp.
706 E Bell Road
Phoenix Ariz. 85016

dba T&R Land & Mining Co
4422 N 18th Pl
Phoenix, Ariz 85016
Nov 1, 1994

Dear Mr Frank Cobb V.P.:

Under Provision 14 of the May 9, 1994 Mining Lease and Option the T&R Land and Mining Co has the right to terminate the lease, upon Ten (10) days certified written notice to you in the event you should be in default. You are certainly in default and failed to correct said default in a reasonable manner.

The notice of termination has been given to you and sent to Western 12 Metals Corp 706 E Bell Road, Phoenix Arizona 85022 the address given in this Agreement notice Provision 16.

The Ten (10) days have expired on Oct 28. you have failed to do anything about this. It would appear to be too late to correct any default.

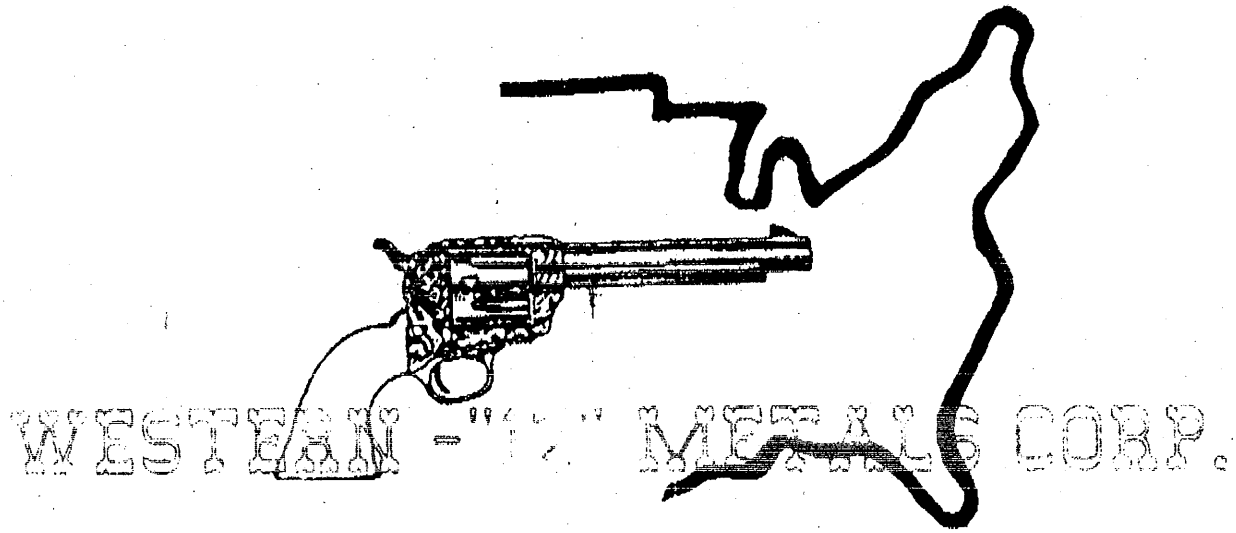
You may therefore consider that the Mining Lease and Option of May 9, 1994 cancelled.

Please acknowledge receipt of this cancellation.

Very Truly Yours
John P. Tuffa
Lessor

CLIMAX FILE
YAVAPAI

Climax Mine Project



Frank Cobb
Vice President
(602) 486-0952

Joe Stocks
President
(602) 993-8767

William F. Doran
Secretary/Treasurer
(602) 867-4564

WESTERN - 12 METALS CORPORATION
P.O. Box 41773
Phoenix, Arizona 85080

LOCATION

The Climax mine is located in the Prescott National Forest approximately 20 miles south of Prescott, Arizona. Physical access to the mine is by a 2 mile dirt access road which connects to a paved Arizona state highway.

INTRODUCTION

The Climax mine projections are based upon ore reserve calculations that date back to as early as August 12, 1910, when there was active mining on the property. Other geological reports substantiate their conclusions.

A report to the Board of Directors of Climax Mining references a low grade ore body measuring 100 feet wide x 500 feet long x 350 feet thick, which indicates in excess of 1.4 million tons, however the Climax geologists very conservatively lowered this estimate to 1 million tons (as stated in their report). For our present projections we are also estimating this ore body to contain 1 million tons.

According to the original assays furnished in the Climax Mining report, the ore would contain 1.54 ounces of gold per ton if calculated directly. Again, the 1910 report very conservatively estimated 0.25 ounces gold per ton. For our present projections we are estimating 0.25 ounces recoverable gold per ton.

In the early part of this century, 0.25 ounces of gold per ton or ore could not be economically mined and milled at a remote location such as this. Climax Mining Company mined the higher grade ore from smaller veins bordering the large ore body. We also believe, and the old reports support our views, that the ore bodies were only mined at elevations near the surface and that these high grade veins continue to unknown depths. Western - 12 intends to continue mining these veins to lower levels until it is no longer feasible.

The main ore body and the high grade veins accompanying it are readily accessible from the old climax mine portal. It will be necessary to widen some of the workings to accommodate the removal of the projected volume of ore from the mine.

Western - 12 [illegible] orporation personnel have identified the ore body referred to above. Surface chipp[illegible] the ore body yielded gold visible to the naked eye. This is indicative of a higher grade [illegible] body than estimated, however, we have chosen to base our financial projections on a recovery of 0.25 ounces gold per ton.

PROVEN RESERVES

We feel that there are 250,000 ounces of recoverable gold (one (1) million tons of 0.25 recoverable ounces of gold per ton). This is based upon the reports by the Climax Mining Company during the early part of this century when they were mining the upper levels of high grade veins accompanying the ore body.

They crosscut the ore body and ran 200 tons of ore through a stamp crusher and gravity mill. They recovered 0.30 ounces of gold per ton. Modern crushers and recovery techniques should increase this recovery rate.

In addition, they sampled the surface outcrop of the ore body on the north surface and along its strike on Lions hill. We feel that their work during actual mining and milling is strong evidence of a blocked ore body. They were able to bulk sample 200 tons of ore recovering 0.25 ounces per ton. We feel that this is a better test and provides a stronger proof than what could be accomplished by modern day sampling techniques. At the time, technology precluded their ability to profitably mine this ore body. This is no longer the case today.

PROBABLE RESERVES

There are probable reserves of one million ounces of gold from ore beneath and along the strike of the proven ore body. The probability of this ore is high based upon the mining operations and reports from the early part of this century.

MILLING OPTIONS FOR ORE

GRAVITY MILLS:

We plan on tolling contracts with the following mills.

1. Old Paint Mill, Congress, Arizona is capable of processing 100 to 200 tons of ore per day.
2. Rowley Mill, Aguilla, Arizona is capable of processing 50 to 100 tons per day.
3. Goodwin Mill, Congress, Arizona is capable of processing 50 to 100 tons per day.
4. Clementine Mill, 10 miles north of sun city, Arizona is capable of processing 50 [illegible] ore per day.
5. Black Canyon City Mill, Black Canyon City, Arizona is capable of processing 100 to 200 tons per day.

CARBON IN PULP CYANIDE MILL:

We plan on a tolling contract with Republic Goldfields Mill, Congress, Arizona. This mill is capable of processing 500 tons per day and capacity can be increased to 1000 tons per day to process all the production from the Climax mine.

DEVELOPMENT PLAN

Western - 12 Metals Corporation is in the process of forming a limited partnership to raise the necessary capital to reopen the mine. After obtaining the necessary capital, it will take approximately twelve weeks to have the mine in production. Mined ore will be processed at one or more of the mills described above.

PROFITABILITY

The principals of Western - 12 Metals Corporation have prepared preliminary financial projections that indicate that the mine can be an economically feasible operation if gold prices remain above $250.00 per ounce and 0.25 ounces per ton is recovered from the mined ore.

This document is a mining information package. It is not a solicitation.

CLIMAX MINE FINANCIAL PROJECTIONS

	YEAR						
DESCRIPTION	1993	1994	1995	1996	1997	1998	TOTALS
PRICE OF GOLD ($/OZ.)	350	350	350	350	350	350	
VE. RECOVERY (OZ./TON)	0.25	0.25	0.25	0.25	0.25	0.25	
PRODUCTION (TONS)	3,000	59,000	143,000	227,000	260,000	260,000	
UM. PRODUCTION (TONS)	3,000	62,000	205,000	432,000	692,000	952,000	
GROSS INCOME	262,500	5,162,500	12,512,500	19,862,500	22,750,000	22,750,000	83,300,000
COST OF PRODUCTION	255,000	3,667,000	7,865,000	12,485,000	14,300,000	14,300,000	52,872,000
GROSS PROFIT	7,500	1,495,500	4,647,500	7,377,500	8,450,000	8,450,000	30,428,000
GROSS PROFIT ALLOCATION							
GENERAL PARTNER (70%)	5,250	1,046,850	3,253,250	5,164,250	5,915,000	5,519,000	21,299,600
LIMITED PARTNER (30%)	2,250	448,650	1,394,250	2,213,250	2,535,000	2,535,000	9,128,400
LIMITED PARTNERS:							
PRETAX PROFIT	2,250	448,650	1,394,250	2,213,250	2,535,000	2,535,000	9,128,400
TAXES (35%)	788	157,028	487,988	774,638	887,250	887,250	3,194,940
AFTER TAX PROFIT	1,463	291,623	906,263	1,438,613	1,647,750	1,647,750	5,933,460
INVESTMENT	200,000						200,000
AFTER TAX GAIN (LOSS)	(198,538)	291,623	906,263	1,438,613	1,647,750	1,647,750	5,733,460
CUM GAIN (LOSS)	(198,538)	93,085	999,348	2,437,960	4,085,710	5,733,460	
RETURN/$5000 INVESTMENT							
AFTER TAX GAIN (LOSS)	(4,963)	7,291	22,657	35,965	41,194	41,194	143,337
CUM GAIN (LOSS)	(4,963)	2,327	24,984	60,949	102,143	143,337	

William F. Doran
Attorney At Law
706 E. Bell Suite 104
Phoenix, Arizona 85022
(602) 867-4564

August 5, 1993

Western-12 Metals Corporation
P.O. Box 41773
Phoenix, AZ 85080

Gentlemen:

This letter will confirm that I have agreed to escrow all monies forwarded by individuals who are to become partners in the Climax mine.

All money received by me will be deposited in my trust account and will not be transferred to the partnership until the prospective partner has signed the partnership agreement. In addition, if for any reason, the prospective partner desires a return of his money prior to signing the partnership agreement, his money will be immediately returned to him.

Each prospective partner should complete the attached Escrow Agreement and forward it to me with their check payable to William F. Doran. I will acknowledge receipt of the funds and provide a signed receipt.

Sincerely,

William F. Doran

WFD/jls
Attachment

ESCROW AGREEMENT

WESTERN-12 PARTNERSHIP

DATE:

TO: William F. Doran
Attorney at Law
706 E. Bell Road
Suite 104
Phoenix, Arizona 85022
(602) 867-4564

FROM:

Name: _____

Address: _____

Address: _____

City, State, Zip: _____

Telephone: _____

Attached please find a check in the amount of _____ dollars, payable to William F. Doran. These funds are to be deposited in your trust account and held until I have executed the partnership agreement with Western-12 Metals Corporation. After I have executed the partnership agreement, the funds are to be released to the partnership.

If, for any reason, I choose not to sign the partnership agreement, I will notify you in writing and all the funds will be immediately returned to me.

_____
Signature

RECEIPT:

Amount Received: _____

Date: _____

Signature: _____
William F. Doran

CLIMAX MINE PROPERTY

Location & Accessability From Proscott to the mine it is 12.75 miles on highway 69, a paved highway, two miles of mine road which is fairly good, approximately two miles from electric power and ten miles from a rail siding.

Area The property consist of 10 lode mining claims, each claim being 600' X 1500' containing approximately 20.67 acres, a total of slightly over 200 acres with a linear dimension along the strike of the veins of 4500 feet.

Values -- Gold - Silver and Copper

Topography and Discription of Area: Section 1, Range 2W, TWP 12½ North Book 159 Page 369-370
The property is situated upon a steep mountain side, making it ideal for tunnel mining a depth of over 500 feet upon the veins has been obtained by tunnels in the Cub and Lion hills a depth of over 900 feet will be obtained when the present lowest tunnel is extended into the Leopard hill. The Hassayampa River crosses the extreme north end of the property passing right by the camp and mill site. The camp is 65 feet above the river bed, on the left bank of the river and on the south and southwest slope of what is known as the Quarty Mountain in the Hassayampia mining district. The elevation is 4500 feet.

Timber No timber grown on this property. Mining timbers can be had from dealers in Prescott.

Water The Hassapampia River usually has a fair flow of water, ample for milling purposes. The mine produces water for most other purposes, a domestic spring for the Boarding House.

Geology The country rock is granite and gneiss. This is broken by intrusive dykes. A large Porphpry dyke extends through the property with a general course of north 28 degrees, west the dyke varies in width from 350 to 600 feet, on this dyke are numerous veins, the ones upon which the principle work has been done ran parallel with the dyke, in fact, are fissures in the dykes. There are numerous cross veins and several faults, however, the faults are not large and the veins have been easily picked up across the faults. The vein fillings are chiefly quartz in which is found free gold, iron oxides carrying gold and iron sulphides also carrying gold. So far as exposed by the workings the mineralization is all contained within the prophpry dyke and held consistently within the several parallel veins.

Ores The ores are largely composed of quartz of some kind, in their native state, carrying tellurium, iron sulphides and perceptable quantities of chalcopypyrite, which together carrying the gold. At the surface and for a depth of 500 feet in places, the ores have become highly oxidized leaving the gold in a free state and susceptible of amalgamation. Beyond that depth, the ores are in their original state and will require different treatment.

In the oxide zone, the quartz in places are full of coarse flakes of gold from which some very rich specimens have been taken, some of these specimens carry as high as 25% gold. In others, the sulphide bearing quartz has become thoroughly leached, leaving the free gold in vugs and cavities in the quartz, while in others, sulphides have been changed to iron oxides, carrying the gold finely disseminated through the iron, which is imperceptable to the naked eye, but by "panning" shows it to be rich in free gold.

With present development, the ore bodies are opened up about the course of the belt for over a mile in lenth, and cover a wide area. The veins vary widely in width, but the extent of the mineral deposits as yet not determined. With continuous stopes and levels from 400 foot level, through the Climax, Lion, and Cub Lodes, to the surface, with the same ores opened up in the 500 foot level, it would show it to be a continous, well defined fissure vein.

In the departure from the oxide to the sulphide zones, the ores as is generally supposed, do not drop in value, but rather increase and the ore bodies themselves become more regular and of greater extent, thus showing that the most productive and richer part of the mine can be looked for at some greater depth.

Openings In all there are six levels opened. There are three tunnels, opening up along the vein system more than 500 feet above the main cross-cut tunnel. The levels are all connected so that ore from the very top can be dropped to the main cross-cut. In all, there is over 6,500 feet of tunnels, drifts, raises, winzes, and other openings. The ground stands fine without timber; stopes more than 45 years of age stand good without timber.

There is now available in the mine a large tonnage of milling ore, coupled with small lenses of high grade 3 ozs. of gold or more, and several rich faces of ore to go to work upon assuring profitable production right from the start. You can rest assured that this is a profitable and a very good mine, as yet barely scratched, with a long life of production ahead.

Surface Ore There is a surface body of low grade ore showing to be between 500 and 600 feet in length, 75 to 100 feet in width, and a depth of more than 65 feet, approximately 6,075,000 cubic feet of ore, approximately 500,000 tons which can be open pit. A 50 ton mill sample showing gold recovery of $7.00 per ton, with numerous samples indicating the ore will average in values of $9.00 per ton. (Values based on gold price of $20.67 per oz.) Being 300 feet above the main cross-cut tunnel, the ore can be dropped to the mill level by gravity. This ore should be mined and milled for not to exceed $5.00 per ton, or perhaps less.

Dumps In the past much of the mine had been worked by lessers and only high grade streaks of ore were sought, ore that assayed less than a half ounce per ton passed by and thousands of tons of the low grade ore was left in the stopes and dumps which now, under more favoralbe conditions, can be mined and milled at a profit. Assays

taken in April 10, and April 21, 1931, of the East and West dumps show values in gold of .42 and .55 ozs. per ton.

In 1962, Mining and Metals Inc. had taken ore samples from the various dumps and ran through a 3/16 screen trommel and concentrated over a Macklin Table. Assays of these concentrates ran respectively:

Gold figured at 35.- per ounce

Eishenbrner Lab. April 6, 1962		Valley Testing Lab. March 31, 62	
Sample #1	$158.88	Sample #1	$ 65.10
#2	136.23	#2	15.55
#3	32.00	#3	303.50
#P-3	353.40		

Although these samples were not crushed, a flow sheet ran, showed that the values would release by grinding to 10 minus.

The mining engineer for Mining and Metals Inc. estimated approximately $300,000 dollars to be recovered. Unfortunately, Mr. Slick and Mr. Suddereth, of Mining Metals, were both killed in a plane crash in the fall of 1962.

Improvements Thousands of dollas has been spent in the past in development work. There are rails, ore cars, air lines, receiving tanks, etc. from the mill site and in 4 levels in the mine, passage ways, raises, stopes, etc. are in fairly good condition. Approximately two weeks work by a six man crew to clean up, on and along the rail, a few timber; and clean up where some rock has fallen from some stopes, etc.

There is some concrete foundations for equipment for milling. There is a miners cabin about 20 x 40 feet with beds, butane stove, a sink, dishes, cooking utilities, heating stove, [illegible]

CLIMAX Mine called Estrella Ore in 1937

ORE SHIPMENTS FROM ~~ESTRELLA ORE MINE~~ - ESSIE M. RUSSELL, OWNER

Following test shipments of ore were made to Jack ~~French~~ Branch, ore buyer, Prescott, Arizona

May 6, 1937, crude ore, 22856#	Au. 3.36 oz. per ton.
June 7, 1937, crude ore, 12159#	Au. 2.48 oz. per ton.
June 24, 1937, crude ore, 44095#	Au. 3.47 oz. per ton.
July 1, 1937, crude ore, 9000#	Au. 1.68 oz. per ton.
July 17, 1937, crude ore, 10471#	Au. 2.98 oz. per ton.
September 18, 1937, crude ore, 654#	Au. 3.11 oz. per ton.
June 23, 1938, crude ore, 18999#	Au. 1.60 oz. per ton.

The predominate value is gold, with silver running about one ounce to each ounce of gold, no other values.

COPY

UNIVERSITY OF ARIZONA

TUCSON

COLLEGE OF MINES AND BUREAU OF MINES.

OFFICE OF THE DIRECTOR May 19th, 1932.

Col. C. W. Steinman,
127 N. Fourth Street,
Phoenix, Arizona

Dear Col. Steinman:

In reply to your letter dated the 16th, I wish to say, that I do not think any member of the staff has ever personally examined the Climax Mine (Now incorporated as The Virginia Dare Gold Mine), on the Hassayampa River, but we have considerable information concernint it in the form of newspaper articles and reports, which run as far back as the early nineties, and has operated intermittently since that time. There is a ten stamp mill on the property, as well as buildings, compressor, etc. It has been developed by tunnels, of which the longest measures at least a thousand feet. It is claimed that these tunnels show pay shoots of from two inches to two feet in width, and that the average oxidized ore runs around $33.00. The sulphide in Tunnel No. 5 is said to average $21.00 per ton. A number of rich strikes have been reported at one time and another. Lack of water has interferred with the running of the mill on several occasions.

As much as 40 years ago the property, known then as the Montgomery, gained some fame, because of the pockets of very rich ore found in it, although the great bulk of the production has been from milling ore around $30.00 per ton. Within the past 20 years ore has been found that was so rich it was sacked and packed down to the mill, a short distance from the mine, instead of being sent thru the chutes. Over 100 sacks of such ore were taken out at one time.

All our data indicate that the property has merit, and that considerable development work has been done. Gold is now relatively so valuable that it is quite likely it may be worked profitably.

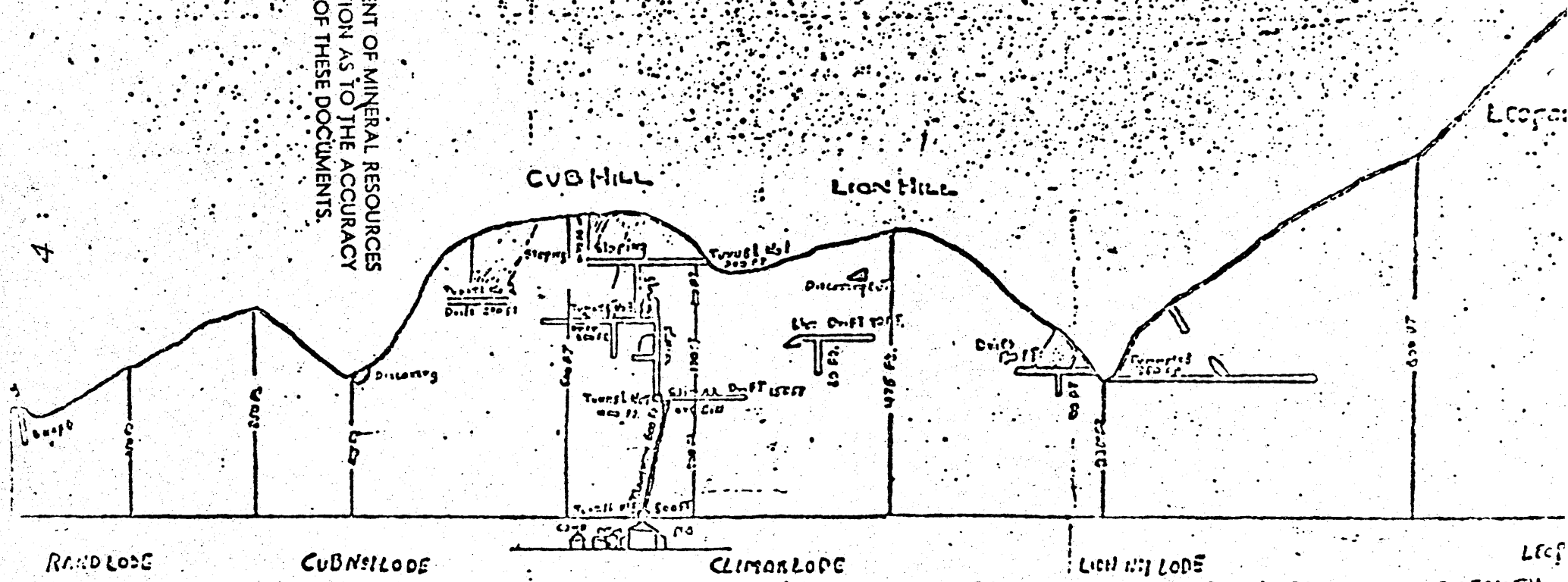
Yours sincerely,
G. M. Butler,
Dean and Director.

I hereby certify that the above is a true copy of the original letter from Dean G. M. Butler, this the 17th day of October, 1932.

Georgia E. Bullard
Notary Public

Commission expire Mar. 26, 1933.

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.



CROSS SECTION OF 5000 FT. - SHOWING GOOD GOLD VALUES THE ENTIRE LENGTH

(602) 968-1275

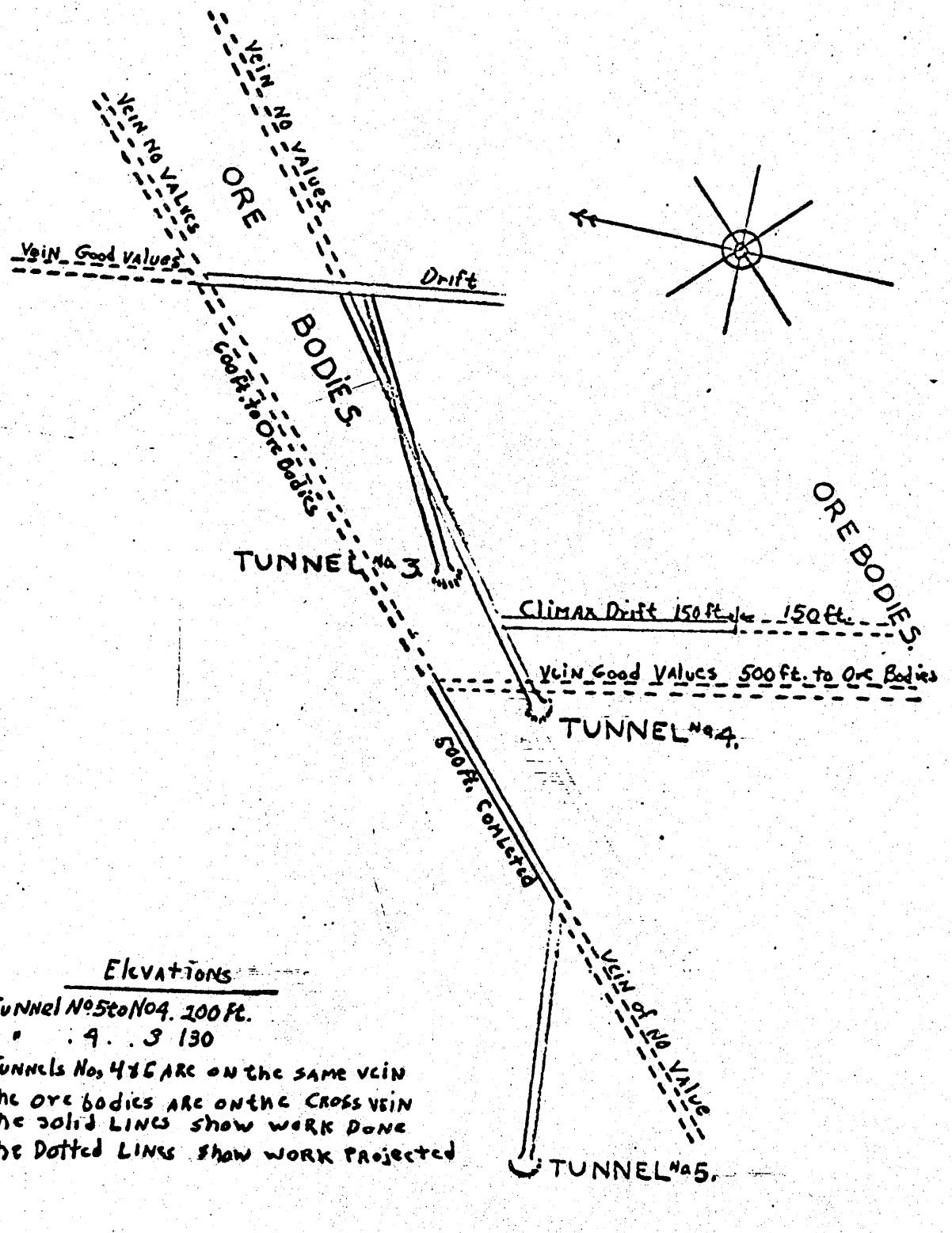
(602) 242-8345

CHARLES R. WARD CORPORATION

Mining Development & Mineral Recovery

4728 N. 21ST AVENUE

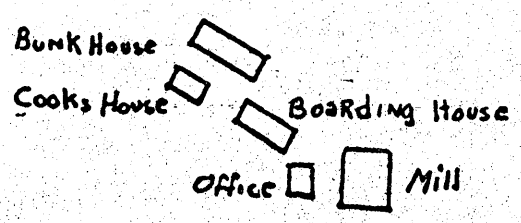
PHOENIX, ARIZONA 85015



Elevations

Tunnel No 5 to No 4. 200 ft.
" 4 . 3 130

Tunnels Nos 4 & 6 are on the same vein
The ore bodies are on the cross vein
The solid lines show work done
The dotted lines show work projected



CLIMAX

VIRGINIA DARE MINE -

A S S A Y S

Date Sample taken	Ozs. Gold Per Ton	Value
April 10, 1931		
General Sample	4.40	$ 88.00
West Dump	.42	8.40
April 21, 1931		
Sulfide	.62	12.40
Quartzsite	.02	.40
East Dump	.55	11.00
Tails	.16	3.20
April 27, 1931		
General	1.68	33.60
May 13, 1931		
300 ft. Level	1.28	25.60
July 13, 1931		
Heads (40 samples)	.76	15.20
Concentrates (47 tons ore)	35.25	705.00
#2 Heads (10 samples)	27.70	554.00
Nov. 22, 1931		
300 ft. Level	4.37	87.40

Original assay reports covering the above samples and values are now in my possession.

Dozens of other assays not verified by documents in my possession show values similar to those above listed. From various reliable sources I have evidence of the shipment of a considerable quantity of high grade ore running $400.00 per ton and better. Some shipments are reported to have run as high as $4,000.00 per ton.

A report from the Herbolt Smelter covering a carload of ore shipped from this property in 1912 shows the following: Gold - 2.00ozs; Silver - .7 ozs; Copper - 9%; Iron - 31.07%; Silica - 22.07%; Insoluble - 35.47%;

H. W. Greene

VALLEY ASSAY OFFICE
AND ORE TESTING LABORATORY
MEMORANDUM OF ASSAY

Made for Mining & Metals Inc. Tempe, Arizona, March 31, 1962

SAMPLE NO.	PER TON OF 2000 POUNDS AVOIRDUPOIS								COPPER, OR			LEAD, OR			TOTAL	
	GOLD AT 35.00 PER OUNCE				SILVER AT 1.00 PER OUNCE				AT PER LB.			AT PER LB.				
	OZS.	100's	$	CTS.	OZS.	100's	$	CTS.	%	$	CTS.	%	$	CTS.	$	CTS.
1	1.	84	64	40	0.	70		70							65	10
2	0.	42	14	70	0.	85		85							15	55
P-2	8.	64	302	40	1.	30	1	30							303	50

REMARKS:

CERTIFIED ASSAYER
CERTIFICATE EXPIRES
J. LEE
BOYER
31, 19
ARIZ. U.S.A.

NO.

BY J. L. Boyer
Registered Assayer.

CHARGE $ 12.00 Paid

IR EISENHAUER LABORATORIES
316-322 South San Pedro Street
Los Angeles 13, California

ASSAY CERTIFICATE

JON 2-6388

Los Angeles, Calif. June 15/62 19

I hereby Certify that the samples described below, received from

J. Truffa

assay as follows:

Owner's Marks on Sample	GOLD OZS. PER TON	GOLD VALUE PER TON	SILVER OZS. PER TON	SILVER VALUE PER TON	TOTAL VALUE PER TON	PERCENTAGE OF COPPER	LEAD	ZINC
#1-Rainbow	1.80	$ 63.00	.58	$ .58	$ 63.58			
#2-Sunset	2.77	$ 96.95	1.40	$ 1.40	$ 98.35			

ARIZONA TESTING LABORATORIES

A DIVISION OF CLAUDE E. McLEAN & SON LABORATORIES, INC.
817 WEST MADISON ST. PHOENIX, ARIZONA 85007 PHONE 254-6181

For John Truffa
2921 N. Rancho Drive
Phoenix, Arizona

Date July 27, 1971

Sample of Ore

Received: 7-27-71

Submitted by: same

ASSAY CERTIFICATE

Gold figured at $ 35 oz per ounce

Silver figured at $ per ounce

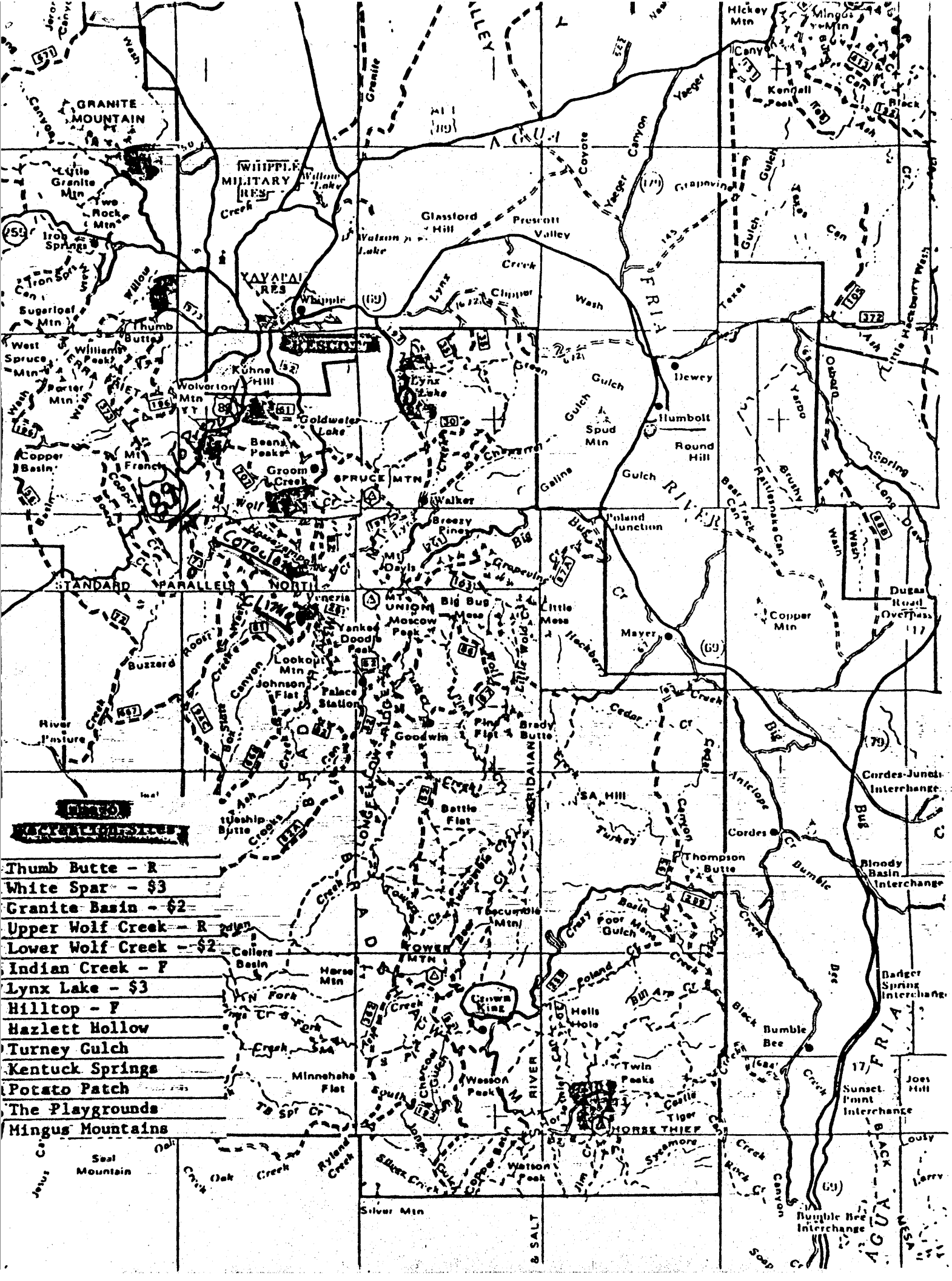
LAB. NO.	IDENTIFICATION	GOLD		SILVER		PERCENTAGES	
		OZ. PER TON	VALUE	OZ. PER TON	VALUE	Copper	
667	Climax Lion Tunnel #3	0.53	18.55	Trace		0.03	
668	Contocton Main Edict#35	1.08	37.80	Nil		0.06	
669	Climas #5 Tunnel # 2	0.54	18.90	Nil		0.03	

Respectfully submitted,

ARIZONA TESTING LABORATORIES

Jerome D. Lewis

Claude E. McLean, Jr.


GRANITE MOUNTAIN
WHIPPLE MILITARY RES
YAVAPAI RES
PRESCOTT
Glassford Hill
Prescott Valley
Dewey
Humbolt
Spud Mtn
Round Hill
Poland Junction
Mayer
Copper Mtn
Cordes Junction Interchange
Cordes
Thompson Butte
Bloody Basin Interchange
Badger Spring Interchange
Bumble Bee
Sunset Point Interchange
Bumble Bee Interchange
Crown King
Hells Hole
Twin Peaks
Wesson Peak
Minnehaha Flat
Cellers Basin
Horse Mtn
Silver Mtn
Seal Mountain
Goldwater Lake
Lynx Lake
Watson Lake
Willow Lake
Kuhne Hill
Wolverton Mtn
Groom Creek
SPRUCE MTN
Walker
Mt Davis
Big Bug Mesa
Little Mesa
Moscow Peak
Yankee Doodle Peak
Lookout Mtn
Johnson Flat
Palace Station
Goodwin
Pine Flat
Brady Butte
Battle Flat
Towers Mtn
Tecumseh Mtn
Foot Mesa
Turkey
Cedar
Antelope
Dumble
Tiger
Sycamore
Watson Peak
Silver Creek
Oak Creek
Ryland Creek
Thumb Butte
Williams Peak
Porter Mtn
Copper Basin
Mt French
Buzzard
River Pasture
Township Butte
Little Granite Mtn
Two Rock Mtn
Iron Springs
Sugarloaf Mtn
West Spruce Mtn
Kendall Peak
Hickey Mtn
Mingus Mtn
Black Canyon
Yeager Canyon
Coyote
Grapevine
Granite
Lynx
Clipper
Green Gulch
Galena Gulch
Chaparral
Rattlesnake Can
Beat Track Can
Brushy
Spring
Long Dam
Dugas Road Overpass
Little Hackberry Wash
Hackberry
Big Bug
Little Bug
Cedar Cr
Big Bug Cr
Black Bee
Bee
Poland
Big Arm Cr
Crazy Basin
Foot Mesa Gulch
Twin Peaks
Tiger
Sycamore
Watson Peak
Silver Creek
Oak Creek
Ryland Creek
Seal Mountain
Silver Mtn
Thumb Butte - R
White Spar - $3
Granite Basin - $2
Upper Wolf Creek - R
Lower Wolf Creek - $2
Indian Creek - F
Lynx Lake - $3
Hilltop - F
Hazlett Hollow
Turney Gulch
Kentuck Springs
Potato Patch
The Playgrounds
Mingus Mountains

Evening Courier

The Era Is Nevermore, But Far From Forgotten

FROM MEMORY'S TREASURE CHEST—Things were done differently back in the days when the rodeo was young. Miners and cowboys ate from long tables heavily laden with food prepared over a wood stove. The Climax Mine near Prescott was such a scene in 1905. Mrs. Stuart Duncan (fifth from left) cooked for 20 men in the mining crew at that time. The child is her daughter, Florence, who was killed in 1918 when a horse fell with her. (Photo Courtesy of Mrs. Duncan)

VIRGINIA DARE MINE

ASSAYS

Date Sample taken	Ozs. Gold Per Ton	Value
April 10, 1931		
General Sample	4.40	$ 88.00
West Dump	.42	8.40
April 21, 1931		
Sulfide	.62	12.40
Quartzsite	.02	.40
East Dump	.55	11.00
Tails	.16	3.20
April 27, 1931		
General	1.68	33.60
May 13, 1931		
300 ft. Level	1.28	25.60
July 13, 1931		
Heads (40 samples)	.76	15.20
Concentrates (47 tons ore)	35.25	705.00
#2 Heads (10 samples)	27.70	554.00
Nov. 28, 1931		
300 Ft. Level	4.37	87.40

Original assay reports covering the above samples and values are now in my possession.

Dozens of other assays not verified by documents in my possession show values similar to those above listed. From various reliable sources I have evidence of the shipment of a considerable quantity of high grade ore running $400.00 per ton and better. Some shipments are reported to have run as high as $4,000.00 per ton.

A report from the Humbolt Smelter covering a carload of ore shipped from this property in 1912 shows the following: Gold - 2.80ozs; Silver - .7 ozs; Copper - 9%; Iron - 31.07%; Silica - 22.07%; Insoluble - 35.47%;

H. W. Greene

V I R G I N I A D A R E G O L D M I N I N G C O.

An Arizona Corporation, in good standing, having an authorized capitalization of 750,000 shares of $1.00 par value stock.

Treasury Stock - 450,000 shares - None outstanding.

Personal Stock - 300,000 shares - All outstanding.

Of the 300,000 shares of Personal Stock, approximately 10,000 shares have been sold to 150 investors widely scattered throughout the United States for an average price of 75¢ each. The remainder is closely held by present Officers and Directors and their associates.

It is the present plan of the management to raise sufficient funds from the sale of both Personal and Treasury stock to thoroughly rehabilate the present buildings and equipment, to open up new ore reserves by additional underground development and to install a good mill of sufficient size to properly operate the mine at a profit.

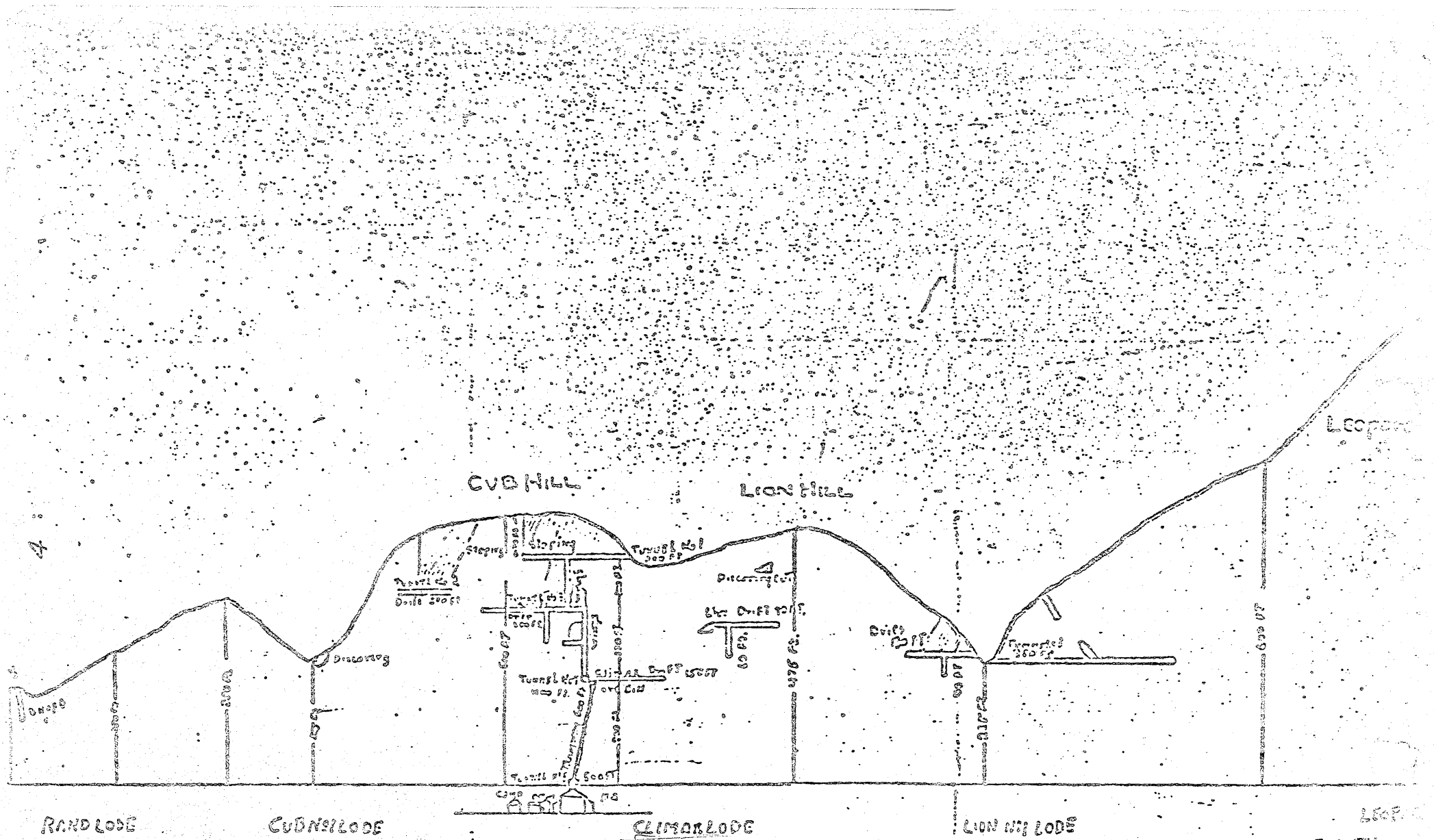
The Company is not handicapped with a single dollar of indebtedness and is well and favorably known, not only to its present stockholders, but to approximately 4,000 other prospective investors.

Considering the actual merits of the property itself, the favorable financial condition of the Company and the present economic trend toward a renewed interest and activity in gold mining, the Virginia Dare is ideally situated for exploitation of either private or public capital and without doubt, can be made to yield very substantial returns on its present capitalization.

Respectfully submitted

H. W. Gunn

President.



CROSS SECTION OF 5000 FT. - SHOWING GOOD GOLD VALUES THE ENTIRE LENGTH

(602) 968-1875

(602) 242-8845

CHARLES R. WARD CORPORATION

Mining Development & Mineral Recovery

4725 N. 23rd AVENUE

PHOENIX, ARIZONA 85015

VIRGINIA DARE

GOLD MINING COMPANY.

YAVAPAI COUNTY

ARIZONA.

REPORT ON

VIRGINIA DARE MINE

YAVAPAI COUNTY

ARIZONA

June 18, 1931.

The following is a Summary of the information I have been able to gather regarding the Virginia Dare Group, formerly known as the Climax Mine. This data has been compiled from what records are at hand covering the operations of the Climax Company, a visit to the property, and a brief interview with Mr. J. W. Waara of Prescott, who was connected with this Company in an advisory capacity for many years.

LOCATION:

The group of seven unpatented claims is situated in the Hassayampa Mining District, Yavapai County, Arizona, about 15 miles south of Prescott, the County Seat and 4 miles east of the Phoenix-Prescott (White Spar) Highway. It is within an area that has been highly productive in gold, silver, copper and some lead, the gold predominating.

The adjacent districts, from Congress and Octave on the south, through Prescott, Senator, Bigbug, Mayer, McCabe, and Walker-Poland, to and including the Jerome Quadrangle to the northeast, have been important factors in the development of the mineral wealth of Arizona, and are credited with a total production of over one-half billion dollars.

PHYSICAL ASPECTS:

The Virginia Dare holdings lie in the northern section of the Hassayampa River drainage basin and present an aspect of rugged and abrupt contours in a highly fractured zone in the Bradshaw Geologic Structure. The Surface is cut by the deep canyon of the river and numerous side gulches and is covered with a dense growth of chaparral. It is, however, outside the limits of the forrested areas and mine timbers and lumber will need be hauled in to the property from adjoining districts, a few miles distant.

The deep gorge of the Hassayampa at this point affords a very good tunnel side into the ore zones of the property, of which advantage has been taken in the developments and operations of the former owners. No. 5 drift, a cross-cut of some 500 feet, cuts the veins at a depth of 600 feet below the crest of the first western uplift in the canyon wall.

EQUIPMENT:

There is on the property at the portal of No. 5 tunnel, a ten-stamp mill with a 9 x 11 Blake Crusher and two amalgamating plates. The two concentrating tables have been dismantled. The batteries are driven by a 25-h.p. Corliss Diesel Engine. A 12-h.p. Corliss Diesel drives the Crusher. The Challenge tappet

driven ore feeders and various belting, shafting and pulleys complete the mill equipment. A 300 cu.ft. Giant Air Compressor and air receiver are in a separate building at the tunnel portal. This is driven by a 40-h.p. Corliss Diesel. All of this machinery is in good condition and can be put in running order with a little overhauling and very little replacements. A Blacksmith shop with forge, bellows, vise, anvil and some miscellaneous tools and some hundreds of feet of used rail are on the lower dump. In addition to the mill building, power house and blacksmith shop there are: Boarding house, assay office, 3 bunk houses, cellar and outhouses. All the drifts have 12-lb T rail tracks in place and there are three ore cars and a track scale at No. 5 tunnel. A cookstove and some kitchen and table ware are in the boarding house. Accommodations for a crew of 30 men can be readily provided with a small amount of reclamation and repairs on these buildings. The timbers in the mill are hewn and in a fair state of preservation and will serve as a nucleus for a new structure.

DEVELOPMENT:

About 5,000 lineal feet of drifts, crosscuts and raises are shown on the maps of the property. The vein exposures are shown in the Climax, Cub, Lion and Leopard for about 2,000 feet. The total depth reached is some 600 feet. About 10% of the ore areas as shown in the drifts on the veins has been stoped. Details are shown on the maps to which reference is made.

GEOLOGY:

The geology of the Bradshaw Quadrangle was studied in minute detail in the early days by Jager and Palache (Pamphlet 126), and later, in 1926, by Lindgren (U.S.G.S. Bul. #782). The data compiled in these reconnoissances, together with the knowledge gained in over 40 years of intensive operations in these districts, make the local features of vein structure and conditions fairly well known and remove many of the elements of speculation and conjecture from new explorations in this field.

Briefly, the geologic aspects at this property are as follows: The holdings lie in an area of the Yavapai Formation that is made up, in large part, by a schistose groundmass, intruded by dykes and sheets of granodiorite and a gneissoidal (Lenticular) phase of rhyolite. This latter, with a brecciated andesine schist, quartz and some calcite, makes up the vein filling. While the intrusives are dense and more or less blocky, the schistosity extends into them and into the fissure aggregates. The whole area opened up by the workings is much faulted, the two major faults are shown on the map; the one to the south being alone or near the contact of the schists with a zone of diabase in the Leopard Claim. This formation, while apparently containing the south extension of the Lion Fissure, with little or no displacement, presents ore inclosures differing from those found in the schists, and the values are mainly in a telluride complex, said to contain some copper. No sample or specimens of this were found, however, information given was derived from the old-time records of the Climax Company. The workings in this part of the mine are, at this time, inaccessible.

VEINS AND ORE MINERALS:

Due to the broken nature of the ground, it is difficult to determine the exact number of veins and ore-bearing fissures, dykes and faults disclosed

in the workings on this property. One main vein, with a general course North 24° west, through the Climax, Cub, Lion and Leopard Claims is apparent. This has a dip to the east of 77° in the upper horizons and at the No. 5 Tunnel is nearly vertical. Displacements of 20 to 40 feet were noted at the two major faults with little or none along the smaller slips and the several dykes shown. A rather flat injection of white quartz is seen in the Yockey drift on No. 5 level. This cuts the fissure but its effect, if any, on the ore occurrence is not apparent. Seggregated blocks containing ore lenses appear in several crosscuts. Seepages are found, coming into the lower level from the east from an area that was crosscut by the main adit to the north, indicating a migration of minerals from this part of the mine. These seepages show the oxides of iron and manganese, with some fluorite, inclosed in chalcedic incrustations on the wall of the drift. Mention is made of some black dykes in connection with the tellurides in the records of the old company. These, presumably, in the diabase area to the south.

All the exposures in the mine, from the surface down to the 500 level, show both oxide and sulphide ores, and it is fairly certain that the bottom of the transition zone has not been reached. As it is still some 100 feet or more to the canyon floor, it is likely that any secondary aggregates will be below this point, and that free gold milling ore may be expected to the 1,000 ft level. The water table appears just above the 500 level, and a small flow runs out this tunnel to the surface.

No copper or lead minerals were noted. In the upper part of the mine, near the surface in the Lion ground, above a sill containing some disseminated arseno-pyrite, a deposition area was exposed, showing a wonderful range of colors in the arsenite complexes in connection with some fluorite. The composition of these was not determined and they have no apparent significance with respect to the value factor in the ores.

ECONOMIC ASPECTS:

No samples were taken at the time of this examination. Access was had, however, to some recent assays on samples from various parts of the mine and the mine and tailings dumps. These include several taken in the back of the north major fault some 100 feet east of the Lion-Cub vein. The returns were from $9.00 to $15.00 per ton in gold. Samples of the solid arseno-pyrite showed $20.00, $25.60 and $29.60. Some disseminated pyrite, $12.40. Ten inches at the foot of the Air Raise, $33.60; West dump, fines, $8.40; fines from dump under tramway, $18.00 and $20.00. A special sample from the lower drift, $88.00; mill tailings $3.20. All values given are for gold only. The silver ratio is low.

A copy of a smelter settlement sheet shows assays as follows: Gold, $56.00; Silver 0.7 oz; Copper, 0.9%; Iron, 31.07%; Insoluble, 57.54%. Details of settlement not shown.

It has been estimated that the various dumps, screened to minus 1 inch, will yield some 3,000 tons of ore of $10.00 grade (gold).

Old letters show: Floor of Yockey Drift, 70 ft long, 10 inches wide, $65.00. Climax Drift, 100ft long, $60.00. Vein fillings, $15.00. Eight inches in winze (telluride in Leopard) $300.00. 6 to 7 feet alongside, "low grade".

Mint returns, 1 bar 73.72 ozs, $1,372.88.

Reference is also made in the old letters to ores of $2,000 and $4,000

value per ton and to one shipment of three sacks that returned some $1,500.00. Most of the tonnage mined was milled, with a resultant concentrate that was shipped to the smelter, as was also the sorted sulphides from the crude ore.

An electric power line is within six miles of the property. Water for milling can be had from the Hassayampa River and from deeper workings in the mine. The south Fault throws a spring that can be developed for domestic use with gravity flow to the camp.

In the interview with Mr. Waara, he stated that during the early operations at this property only that development incidental to reaching the high grade lenses and pipes was carried on, and no systematic attempts were made by the owners to properly explore the ground. He stated further, that the better grades of ores were found near the faults but that the rejects left in the mine at that time would be profitable now with proper metallurgical processes and efficient operating equipment. The concentrates made in the mill, and the sorted crude ores (sulphide) that were shipped to the smelter, always gave satisfactory returns. He characterized the vein as a contact between two facies of the schist.

RECOMMENDATIONS:

These would include the cleaning out of those entrances and passageways into the mine that are now blocked and a complete sampling of all the ore exposures. The ground stands well after many years without timbers, and the only places that are blocked are where the gobs have run into some of the raises and drifts.

A survey of the north major fault to determine at what point it will cross the canyon below the mill with the view to starting a still lower adit into the vein system. This would develop any ores in the fault itself and is a good line of prospecting as this fault shows values in the upper horizons. It would also pick up any fissures that may exist in the eastern area. If the survey should prove that this proposed tunnel would be longer than the depth attained would warrant, heavier compressor equipment should be installed and sinking begun.

Metallurgical tests should be made to determine a proper flow sheet for the ores so far developed and a plant commensurate with the indicated tonnage already developed should be erected. This could be so arranged that additional units could be added when conditions demand it.

A complete assay and laboratory equipment should be at the property and any values that may be in the many faults, dykes, bedding planes and slips as well as the vein fissures and offset lenses and blocks that are shown by the present developments determined.

CONCLUSION:

In the light of the foregoing outline of the conditions that prevail at the Virginia Dare property, it is apparent that it has aspects of unusual merit and presents a rare opportunity for a safe and sound mining investment. The past history, while rather fragmentary and vague, is evidence of a profitable enterprise covering a period of many years. Working conditions and natural facilities

REPORT ON

VIRGINIA DARE MINE

YAVAPAI COUNTY

ARIZONA

May 26, 1931.

You have asked me to write you an opinion as to the merits of the Climax Mine, located in Yavapai County, of this State.

In doing so I am aware of the fact that in order to do complete justice to the case I should have taken numerous samples from the various openings, and placed the assay value of each sample on a diagram. This I could not do under the circumstances and, if I had done so, those parties desiring to purchase the property would have re-sampled the mine, re-assayed the samples, and come to their own conclusions from the work.

But, short of that, I gave the property a careful inspection. And, after making that investigation, I came to the conclusion that it is one worthy of considering; i.e., providing the price and terms are such as to recommend themselves to business people.

To begin with, the property is located in a well known mining section, in a geological structure, the Bradshaw granite series of igneous rocks, that has in other instances furnished the background for mines that made mining history in the State. Such mines as the Congress, with a production of $16,000,000.00, Sixteen Million Dollars, the Octave, with a production of $4,000,000.00 Four Million Dollars, and many others with a production of a million dollars upward, have been found in the same Bradshaw granite series of igneous rocks.

In this connection, while referring to the physical characteristics of other producers in the same geological structure, it is well to remark that the dimensions of their ore bodies in length and width did not in any case surpass those of the Climax

It is also in line to state that while the Bradshaw granite structure is the home of many deep seated mines; for instance the Congress went to a depth of four thousand seven hundred feet, and the Octave two thousand feet; in each instance with good ore in the bottom, the values on the average, in the Climax mine exceed the average value of the ores in the mines quoted. (Congress & Octave).

Just why the Climax has reamined inoperative for the last few years is a matter for you and the owners to explain. I am satisfied that it is due to considerations that have nothing to do with the merits of the property.

Hence I can state, after enumerating the following considerations, that it is well worthy of attention.

1. The mine has been productive in the past. The shipments made to the custom smelters at Humboldt were of good grade and profitable.

2. Only a small portion of the ore bodies has been attacked. As a consequence, the mine is not a worn out proposition but one which has been systematically sampled on a large scale and found to be worth while continuing.

3. There are no drawbacks to the economical working of the property. Wood and water are there in abundance; and the houses on the mine can be put into shape at very slight expense.

For the last two miles the road is in bad shape. It will cost three thousand dollars to put the same into good condition.

ARTHUR C. SIMKINS.
Mining Engineer.

NOTE--By using County road machinery, which is now available, the $3,000.00 item for road repair work can be decreased to approximately $500.00.

An original copy of this report signed by Arthur C. Simkins is now in my possession.

H. W. Grum

President
VIRGINIA DARE GOLD MINING COMPANY.

VIRGINIA DARE MINE

INVENTORY OF

BUILDINGS AND EQUIPMENT

FEBRUARY 23, 1932.

1	40 Horse Power Corliss Gas Engine
1	25 Horse Power Corliss Gas Engine
1	12 Horse Power Corliss Gas Engine
1	300 Cubic Foot Giant Air Compressor
1	9x11 Large Ore Crusher
1	Ten Stamp Mill (Old Style)
1	Fairbanks-Morse Ore Track Scale
2	Steel Dump and ore cars
1	Wood dump and ore car
1	Steel Forge
1	Bellows and blacksmith forge
1	Blacksmith Anvil
1	Lot of belting for all machines and engines
1	Air Storage Tank for Compressor
1	Large Cook Stove
1	Mill House building
1	Assay Office building
1	Mess Hall or dining room building
1	Engine and Compressor room building
1	Blacksmith building
3	Dwelling house buildings
	Many other incidentals too numerous to mention.

are exceptional, and with the efficiency of present-day engineering practice and metallurgical processes, this property has attractive features that are hard to find elsewhere in the mining field.

C. K. TIBBETTS.
Metallurgist.

An original copy of this report signed by C. K. Tibbetts is now in my possession

H. A. Green

President
VIRGINIA DARE GOLD MINING COMPANY.

Los Angeles, California
August 12, 1910

To the STOCKHOLDERS of the
CLIMAX MINING COMPANY
Los Angeles,
CALIFORNIA.

Gentlemen:-

As per your request, I have made the trip, accompanied by Mr. F. K. Haines to Prescott, and from there to the property of the Climax Mining Company, at which place, we carefully went over the entire property, examining the works and machinery. We found everything in excellent condition.

We have verified the accompanying report made by J. K. Truman, and we took a large number of samples which we have had carefully assayed.

We find all the statements made by Mr. Truman to be more than correct. We, also, find that a large amount of development work has been carried on in tunnel No. 5, opening up the lenses sufficiently to prove allthe statements made in Mr. Truman's report.

Mr. Truman's report, we believe to be correct in every substantial particular.

All this, we respectfully submit to you.

(Signed) R. M. Martin

REPORT OF THE PROPERTY OF THE CLIMAX MINING COMPANY
at
PRESCOTT ARIZONA

By J. K. Truman

PROPERTIES

The property consists of twelve (12) full claims 600 x 1500 feet as shown by the foregoing plat, No. 1, besides some valuable claims not shown on maps, but known as the Catoctin Group.

SITUATION

This property is situated on the left bank of the Hassayampa River, and on the south and southwest slope of what is known as Quartz Mountain, in the Hassayampa Mining District, Yavapai County, Arizona Territory, and about 14 miles southwest of Prescott, at an elevation of about 4500 feet. However, by road it is 18 miles. I under-

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TITLE

Titles to the various lode claims are held by location, possession and compliance with the laws of the United States, with no dispute or incumbrance. Arrangements are now under way to patent.

GEOLOGY AND TOPOGRAPHY

The locations are situated on an abrupt precipitous mountain side deeply cut in many places by deep gulches and canyons, thus exposing the vein in many places for quite a distance. The country formation is mostly composed of metamorphosed gneiss and granite, traversed from the northeast to the southwest by an immense intrusive dike of ~~andesitic~~ Porphyry. This intrusive dike varies from 300 to 400 feet in width, and in places is highly mineralized. Inside of this large dike, and running parallel with it, are two secondary, highly colored feruginous porphyry dikes; one on or near the east or foot-wall side or contract, ~~and one on or near the east or foot-wall side or contact~~, and one on or near the west of hanging-wall side or contact, and is intersected in all directions by small stringers of quartz and iron, carrying good values in gold, and which will be more fully described hereafter.

SURFACE IMPROVEMENTS

The surface improvements consist of a good ten (10) stamp mill with concentrator plant, capable of handling from twenty to twenty five tons of ore perday, through a 40 mesh screen. It is furnished with good solid cement battery-blocks and cement floors. All machinery, belting and piping is in place and in good working order and ready for immediate use.

There is a good gravity tramway in good working order, with steel rope and double cars, over which all ores developed in the Climax and No. 4 tunnel, together with all other levels, up to the top of the mountain, are handled and delivered to the top of the mill without re-handling. At the head of the tramway is located a hundred ton ore bin to receive the products from the different parts of the works.

There is a good supply of all mill and mining tools, sufficient for repairing and running the mill and mine. There are, also, four good ore cars, together with about 8,000 feet of iron rails, laid and in good working order and repair.

There is, also, a good office; assay office, with outfit complets; tool house, boarding house, bunk house and dwelling houses, in good order and repair, and capable of accommodating from 20 to 26 men. All tanks and pipe line for conveying water to the mill and boarding house.

DEVELOPMENT

The development, at the present time, consists of about eight thousand feet of tunnels, cross-cuts, drifts and uprises, with chutes and tract, all in place and in good working order to handle the products of the mine, which will be more fully understood by examining the accompanying diagram marked No. 2, which gives the seditional view of th entire length of the property, commencing at the north end of the Rand lode and passing through the Cub, Climax, Lion and Leopard lodes and the level of the mill, to the top of the mountain at an elevation of 1000 feet above the level of the mill. The tunnels, cross-cuts and chutes are all clear of debris and in good immediate working order.

THE VEIN SYSTEM

As hereinbefore mentioned, the vein system is confined with-

in a large andesitic dike, with varying width, averaging about 400 feet and traversing the property with slight variation, from the north to the south, through the entire length of the property. There is evidence in the mine that the formation of the ore deposits extends over a long period, with many disturbances and interruptions. The order of the eruptions are: First, the earlier Andesites; Second, the later Andesites; third, the Rhyolite and Diorite dikes, and recently, the great east and west faults with little or no intrusions.

The earlier adnesites are of a light greyish color and break with a rough fracture, and are of no economic value, showing little or no mineralization.

The later adesites, which occur in the form of intrusive dikes, at or near the foot-wall and hanging-wall of the older andesitic uprising, are much darker, and weathering near the surface to a dark brown or purple tint, so that it is easily distinguished from the older andesitic rocks. It may, also, be easily distinguished from the other from the fact that it carries considerable quantities of iron sulphide mixed with some chalcopyrite which in places is of sufficient amount to make it of some economic value.

The rhyolite and greenstone dikes are intrusive, and in most cases, almost at right angles to a vein system. The rhyolites are mostly fine-grained of a greenish grey color, except where weathered near the surface, and break with a close grained fracture, while the diorites are a coarse green stone and break with a coarse grained flaky fracture.

The general dip of the ~~andesites~~ granite are to the W, NW at an angle of about 15 degrees, as do the veins. The rhyolite dikes being intrusive does not conform to the trend or dip of the andesites, but in most cases, cut the vein system at an angle of about 65 degrees, and dip to the north at from 30 degrees to 60 degrees; but in some cases where they cut through the veins, it spreads out in a wide sheet and follows the line of the vein for some distance. A detailed geologic eximanation might show a genetic relation between this intrusion and the extensive rhyolite bodies to the east of the Rand and Cub lodes, and to the west of the Lion and Leopard lodes. Besides these, there are several extensive faults of more recent date, which cut through the country at right angles to the vein system, which show considerable movement both in the throw and the upward movement, but show very little if any intrusive, but are filled with calcarecus matter, and in places highly kaolinized. These faults haveing been taken advantage of in running the long cross-cuts to intersect the different veins.

In this district, the late andesites are the principal ore bearing formation and for this reason all the development carried on for workable deposit of ore, are run along the line of these dikes, which are all the way from a few feet to sixty feet in width, carrying perceptible quantities of mineral and in places (which will hereafter be more fully dealt with) large bodies of workable low-grade ores. Owing to causes not necessary here to discuss, the ore deposits are very much larger and more regular when traversing the andesitic dikes, where they atain their greatest width and almost, if not entirely, pinch out, when the dikes narrow down.

A well defined fissure follows the general trend of these dikes, in which occur numberous enrichments in the shape of chimneys, lenses or shoots, averaging from fifty feet to two hundred feet in length and varying in thickness, from which high assay results are obtained and mill-runs of from fifty tons to seventy-five tons, show and average in free milling of from fifty-three dollars to fifty-five dollars in gold per ton.

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Over ninety per cent of the output of the mine in the past, has been extracted from these lenses, or shoots. These lenses or shoots occur in pairs and might be termed twin shoots, and they occur at more or less regular intervals of about 200 or 300 feet, and dip slightly to the south, along the trend of the vein or dike.

The numberous rhyolite dikes, heretofore mentioned, although they seem to cut through the richest portion of the ore bodies, seem to bear no generic relation to the ore deposits. They being very much later and cuting rhgough the ore bodies and displacing them, with no apparent enrighment or mineralization of the dikes themselves.

Owing to the fact that the ore veins are much older than the rhyolitic dikes, many faults occur in the veins and ore-bodies which in earlier working of the mine retarded the development to a considerable extent, but as the movement of the fault lines are not very great, it has been found very easy to follow the veins--the throw being always to the right, varying from 2 to 12 feet, and the downward movement following the natural law of faultings. The only apparent exception to those is found in the south or Lion workings, where the ore vein strikes at an angle of 45 degrees to the regular trend of the veins; but as further development is carried on, allowing a more thorough examination, I believe that it will be found that the vein at this point is broken, and through some dynamic action a portion of the vein has become displaced.

ORES

The ores are largely composed of quartz of some kind, in their native state, carrying tellurium, iron sulphides and perceptible quantities of chalcopyrite, which together carry the gold. At the surface and for a depth of 400 feet in places, the ores have become highly oxidized leaving the gold in a free state and subceptible of amalgamation. Beyond that depth, the ores are in their original state and will require different treatment.

In the oxide zone, the quartz in places is full of coarse flakes of gold from which some very rich specimens have been taken. Some of these specimens carry as high as 25% gold. In others, the sulphide bearing quartz has become thoroughly leached, leaving the free gold in vugs and cavities in the quartz, while in others, sulphides have been changed to iron oxides, carrying the gold finely disseminated through the iron, which is imperceptible to the naked eye, but by "panning" shows it to be rich in free gold.

With present development, the ore bodies are opened up about the course of the belt for over a mile in length, and cover a wide area. The veins vary widely in width, but the extent of the mineral deposits as yet not determined. With continuous stopes and levels from 400 foot level, through the Climax, Lion and Cub Lodes, to the surface, with the same ores opened up in the 500 foot level, it would show it to be a continuous, will defined fissure vein.

In the departure from the oxide to the sulphide zones, the ores as is generally supposed, do not drop in value, but rather increase, and the ore bodies themselves, become more regular and of greater extend, thus showing that the most productive and richer part of the mine can be looked for at some greater depth.

GENERAL DESCRIPTION AND CONDITION OF THE MINE

For convenience, in presenting you with a detailed description of the underground workings of the property, I will take each section by itself, beginning at the north end of the Rand lode, and continuing on through to the south end of the Leopard lode, describing

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such work as may seem to be of economic interest.

Near the middle of the Rand lode, there is quitea prominent outcrop of quartz and iron, showing very rapid oxidation; some of the quartz which has formerly been heavy with sulphide is burned to a black scoria. Some little development has been carried on, in the shape of a shaft and a short tunnel and some very good ore taken out and run through the old Wiswell mill at a good profit, but no development of any consequence has been carried on in that part of the ground for a number of years, and the works have gone to decay, rendering it unsafe for examination; but from surface appearances, it would be a likely place to develop a body of ore when reasonable depth is gained.

Passing from the ~~Rand~~ Rand on the north end of the Cub lode, there is a short tunnel about 100 feet long driven in on the vein, which is quite strong and well defined at this point, but no ore of any particular value has as yet developed.

From here, we pass to the crest of the mountain on the south end of the Cub lode. Owing to the extensive workings at this point, which includes part of the Cub, Climax and Lion Claims, they will have to be taken together.

The workings on this part of the property consist of many thousand of feet of tunnels, cross-cuts, drifts, uprises and stopes, but the principal part of the development, which I will dwell upon will be tunnels No. 5 and the Climax adit and Lion tunnels.

Tunnels Nos. 1, 2, and 3, I will not dwell upon, for, although there are quite considerable bodies of low-grade ores, with an occasional pocket of high-grade, still, to be had, yet, during the many years that the mine has been worked, the greater portion of the high-grade ore has been mined and run through the mill, and owing to the condition of the works, with its high stopes and decaying timbers, I did not care to dwell long in their examination.

Tunnel No. 4--Diagram No. 3, given a ground pland of Tunnel No. 4 together with the Climax drift, or adit, which branches off from the No. 4 tunnel, and running to the south of the hanging wall and west faults, and cuts clear across the whole series of dikes. Near the face of the tunnel it cuts through the hanging wall dike, which will be mentioned later, under the Climax drift; from here, the tunnel cuts through the andesitic formation for 350 feet, where it penetrates the ore zone on the footwall side, which is directly under the works, in tunnels No. 1, 2, and 3, and on the same ore shoots. Here, some very high grade ore was encountered, running $300 per ton. An uprise was carried up 160 feet, connecting No. 3 tunnel level, which is used as to pass all the mineral products f om the upper works to No. 4 level, which connects with the head of the tramway. Some stoping was done from this upraise, which produced some very high grade ore. On the north side of the tunnel a drift was run along the line of the vein for 300 feet, uncovering some very fine ore. On the north side of the tunnel a drift was run along the vein for 300 feet. From here, two small stopes were carried up to the No. 3 level, and considerable high grade ore taken out and milled. The work was carried on by leasers and in order to get at the high-grade ores, hundreds of tons of low-grade was thrown over the dump on account of the expense of milling it under the present expense of fuel, etc. which under more favorable conditions would have been run through the mill and more than paid the expenses of mining and milling the high-grade ore.

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The ores on this level are oxide ores, carrying coarse free gold, easily amalgamated and milling about $50.00 per ton in gold. Some of the richest ore taken out of the mine was taken out of this stope. No great amount of overhead stoping was been done from this level as yet, and no under-hand stoping has been allowed.

There is considerable low-grade ore to be had in these stopes, besides considerable good milling ore, samples of which ran from $10.00 to $150.00 per ton, besides large areas of unexplored territory. I took two general samples from the floor of the tunnel which ran respectively $50.00 and $240.00. There is a well known ore shoot, which is developed in the No. 1 tunnel, which should pass down the end of the drift, but as yet, it has not been penetrated.

The chutes and upraises, as well as the track in this part of the mine, are all clear and in good shape for the further exploration of the mine.

The Climax drift--as heretofore stated, the Climax drift is on the handing wall dike for about 400 feet, cutting two distinct high grade ore shoots which you will better understand by examining Diagram No. 2. This part of the works is in virgin ground and no stoping of any kind has been done. The drift follows in on the foot wall of the dike about 150 feet on some low grade ore, and then turns tothe south end of the ore shoot. Here an upraise is carried up to connect with the Lion tunnel, which is 100 feet overhead, and on the same vein, where some very doog ore is developed, as well as some very large bodies of low grade ore which will be mentioned later on. From here, the drift follows the hanging wall for about 150 feet, where it develops another high-grade ore shoot, which it follows for over a hundred feet more.

The first ore shoot is mostly quartz, carrying iron, with some very heavy sulphides. Samples of the quartz assayed on an average of $32.00 per ton, and the sulphide ores assayed $60.00 to $72.00 per ton. The quartz is mostly free milling, while the sulphides are base and will have to be treated in some other way. The second ore shoot is quartz and oxide of iron, and although the gold is fine, is a good free milling ore. Four samples ran respectively $60.00, $43.00, $102.00 and $27.00. The ore is very much similar to the ore in the old works in No. 1, 2, and 3 tunnels and is agood milling ore. These works are also clear and in first-class order for future work.

Tunnel No. 5 is a new cross-cut tunnel, run in on the same level as the mill, and is 200 feet lower in elevation than any other workings on the property, and being situated about the middle of the group, it is the intention when completed to make it the future main working tunnel of the property. It is practically run on the same fault as the No. 4 tunnel, and owing to the inclination of the fault it is about 150 feet to the north of and vertically, 200 feet lower than No. 4. It gains a depth of 500 feet beneath the crest of the Cub and Lion Hills, and when completed will be 1000 feet beneath the top of the Leopard Hill.

Diagram No. 4 gives a ground plan of the No. 5 tunnel, with proposed drifts, as well as those already started.

The tunnel runs straight for 275 feet, when it strikes the fault, and turns to the left and follows it for 700 feet. At 480 feet from the face, it penetrates the hanging wall of the mineral zone. or the same vein that the Climax drift is run on, but 200 foot north

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of the Climax work. Here a low grade vein was struck, which only carried about $7.00 per ton, and lies very flat. Adrift was started to the south from this point, with the expectation of striking some ore at a point about 150 feet from the tunnel, but at 30 feet in, ore running from $12.00 to $350.00 was struck, averaging a little over a foot in thickness, and was followed for 70 feet, with ore still in the breast. As this drift is run on the same vein as the Climax drift overhead, and the shoots developed in that drift dip slightly to the south along the trend of the vine, the same ore shoots should be incountered in this drift, at intervals of about 150 to 175 feet. This drift is like the one above. It is in virgin ground and when finished, together with the Climax drift, will give over 450 feet of stoping ground in height and 600 feet long.

I took a great many samples from this drift, and the average value of the assorted ore was $87.00, while the low-grade ore, with the best ore sorted out, averaged $16.00 per ton. I made a small mill run of 500 lbs. of this low-grade stuff to see whether it was feasible to concentrate with success. The result was a heavy concentrate, running $84.00 per ton.

On the north of the tunnel almost opposite the south drift, another drift was started, and soon developed a good ore shoot, similar to that in the south drift. This drift is in new territory, where no previous work has ever been carried on, so that nothing is known as to the extent of the ore bodies, but it is presumed that it is similar to that on the south side.

From here, we pass to the foot wall side of the dike, 330 feet distant, and about 210 feet beneath the Cub workings. Here, two drifts were started, one running to the south and one to the north, and the same vein as the Cub workings. The drift to the south very soon broke into a rich shoot of sulphide ore, somewhat similar to that in the south drift on the hanging wall, only running higher in free gold. I took two samples from the face of the drift, and one ran $140.00 free milling gold and $230.00 by fine assay. while the low-grade material ran $12.00. Heretofore, no ore has ever been found to the south of this east and west fault, so that the importance of this strike is quite encouraging. The ore is about of the same character as that found on the upper side of the fault, where it was cut off in the faulting. It carries some little tellunium, as well as iron and some chalcopyrite. This drift should develop some very rich ore shoots.

The drift started to the north has not as yet developed any ore, but as it is directly under the rich shoots that was worked in the No. 4 level, good ore can be looked for at any time.

Besides these veins just mentioned, along the line of the tunnel, there are evidences of some other veins of ore onthis level, which do not show in any of the surface workings, nor crop in the surface; and future development may disclose many good veins in this dike which heretofore have been unsuspected.

SOUTH WORKINGS

From these workings, we pass over the Lion Hill to a gulch which lies between the Lion and Leopard Hills, and is known as the south workings. Here is Gehung and others first discovered the rich ore and extracted many thousand dollars from the open workings along the face of the hill, which are still in evidence. The principal works at this point consist of two tunnels and large surface open work. The tunnel running north into the Lion Hill is in 120 feet, and was in ore all the way. Some little stoping was done near the

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mouth of the tunnel, where some very high-grade ore was taken out. There is considerable ore in sight in this stope, and ore still in the breast. The breast of this tunnel is distant 150 feet from the breast of the Climax drift.

The tunnel running south is in about 400 feet and a great deal of ore has been stoped and run through the mill. The ore from this vein is a quartz carrying coarse gold, and the mill runs show a saving of over $100.00 per ton. This vein, unlike the other works cuts the main dike at an angle of about 45 degrees and dips to the ~~southeast~~ southwest. There are evidences of a great deal of disturbance at this point, and the vein may have been crowded out of its general course, the ore from this shoot has been mostly stoped out down to a point ten or twelve feet below the surface of the tunnel. But owing to the peculiar condition of the ground at this point, with many intrusive dikes and cross faults, the vein has been shifted, and up to the present date, no systematic prospecting has been carried on to locate the continuance of the vein. When the vein is finally located, I have good reason to believe that it will develop an ore shoot of great value.

From here, we climb to the north slope of Leopard Hill to a point about half way where there are a number of long trenches dug across the face of the hill. In early days it is claimed that Mr. Genung and others picked up a great number of rich boulders, some weighing half a ton, and packed them to the mill, and these trenches were dug trying to locate the vein from which they came. It strikes me that the trenches were dug parallel to the expected course of the vein, and there was about one chance in a hundred to strike the vein and they did not seem to have struck the one chance. Continuing up the hill to the top of the mountain 1000 feet above the mill level, we find several prospect holes which show some little stringers of ore, but no well defined veinas yet, Passing down the south slope of the mountain, we come to a bold outcrop of quartz, with an open cut. A sample from this quartz ran $6.20. Further down the slope, well toward the end of the property, is another tunnel which is in some 60 feet, showing a small vein running $25.00 per ton in free gold. There is no extensive developments on the Leopard Hill, so that but very little is known asto the exent of the ore veins.

LOW GRADE ORES

As heretofore mentioned, there are several bodies of low-grade ore in connection with the high-grade shoots, which cannot be utilized because of the expense of milling and a great deal of it has to be thrown over the dump when handling the milling ores. Besides, these, there are several surface croppings of large low-grade dikes, notably, the one on the Lion Hill which crops on the surface 400 or 500 feet in length, and somewhere about 100 feet in width. Very little development has been done on this body of ore. I have taken several samples from different parts of the outcrop but they vary to such a degree that it is impossible to base any calculation on them. I, also took one general sample across the middle of the outcrop, but as there are no works or other clearings, it was impossible to get a fair sample under such conditions from so large a proposition. The sample gave me a little over $7.00 per ton. Others have taken samples here with varying results. But I would say that it would be safe to put it at $5.00 per ton.

1938 — 8.75

Allowing the ore to be only $5.00 ore, it is of such a nature that fully 30% of the country rock can be readily thrown out as it is handled, without any loss of time or laber, thus raising the value of the oresent to the mill to about $6.50 per ton, which under favorable milling conditions would insure a good profit to the company.

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I believe it would be to the advantage of any company comtemplating the thorough working of the mine to look into this vein more thoroughly and make th_orough tests, which can only be done by repeated mill tests, which would take some time to accomplish.

ROADS

There is at present, a comparatively good wagon road from Prescott to the mine, and with a small additional outlay, say $1000.00 it can be made a good mountain road for light and heavy freight wagons. The road passes over a high divide and in winter, it sometimes gets blocked with snow and impedes traffic for a couple of months. By expending $6000.00 or $8000.00 in building a road up the Hassayampa River for a distance of 4 miles, and connecting with the Jersey Lily Road, a good wagon road would be secured which would shorten the distance from the mine to Prescott by four miles, and would be low down in the foothills, so that snow would not bother in winter, and would very much lessen the freight rates to Prescott, as well as to cheapen the price of fuel and timbers.

WATER

There is an abundance of water comes from tunnel No. 5, which runs into tanks and is piped to the boarding house and mill giving sufficient for all domestic purposes, as well as furnishing considerable for the mill. When running the mill, the water is pumped from the Hassayampa River, where there is always sufficient for all purposes nine months in the year. This ~~winter~~ water could easily be piped to the mill and save the expense of pumping. The expense would not exceed $500.00

FUEL AND TIMBERS

There is a good supply of timbers and good for fuel within six miles of the property. Wood will cost about $6.00 per cord, and timbers and lagging in proportion.

FUTURE DEVELOPMENT

After making a careful examination of the property and many surveys, as well as hundreds of tests, I would recommend that the future development of the mine be carried on, on the following lines: viz.

First: That the north drift in No. 4 tunnel be carried 100 feet further to connect with the ore shoot that is developed in the tunnel No. 1 over head.

Second: That the Climax drift be run ahead and connected with the South Lion tunnel for air, as well as to open up the ore shoot about 100 feet farther ahead. Also, this tunnel being on the same level as the south workings, all ore that might be mined on that side of the mountains should be brought through the tunnel and dumped in the bin at the head of the tramway instead of having to haul or pack it to the mill.

Third: That the principal development on the property be done in tunnel No. 5 as follows: (1) That the first drift running to the south of the hanging wall be carried ahead at least 600 feet, open up the four well known ore shoots that have been developed over head, in the Climax ~~north-drift-on-to~~ drift and the Lion tunnel, and also, the South Lion tunnel. (2) That the North drift on the same vein be carried ahead for some distance to develop the ore shoot now opened and to prospect the ground for other mineral deposits. (3) That the second drift on the south, which is the Cub vein, be driven ahead 200 feet underneath the upper workings to cut to the two rich ore shoots that are developed in the works above. (4) That the north drift on the same vein be drifted or driven ahead 200 feet for the same purpose.

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Besides these points, there might be some little prospecting done to develop the vein in the south workings or on Leopard Hill. This work would open up an immense amount of stoping ground on well known developed ore shoots. And, last, but by no means the least, before any amount of milling is contemplated, the water power proposition should be looked into for the more economical handling of the low grade ores heretofore mentioned.

WATER POWER

It is somewhat of a conumdrum to me with all the conditions available to understand why this phase of cheap power has heretofore never been taken into serious consideration by the different companies in possession of the property for the more economical treatment of the low grade bodies of ore.

For eight months in the year there are from 1000 to 5000 miner's inches of water going to waste in the river, when by running a ditch or pipe line up the stream for 2,500 feet and putting in a four foot dam, an elevation of about 80 feet can be gained which would easily furnish ample power to run the mill and air compressors for the mine or an electric generator could be put into furnish power for the whole works and use power drills which are badly needed in the lower works, as the formation is very close and hard. Within a few minutes' thought, you will readily seethe great advantage gained in running with water power over that of steam, not taking into consideration the many uses it could be put to, besides. The mill run by water power will develop fully 25% more efficiency that a steam power plant in a small plant, with less wear and tear on both machinery and man. In taking into consideration the treatment of the low grade ores the difference in the expense in the two systems would be about as follows for each 24 hours run:

By steam, you would have two mill men, $10.00; one crusher man $3.00; one laborer, $2.50; five cords of wood @ $6.00 per cord, $30.00; wear and tear, $6.00, oil, etc., $1.00; making a total of $80.50 for 20 tons treated.

By water you would have two mill men, $10.00; one crusher, man, $3.00; wear and tear, $5.00; oil, etc., $1.00; making a total cost of $19.00 for 25 tons treated.

RECAPITULATION

Power Used	Steam Power	Water Power
2 mill men at $5.00 per day of 12 hours	$10.00	$10.00
One crusher man $3.00 per day of 12 hours	3.00	3.00
Wear and tear on machinery	6.00-	5.00
Oil etc.	1.00	1.00
One laborer to help engineers	2.00	
5 cords wood @ $5.00 per cord	30.00	
2 Engineers @ $4.00 per day of 12 hours	8.00	
Total expense per day of 24 hours	$60.50	$19.00
Tons of ore treated	20	25

TREATMENT

Heretofore all ores treated at the mine have been surface ores or free milling ores and with the exception of a few tons of concentrates, the future treatment of the baser ores have not been as yet taken into consideration. But as a depth is gained, the free milling ores begin to lessen until now in the lower works, the greater portion of the ores are base, so that there will have to be other processes used for the extraction of the precious metals. The ore could be hand sorted and the high-grade ore shipped direct to the smelter or as there is about 10% or 15% of free gold in the base ore, it

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could all be run through the mill and the coarse free gold saved by amalgamation, and the concentrates subsequently roasted and treated by the chlorination process on the ground, thus saving the cost of transportation.

OUTPUT

In converstion with Messrs Genung, Thompson, Lewis and Rowe, it is claimed: "That the mine before the present company got possession of the property, produced from its surface workings with the arastra and other modes of milling, in the neighborhood of $300.000.00 The present company, from the mint returns, which are on file, since the property came into its possession, recovered $25,000.00 or more.

Respectfully submitted,

(Signed) J. K. TRUMAN

SUPPLEMENTAL REPORT
OF THE
PROPERTY OF THE CLIMAX MINING COMPANY
at
Prescott, Arizona.

To the Directors of the Climax Mining Company:

We visited the tunnels, stopes, and drifts of Tunnels Nos 1 and 2 of the Climax Mine and examined them all carefully, finding much ore running from $5.00 to $15.00. Several veins in tunnel No 3 clearly outlined showed values between $15.00 and $25.00. There is, also, considerable ore about 100 feet long, 2½ feet wide, that assayed $36.69. (See assay sheet No. 1-#16)

In the Truman drift, there is exposed a vein about 8 to 10 inches wide, exposed 18 feet, that averages $243.10 (see assay sheet No. 1-#17).

Considerable other ore bodies are exposes showing $10.11 (see assay sheet No1-19) and $39.69 (see assay sheet No. 1-#16)

As mentioned in the Truman report, there is a large porphyry dike capping the Lion Hill that was particularly attractive to us. The outcropping is plainly traced from 100 feet to the apex this is plainly outlined. Tunnels, drifts and stopes prove that the ore exists as stated in Truman's report one mill run of 200 tons netted $6.00 per ton.

We carefully sampled the outcroppings.

Assay sheet Nos. 1-#4-#5-#6-#7-#8-#9 show careful surface sampling.

Assay sheet No. 1 assays #10 and #11, show the sampling of the upraise about 175 feet from the apex. Careful, conservative figures show that there is more than one million tons of ore that will conservatively net $5.00 per ton, if handled by water power.

The Climax drift shows us excellent ore, the lense is exposed for about 125 feet and still in the face of the tunnel. Assays of the entire face of this drift show values of $55.17, mostly free gold (see assay sheet No. 1-#12).

We took careful sample running the entire length of this lense on the ore only and got $143.70 (see assay sheet No. 1-#13).

A grab sample from a passing car of waste secured us $7.95.

We visited the South tunnel, where excellent values have

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taken in the past. In this tunnel some 100 feet of new work has been finished since December 26, 1909. Here we found some good bodies of ore running $14.21 per ton (see assay heet Nos. 1-#5).

There is considerable ore that carried from $21.32 to $8.37 per ton, also, developed in this new work (see assay sheets No. 1 and2)

Tunnel No. 5 is fully described in the Truman report, except that in the drifts mentioned much work has been carried on and in each case continuing in ore. The average value of the ore from all the drifts in Tunnel No. 5 show values of $82.93 (see assay sheet No 2)

Careful samples from the Cub vein show values of $141.07 vein strong 18 inches (see assay sheet No 3.)

There are two ore shoots being opened up in the North end of Tunnel No. 5 that show values of $61.59 (see assay sheet No 4) and $65.71 (see assay sheet no. 5.). These veins or shoots run from 12 inches to 2½ feet.

Attached to this statement, you will find a conservative test of the Pacific States Assay Company that plainly shows and states that the ore in No. 5 is a concentrating proposition and not a smelting ore as we supposed.

We heartily recommend that the work of installing the water power be pushed as fast as possible, using the intake at 4,880 feet above the present mill, bringing the water to a reservoir above the bunk house, giving a fall of about 138 feet. The accompanying pictures clearly illustrate that plenty of water to create power to operate the entire property is running to waste, and taking all year schedule that has been sufficient to supply 500 miner's inches, with the exception of 3 yrs in the 11 years, and always for, at least, 9 months in the year.

We suggest that two Huntington mills be installedbehind the stamps and that, at least, two power drills be installed as soon as power is completed and that the development of Tunnel No. 5 be carried out as outlined in Truman's report.

Respectfully submitted,

(SIGNED) R. M. MARTIN.

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PS: I would also state that the mill and other improvements on the property are in excellent condition and well taken care of. Two ore shoots in Tunnel No 5 have been carefully gone over, and the amount of ore above Tunnel No. 5 carefully estimated by Mr. Spaulding, Mr. Truman, Mr. Haines and myself. We believe, speaking conservatively, that from 7,000 to 10,000 tons of ore averaging from $50.00 to $75.00 per ton is developed at the present time.

(SIGNED) R. M. MARTIN

PS: Basis of tonnage of low grade ore of Climax Mining Company, based on J K Truman's trport of 100 x 500 x 350 feet total 17,000,000 cubic feet, allowing 12 cubic feet per ton and showing better than 1,000,000 tons.

ASSAY SHEET NO. I

George W. Gooch
Analytical Chemist
Los Angeles, California — July 27, 1910

Marked	Gold per Oz. Troy	Ton Value	Silver per Oz. Troy	Ton Value	Total Value
# 1	0.10	2.07	0.5	.25	2.32
# 2	0.40	6.27	0.2	.10	3.37
# 3	0.68	14.06	0.3	.15	14.21
# 4	0.16	3.31	none	----	3.31
# 5	0.56	11.58	none	----	11.58
# 6	4.60	95.08	none	----	95.08
# 7	0.12	2.48	none	----	2.48
# 8	0.12	2.48	none	----	2.48
# 9	none	none	none	----	----
#10	1.14	23.58	none	----	23.58
#11	0.34	7.03	none	----	7.03
#12	2.64	54.57	1.2	.60	55.17
#13	6.92	143.05	1.3	.65	143.70
#14	0.38	7.85	0.2	.10	7.95
#15	none	none	none	----	----
#16	1.92	39.69	none	----	39.69
#17	11.75	245.10	none	----	243.10
#18	none	none	none	----	----
#19	0.48	9.92	0.04	----	10.12
#20	none	none	none	----	----
#21	none	none	none	----	----

Baverstock and Staples
Los Angeles, California — August 4, 1910

Gold per Oz. Troy	Ton Value	Silver Per Oz. Troy	Ton Value	Total Value
4.00	82.88	.65	.25	82.93

Silver 50 Cents per oz Troy.

Assay Sheet No. 3

George W. Gooch
Los Angeles, California. — August 4, 1910

Gold	6.8 Troy Oz	Value	$140.57
Silver	1.0 " "	"	.50
	Assay Sheet No. 4	Total Value	$141.07

R. A. Perez
Los Angeles, California — August 5, 1910

Ozs Gold	Ozs Silver	Value per ton
2.98	Trace	$61.59

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Assay Sheet No. 5

John Herman, Chemist
Los Angeles, California

August 5, 1910

Gold Oz	Value	Silver oz	Value	Copper	Value	Total
2.41	49.81	1.8/10	.90	6	@15	65.71

Concentrating Sheet

Concentration Test	Silver	Value	Gold oz.	Value	Copper
Ore	.60	---	2.68	53.60	0.60
Tailings	.10	---	.59	10.00	0.27
Conc	2.00	---	13.00	260.00	1.47
Slimes	.20	---	.13	6.00	0.67
Regrinds	.11	----	1.54	30.80	----

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