CONTACT INFORMATION
Mining Records Curator
Arizona Geological Survey
1520 West Adams St.
Phoenix, AZ 85007
602-771-1601
http://www.azgs.az.gov
inquiries@azgs.az.gov

The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

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07/28/86

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: CRAMM MTN.

ALTERNATE NAMES:
WOOLFE ESTATE
BLUEBIRD
MILWAUKEE

MARICOPA COUNTY MILS NUMBER: 598

LOCATION: TOWNSHIP 7 N RANGE 4 E SECTION 12 QUARTER C
LATITUDE: N 33DEG 58MIN 18SEC LONGITUDE: W 111DEG 54MIN 00SEC
TOPO MAP NAME: NEW RIVER MESA - 7.5 MIN

CURRENT STATUS: EXP PROSPECT

COMMODITY:
COPPER SULFIDE
IRON SULFIDE

BIBLIOGRAPHY:
USGS NEW RIVER MESA QUAD
ADMMR CRAMM MTN MINE FILE
ADMMR BLUEBIRD MINE FILE

BLUE BIRD MINE

James Thompson (Thomson) reported that he had combined the Cram Mtn. Mine with the Blue Bird and Milwaukee Mines by option, to consolidated the mineralized areas along a major fracture.

LEWIS A. SMITH
11-13-59 WR

See: E/MJ Oct. 9, 1920, p. 714 & aereal geology map ~~in file cabinet~~

Copies of originals held by
Louis & Cynthia Loerzel
Prescott Arizona

Copper Prospect
of L. Loerzel 1947
Recorded Claim "Nan"

Copper 12½%
Gold - $10.52 per ton
Silver - trace
Cave Creek, Arizona

Copper Prospect
of L. Loerzel 1947
Recorded Claim "Nan"

Copper - 12½%
Gold - $10.52 per ton
Silver trace
Cave Creek Arizona

11-13-2002.

CRAM MOUNTAIN GROUP [redacted] MARICOPA COUNTY

R. E. Woolf, owner of the Cram Mountain Group, Cave Creek, 806 W. Roosevelt, was in for a list of consultants and since he desires to patent his claims, he wanted to ascertain if he had sufficient showings. He has 8 claims. LAS WR 6-30-64

Went to Cram Mountain Mine (on top of Cram Mtn). No one was there. There are two D8 dozers (one with ripper), a 10-15 cuyd scraper, a service truck with boom, a flat-bed truck, a 100 cfm portable compressor and a portable welding rig. It appears a great deal of drill sites have been built in an area ± one sq. mile. Five wagon-drill holes were noted. Near one was 8 piles of sample cuttings. The drill wasn't found, but there were several pieces of wagon-drill steel on a truck. GW WR 4-5-71

Chas. Bearup has been doing a great deal of surface prospecting and wagon-drilling on Cramm Mountain. No results of this work are presently available. GW QR 4-8-71

Visited the Cram Mountain group, but found no one. GW WR 11/7/75

KAP WR 3/27/87: Bob Richardson, Lachlan Resources, New South Whales, Australia called for information on the Cramm Mtn. Property (file) Maricopa County. He said the property was being promoted as a gold, silver and platinum deposit, which we were already aware. He said his company doubted the platinum, but felt the property had potential as a precious metal exploration target.

KAP WR 3/27/87: Bob Richardson, Lachlan Resources, New South Wales, Australia called for information on the Cramm Mtn Property (file) Maricopa County. He said the property was being promoted as a gold, silver and platinum deposit, which we were already aware. He said his company doubted the platinum, but felt the property had potential as a precious metal exploration target.

CRAMM MTN. MARICOPA COUNTY

NJN WR 8/24/86: Dave Lorge, geolgist with S & G Mining (c), reported the company has dropped the Cram Mountain (f) Maricopa County and have provided owner Charlie Bearup (c) with a copy of all their drill and sample data.

MG WR 7/18/86: Mrs. Frances Kalin of Pullman, Washington called to inquire about the Houston R & R Corp. She received a request to invest $6,500 in a gold-silver-platinum metals property referred to as the Bearup. The ore is said to contain 2 oz/ton Pt, and an old "Russian" process will be used to recover the metals. After making a few phone calls and a discussion with Nyal Niemuth, it appears that the property is the Cramm Mtn, group (Maricopa County) owned by Mr. Charles Bearup. Houston R & R is the same as the Houston Corp. (c) with principals: Mr. R. T. Houston and his son Robert Houston. It was confimed to me by a Mr. Mike Paugh of Burr Brown, a local computer parts manufacturer, that he has assayed samples, submitted by the Houstons, containing up to 87 ppm Pt. This platinum, however, was contained in small drill cuttings taken from a dore bar. The analysis was done using a Beckman Direct Current Plasma (DCP) instrument. Burr Brown normally uses this analytical procedure to monitor contaminants (in the ppm range) in the chemicals received and utilized in the manufacture of computer parts. I sent information to Mrs. Kalin and she promised me copies of any literature she expects to receive.

NJN WR 7/11/86: Hilton Cass, Geologist, Forest Service Zone Office, reports that Houston Corp (c) of Chandler, Arizona is processing ore from Charlie Bearup's (card) Cramm Mtn Group (file) Maricopa County, supposedly for the platinum group. Mr. Bearup has had Del Tierra Engineering (card) perform mineral surveys on his claims for patent application.

CRAM MOUNTAIN GROUP [redacted] MARICOPA COUNTY

James Thomson reported that he had combined the Cram Mountain Mine with the Blue Bird and Milwaukee Mines by option to consolidate the mineralized areas along a major fracture. LAS WR 11-13-59

RRB WR 8/29/80: Charlie Bearup, 5633 Indian School Road, Phoenix, Arizona, phone 957-0175, reports that he is operating a crusher, jig and table at the Cram Mountain Group, Maricopa County. He is losing the fine gold and says that he would like to sell out.

Bob Swadley, 43311E. Northview, Glendale, AZ. reports that he has given up on the Columbus Group, Yuma Co. and that he has now made arrangements with Charlie Bearup to operate the Copper, Jackpot and Sierra Cobra Claims (Cram Mtn. Group). He reports assays of 1 to 1/5% copper, .27 oz. gold and 2.31 oz silver from samples he took himself. He is setting up a column test for next week and if all goes well he will build a small pad for a heap leach test.

NJN WR 12/25/81: Howard Wurtz of the Forest Service, Arizona Zone Office, reported that Gold Field Mining Corporation, NY.NY., A subsidiary Of Consolidated Goldfields Ltd., has Bill Brown as a contact in New York at phone (292) 880-5100. They also have a Denver exploration office manned by Jim Hastings and Bill Lindquist, phone: (303) 988-0360. They are reported as being interested in acquiring the Cram Mountain Group (file) Maricopa County.

RRB WR 11/20/81: Bob Swadley brought in a stack of assays run by Gold Fields on the Cram Mountain property he is leasing from Charlie Bearup. These assays show practically nothing from the same places that he took samples showing 0.10 oz/ton of gold or more. He had his samples run by AA and on my recommendation he will take more samples and have them fire assayed.

RRB WR 2/12/82: Bob Swadley reports that he has dropped his option on Charlie Bearup's Cram Mountain group.

SAMA MTN

DAMES & MOORE

POINTE CORPORATE CENTRE,
7500 NORTH DREAMY DRAW DRIVE, SUITE 145,
PHOENIX, ARIZONA 85020
OFFICE: (602) 371-1110 FAX: (602) 861-7431

To: NYAL NIEMUTH FAX #: 255-3777
AZ Dept. of Mines

From: MICKEY SIEGEL

Date / Time: 1-19-94/

Number of pages (include cover sheet): 2

Charge number: 02434-050

Message Nyal — Attaching letter of intent from "CAN-AM" PYE. The following two individuals were working with a Don Crosby — Let me know if any further information.

Phn- 949 8660

Chuck Lucas

Terra Minerals, Inc.
Exploration & Resource Development

(510) 889 - 9033
(510) 889 - 9023 Fax

27308 Fairview Avenue
Hayward, CA 94542

Allen Fecht

Terra Minerals, Inc.
Exploration & Resource Development

(510) 889 - 9033
(510) 889 - 9023 Fax

27308 Fairview Avenue
Hayward, CA 94542

If unclear or incomplete
please call (602) 371-1110

Operator:

Date / Time:

THE ABOVE AND BOB ROSE ARE INVOLVED IN A JUSTICIOUS

CAN-AM

Canadian American Phoenix Minerals, Inc.
4205 Winfield Scott Plaza #6
Scottsdale, Arizona 85251

District Ranger
Cave Creek Ranger Station
P.O. Box 5068
Carefree, AZ 85377

Dear Sirs:

This is a letter of intent to remove fifty (50) tons of ore from Cramm Mountain for testing.

Operator:	Can-Am Phoenix Minerals, Inc. 4205 Winfield Scott Plaza #6 Scottsdale, AZ 85251 Telephone (602)949-8680
Area of Operation:	Tonto National Forest Cave Creek Mining District Unsurveyed Section 2 T. 7N, R. 4E. G&SRM
Access:	From the road North from Seven Springs to Forest Road No. 472 thence west to the claims and mining area. See map attached.
Proposed Operation:	The ore will be taken from the existing open cut on the existing roadway as shown on the map. It is estimated that approximately 50 tons of this material will be required for this testing.
Equipment Required:	One(1) Bulldozer (small) One(1) Loader One(1) 10 Wheel Dump Truck
Owners of Claims:	Can-Am Phoenix Minerals, Inc. 4205 Winfield Scott Plaza #6 Scottsdale, AZ 85251
Details of Plan:	Pit sampling will be conducted in existing pit, on existing roads, with no additional disturbance being required. It will not take over three(3) days. Removal will commence on or about January 17, 1994. Every effort will be made to prevent damage to the surface and the adjacent areas.

Sincerely Yours,

Allen Fecht

Dr. and Mrs. Elwood W. Kalin
S.W. 320 Skyline Drive
Pullman, WA 99163

GEO
RISTS
)1 • (619) 235-0031

Thank you for your cir dat on mining scams. I was trying to protect my daughter from doing something foolish. Thank you for your help. Here is the offer for the recd.

Mrs. E. Kalin

I do'nt know what has happened since July.

July 15, 1986

Dear Margaret:

In response to our phone conversation of Friday July 11, 1986, I will attempt to set forth a brief outline of the background of the Houston Corporation, its principals and its ability to process precious metals especially the platinum group.

As you might be aware, the processing of the "Platinum Group" metals from mined ore in the United States has been the topic of many debates and considered by most not to "exist".

It is agreed however, that most of the platinum that is processed in the Unites States is recovered as a by product of copper ores. Houston Corporation through its principals Mr. Reese Houston and Mr. Robert Houston have developed a process that has been proven for the recovery of the platinum group metals from placer claims and further have established a very strong relationship with certain claims that have proved values in excess of two ounces of platinum group metals per ton as well as gold, silver and copper.

The Houston Corporation's plant is located in Chandler, Arizona in an industrial park owned by the Gila Indian Reservation. It is approximately 12 miles from Sky Harbour Airport of Phoenix and consists of 8 acres of fenced land. The present capacity of operations is twenty (20) tons of mined ore per day and it is the intentions of the Houson Corporation to expand it by this fall to one Hundred tons per day per shift. To accomplish this requires the investment of capital for the acquisition of additional equipment by way of example, crusher, pulverizer, filtration system to include a belt filter, press filters, new plating equipment and the rigging of this equipment.

It has been determined that the platinum group metals have been increasingly difficult to obtain for end users and to that end it has been considered that an end user may be interested in making an investment with the Houston Corporation which could take the form of an advance against delivery of dor'e bar containing gold, silver, copper and the platinum group metals. The representative bar that we have now been producing has contained 6.2% gold, 55.5% silver(which was inquartered per process), 5.3% platinum, 1.7% palladium, 5.69% iridium, 6.41% ruthenium, 6.8% rhodium and 12.4% copper. The percentage of silver can be reduced to approximately 35% thereby increasing the other nobel metals proportionately.

ARIZONA DEPT. OF MINES & MINERAL RESOURCES
STATE OFFICE BUILDING
416 W. CONGRESS, ROOM 161
TUCSON, ARIZONA 85701

National 1 (800) 828-8888
California 1 (800) 535-2233

This dor'e bar may then be refined by the end user or traded by the end user to a refinery for their requirement in any of the nobel metals.

The above referred to assay was performed by the Burr-Brown Company of Tucson, Arizona who maintain a quality assurance laboratory for the assay of the nobel metal group.
The dor'e bars that have been produced have been assayed by laboratories that have a Direct Current Plasma Emission Spectrometer (Spectraspan) manufactured by Beckman Instruments.
The Houston Corporation has the bar assayed by a laboratory of this type in Phoenix and the buyer of the dor'e bar has it assayed at a properly equipped laboratory of its choosing. The value of the bar is then determined based on the agreed upon assays of the two assayers and payment is then made. The amount of payment is negotiated between buyer and seller and payment is made based upon spot price of the day of sale less a negotiated percentage for the cost of refining.

The Houston Corporation is looking for a long term relationship with an end user. This negates the problem of dealing with the open market relative to the control that is presently in the hands of a very select group of refineries. It is Houston's firm belief that by September 30th 1986 it will be able to deliver a minimum of two hundred (200) ounces of platinum group metals per day plus approximately 50 ounces of gold and the silver that would be required to process the platinum group metals.

I enclose herein for your information copies of the resume's of Mr. Reese T. Houston and Mr. Robert Houston the principals involved in the formation and running of the Houston Corporation as well as having developed the geochemistry to process the platinum group metals from placer claims. I am sure that you will agree that these men are very qualified in their fields of expertise.

Upon your receipt and review of this letter I respectfully request that you contact the undersigned who is acting as the Investment Banker for the Houston Corporation so that we may arrange a meeting with the Houstons as well as a visit to the plant and to the mine that the nobel metals are being processed from. Thank you for your cooperation in this matter, I remain

Very truly yours,

Kenneth G. Bernard

Mr. N. Niemuth,
Department of Mine Mineral Resources,
Mineral Building, Fairgrounds,
Phoenix,
Arizona 85007.

July 30th 1986

Dear Mr. Niemuth,

Many thanks for your most valued advise concerning mining investments. Needless to say, I did not invest in the Houston R & R Corporation!

I am enclosing all the documentation that I have on the above mentioned Corporation for your perusal. It will be interesting to know just what they turn out in six month's time!

I will leave for England on August 12th and should be back in the States by October 3rd. Upon my return, I would like to contact you, just incase you have heard of any further developments regarding the Houston R & R Corp. I hope that you do not mind if I do this.

Once again, many thanks for your invaluable advise in this matter.

Yours sincerely,

Marc Suwanarak

Marc Suwanarak

Marc Suwanarak,
8970 Dallas Street,
La Mesa,
CA 92041.

Tel: (619) 464 8571

INVESTMENT MEMORANDUM

HOUSTON R & R CORPORATION
1371 SOUTH NELSON DRIVE
CHANDLER, ARIZONA 85224

The Houston R & R Corporation was founded in 1984 by Mr. Reest T. Houston and Mr. Robert Houston for the purpose of research and development of the processing of precious metals from mineral bearing aggregate. The Houston's over a long period of time had been working on a particular process of recovering the platinum group metals from certain types of mineral bearing aggregate derived from placer claims and it was their firm belief that contrary to popular opinion the platinum group metals were found in the southwestern United States and were recoverable economicallly through their process.

In March of 1986, the Houston's were ready to prove their process and through various contacts of theirs had tested several mining claims using various assaying techniques and were able to positively identify platinum group metals in sufficient quantity to enter into a contract with two mining groups for the recovery of the precious metals in their ore.

Houston's then entered into a contract for the financing of their plant operation with Guildcor Financial Inc., of San Diego, California and after approximately three months of pilot plant operation have produced precious metals from the Bearup Mine located in Maricopa County, Arizona containing values of approximately $1100 per ton.

These values were consistently proven in laboratory assay and metal recovery. However, the plant processed approximately four tons of mined ore and poured the precious metal therefrom and it was assayed as containing the approximate value of $1100.00 per ton. This assay was performed by the laboratory of Burr-Brown of Tucson, Arizona. Burr-Brown is a manufacturer of microelectronic components as well as other electronic equipment. As part of their operation they have a Quality control assurance laboratory which is highly qualified to test the precious metals contained in a given metal object. They were sent the test bore from the Houston's bar which was poured and the values derived were as stated above.

The Houston's having developed this proprietary formula have agreed to pay a royalty to investors willing to invest $300,000.00. The invested monies will be used for equipment and working capital necessary to expand the plants capability to process one hundred tons of mined aggregate per day. The royalty to be paid is a 5% royalty of the gross receipts recovered from processing one hundred thousand (100,000) tons of mined material from the Bearup Mine. The Houston's contract with Mr. Charles Bearup who owns the mine stipulates that the Houston's may remove four thousand (4000) tons of material per month for twenty-five months. Mr. Bearup will receive $2.50 per ton in advance and must load the material on the Houston's trucks for said amount. Mr. Bearup will then receive a royalty of 15% of the gross reciepts recovered. The Houston's have agreed to pay the investors 15% of the gross reciepts until such time as the original $300,000.00 has been recovered and then said royalty will decrease to 5% for the remainder of the processing contract.

The above numbers reflect a projected gross revenue over the term of the processing contract of approximately one hundred million dollars. The royalty of 5% therefore approximates five million dollars.

The additional equipment needed for the plant expansion is pulverizing equipment, filtration equipment and plating equipment. The operation working capital required is approximately $12,000.00 per week for approximately four weeks. Their has been approximately $125,000.00 of the required investment raised and invested to date and the remaining $175,000.00 is needed to complete the project.

The investor has also been granted a security interest in existing plant equipment totaling approximately $325,000.00. This security interest is being held by Guildcor Financial Inc. as trustee for the investors through I.F.S. Houston Bearup Trust, a division of Guildcor Financial.

For every $25,000.00 invested an investor will receive an amount equal to 1/12 of 15% of daily receipts which are anticipated to be a minimum of $70,000.00 per day commencing September 30, 1986 until the initial investment is returned and then a $25,000.00 investor will recieve 1/12 of 5% thereafter. This figures to 1.25% of $70,000 or $875 per day until the $25,000 is returned and then .416% of $70,000 or $291.00 per day thereafter for the life of the contract.

300,000 we need.

50,000 was $\frac{1}{6} \times 5 = 30$.

25,000 $= \frac{1}{12}$

$700.00 a ton
100 x
70,000
$2,800.00 a day

$100,000
15%
15,000
30 days
$300,000

100,000
x 5%
$33.
6 | 5000
48
20

INSTRUCTIONS: Use this form to perfect a security interest. Use form F-UCC-2 for any changes to this financing statement. Use form F-UCC-3 to request information or copies of another party's presently effective financing statements or statement of assignment.

This instrument was recorded at request of:

The recording official is directed to return this instrument or a copy to the above person.

Space Reserved For Recording Information

UNIFORM COMMERCIAL CODE FINANCING STATEMENT

F-UCC-1 © LawForms 6-72, 9-81

Effective Date	County and State of Transaction
5-16-86	Maricopa Arizona

DEBTOR (Name, Address and Zip Code)	SECURED PARTY (Name, Address and Zip Code)
Houston R & R Corporation 1371 S Nelson Drive Chandler, Arizona 85226	I.F.S. - Houston, - Bearup Trust Intergrated Financial Services 701 "B" Street Suite 2255 San Diego, Ca 92101

Assignee of Secured Party (Name, Address and Zip Code)	Record Owner of Real Property, If Not Debtor (Name, Address and Zip Code)

Counties Where Collateral is Located	☐ Products of Collateral are also covered. ☐ Proceeds of Collateral are also covered.
Maricopa	

Financing Statement covers the following types or items of property:

Exhibit A- attached -Equipment Inventory

If collateral is timber to be cut, crops growing or to be grown, minerals or the like, accounts to be financed at the wellhead or minehead of the well or mine, or goods which are or are to become fixtures, the real property to which these are affixed or concerned is legally described:

☐ This financing statement is to be filed in the office where a mortgage on the real property would be recorded.

This Financing Statement is filed or recorded without Debtor's signature to perfect a security interest in collateral which:

☐ Is already subject to a security interest in another jurisdiction when it was brought into the state or which Debtor changed location to this State;
☐ Are proceeds of the original collateral described above in which a security interest was perfected;
☐ Is no longer effective due to lapse of the original filing;
☐ Was acquired four months or less after Debtor has changed its name, identity or corporate structure.

Reese J. Houston .....

RESUME

Reese T. Houston

3407 E. Roberts Rd.
Tempe, Az 85281

PERSONAL: Birthdate: June 16, 1914
Place: Apache, Arizona

EDUCATION: College: 1948-1955-1960
Business Graduate Courses: LA Business
Grade and High School: Mesa, Arizona

EXPERIENCE:

1984-1985 President of Houston Corporation, Manufacture Mining Equipment and Processing of Minerals.

1982-1983 President of Lodestar Management Company. Processing of Minerals.

1979-1982 Manager of operations for a limited partnership in Phoenix, Arizona area, in the development of extracting gold and silver from tailings ponds.

1976-1978 Vice-President, Ymax Industries, Bedford Texas. Ymax Industries is a consultant firm for mining and oil properties.

1975-1976 Drilled and developed oil wells in Texas for major oil companies. Drilled oil wells in Forth Worth Basin.

1971-1975 Manager of drilling operations for Leben Drilling, Inc. Wichita, Kansas. Purchased the company in 1974.

Owned and Operated the following Companies:

Leben Drilling	Wichita, Kansas
Hivac Developement	Bedford, Texas
TelCal	Abilene, Kansas
Houston Drilling	Bedford, Texas
Maxwell Well Serv.	Longview, Texas

1970-1971 Started drilling operations in Abilene, Texas, for oil.

1955-1970 Owner and operator of Houston Tool Company. Simi, California. Developed and patented many units for drilling and concentration mineral deposits. Received the Blue Ribbon Award for the most outstanding development in the mining field in the United States in 1958 and again for all the world in 1961. Developed all of Sampling and

1960-1970 Supt. of engineering and manufacturing of Houston Tool Co. Received the Blue Ribbon Award for the most outstanding development in the mining field in all the world in 1961. Supervised shipping and technical training of all Houston Drilling Rigs sold all over the world. Perfected and mapped the underground water with Agriculture Research Service for all of the United States in 1963.

References and additional information furnished upon request.

RESUME

Robert R. Houston

737 S. Priest
#81
Tempe, Ariz.
85281

EDUCATION

High School:	Simi Valley High School Simi, California
College:	Ventura College, (Engineering) Ventura, California

EXPERIENCE:

1984-1985	Vice President, Houston Corporation, Process Minerals, Manufacture Mining Equipment.
1982-1983	Assistant Manager, Lodestar Management Process Minerals.
1978-1982	Consulting Engineer for the following companies: Houston Corporation, Sulphide Mining, CHK Corporation, VS&R, Pacific Energy Corp, Hassayampa Mining, Monarch Mining, L&M Oro, Riddle Oil Company, Geneva Minerals, National Energy, Amarada Hess, and Nuclear Energy.
1977-1978	Designed and Manufactured pulverizer and concentrating equipment. Reno, Nevada.
1976-1977	Manager of core, water and oil drilling operations for Mountain Meadow Drilling Company, Susanville, California.
1975-1976	Drilled and developed oil wells in Texas California and Nevada for major oil companies.
1971-1975	Manager of all trucking operations for Leben Drilling Company, Wichita, Kansas. Assistant Manager for the following:

Leben Drilling	Wichita, Kansas
HiVac Development	Bedford, Texas
TelCal Drilling	Abilene, Texas
Houston Drilling	Bedford, Texas
Maxwell Well Serv.	Longview, Texas

1970-1971	Drilled and developed oil well operations in Abilene, Texas.

1955-1970 (cont'd)

and Drilling Equipment for Atomic Energy Commission in 1958 and 1962. Developed and mapped the underground water with the Agriculture Research Service for all of the United States in 1963.

1952-1955 — Vice-President and co-inventor of oil drilling tool for American Percussion Tool Company, Inc for the development of oil.

1943-1952 — Supervisor for Simco, Inc. syndicate for land,mineral, oil and water development in California, Nevada, Idaho and Oregon.

1941-1943 — Army Engineers in Iran.

1938-1941 — Construction Business in Los Angeles, Ca. California licensed contractor.

1935-1938 — University of Arizona manager of experimental studies of protein supplements in animal husbandry.

BACKGROUND INFORMATION:

1955-Present: Consultant to major oil companies, mining companies, industrial developments and various governmental agencies. A list of a few oil companies are: Richfield, Shell, Mobil,Phillips,Sun, Sinclair,Kerr McGee.
Mining Companies:
Reynolds Metals, Aluminum of Canada, Kaiser Engineer Aluminum, Industries Kennecott Copper, Cyprus Mines, Utah Construction and Mining Company, Columbia Iron Mining. (Subsidiary of U.S. Steel).
Industrial Companies:
Pacific Power and Light, Texas Instruments General Motors Defense Research Lab, Metropolitan Water, Los Angeles Southern Cal Gas Co, Pan American World Airways, Nuclear Rocket Division, Reynolds Electric Company Atomic Energy.
Governmental Agencies:
U.S. Department of Interior, Atomic Energy Commission, U.S. Forest Service, N.A.S.A.

REFERENCES: References and additional information furnished upon request.

ARIZONA DEPT. OF MINES & MINERAL RESOURCES
STATE OFFICE BUILDING
416 W. CONGRESS, ROOM 161
TUCSON, ARIZONA 85701

HOUSTON - BEARUP MINING PROJECT
1371 South Nelson Drive
Chandler, Arizona 85226

NOTE: THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH THE DEPARTMENTS OF CORPORATION FOR THE STATES OF CALIFORNIA AND ARIZONA NOR THE SECURITIES EXCHANGE COMMISSION.
THE OFFEROR IS RELYING ON THE PRIVATE OFFERING EXEMPTION UNDER FEDERAL AND CALIFORNIA AND ARIZONA LAW FOR THE PURPOSE OF THIS OFFERING. THE OFFERING OF THIS SECURITY BY THE OFFEROR IS STRICTLY LIMITED BY THE METHODOLOGY SELECTED BY THE OFFEROR. THE SECURITY OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK AND EACH INVESTOR HAS MADE HIS OWN DUE DILIGENCE INQUIRIES.

A G R E E M E N T

Agreement made this _____day of May 1986 by and between _____, hereinafter referred to as "Investors", the Houston Corporation 1371 South Nelson Drive, Chandler, Az, hereinafter referred to as "Houston" and Mr. Kenneth G. Bernard of Integrated Financial Services, 701 "B" Street, Suite 2255, San Diego, Ca. hereinafter referred to as "I.F.S." and,

Whereas Houston, Investor and I.F.S. have toured the Bearup Mine located in Carefree Arizona and have held discussions relative to Houston plant expansion for the purpose of processing the Bearup Mine Ore and,

Whereas, Houston has recently entered into a contract with the owners of the Bearup Mine for the processing of mineral bearing ore containing the assayed elements of Gold, Silver, Platinum group and copper wherein Bearup has agreed to sell to Houston four thousand (4000) tons of ore no later that May 15th 1986 and then an additional four thousand (4000) tons per month commencing no later than September 30th 1986 for a period of twenty-five (25) months for a total of one hundred thousand (100,000) tons of ore, and,

Whereas, Houston is desirous of obtaining Venture Capital for the financing of its plant expansion and working capital requirements and to that end is desirous of Investor participation in the venture known as the Houston - Bearup Mining project and,

Whereas, Investor has made inquiry of the Houston Corporation and its principals and based upon his findings is desirous to make an investment with the Houstons, and

Whereas, I.F.S. has agreed to act as the financial manager of the project as required herein.

IT IS THEREFORE AGREED AS FOLLOWS:

1. Investor upon execution of this Agreement will deliver his check in the amount of _____ Dollars made payable to Integrated Financial Services-Houston Bearup Trust Account for deposit to that account at Imperial Bank, 701 "B" Street, San Diego, California.

2. It has been represented by Houston that the expected recovery from the Houston-Bearup venture should average approximately $1,000.00 per ton of mined ore and that plant expansion will allow Houston to process one hundred (100) ton of mined ore per day on the new equipment purchased for expansion beginning no later than September 30, 1986.

3. Investor in return for his investment will receive a royalty of _____% of the gross proceeds received from the sale of precious metal processed from the one hundred (100) tons of ore until the Investor receives back his initial investment and then the royalty decreases to _____% until the contract between Houston and Bearup expires at the end of the One Hundred (100,000) thousand tons of ore referred to above. It is further agreed that in such event that Houston is able to extend the contract beyond the initial One Hundred (100,000) thousand tons of ore, then in such event Investor shall continue receiving said percentage of _____% until the expiration of the continued contract.

4. Houston has agreed and will with the execution hereof assign a security interest in their plant and equipment located at the above address. The U.C.C. 1 financing form will be made out to the Houston - Bearup Mining Project in amount $300,000.00 and will be filed and delivered to I.F.S. as agent, to be held for all investors in the Houston-Bearup Mining project. I.F.S. shall release said financing statement back to Houston upon the Investor receiving an amount equal to their original investment. Houston further agrees that in such event that the values of the Bearup Ore are not within the acceptable parameters of $1000.00 per ton plus or minus thirty (30%) percent of recovery then in said event Houston will pay to the Houston - Bearup Investor a percentage of recovery from other mineral recovery projects that will make the Investor whole.

5. I.F.S. will perform the following managerial duties with respect to this project:

a) prepare a weekly report of disbursements and expenses.

b) prepare a weekly report of production.

c) prepare a weekly report of progress.

d) arrange for delivery to investor of his share of production on a monthly basis unless more frequent deliveries are necessary.

5. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the premises and may only be modified by a writing executed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

HOUSTON R & R CORPORATION

By_____
REESE T. HOUSTON

INVESTOR

_____

REESE T. HOUSTON, Personally

_____

INTEGRATED FINANCIAL SERVICES

BY;_____
KENNETH G. BERNARD

HOUSTON - BEARUP MINING PROJECT
1371 South Nelson Drive
Chandler, Arizona 85226

NOTE: THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH THE DEPARTMENTS OF CORPORATION FOR THE STATES OF CALIFORNIA AND ARIZONA NOR THE SECURITIES EXCHANGE COMMISSION.
THE OFFEROR IS RELYING ON THE PRIVATE OFFERING EXEMPTION UNDER FEDERAL AND CALIFORNIA AND ARIZONA LAW FOR THE PURPOSE OF THIS OFFERING. THE OFFERING OF THIS SECURITY BY THE OFFEROR IS STRICTLY LIMITED BY THE METHODOLOGY SELECTED BY THE OFFEROR. THE SECURITY OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK AND EACH INVESTOR HAS MADE HIS OWN DUE DILIGENCE INQUIRIES.

69-1084

A G R E E M E N T

Agreement made this _____day of May 1986 by and between _____, hereinafter referred to as "Investors", the Houston Corporation 1371 South Nelson Drive, Chandler, Az, hereinafter referred to as "Houston" and Mr. Kenneth G. Bernard of Integrated Financial Services, 701 "B" Street, Suite 2255, San Diego, Ca. hereinafter referred to as "I.F.S." and,

Whereas Houston, Investor and I.F.S. have toured the Bearup Mine located in Carefree Arizona and have held discussions relative to Houston plant expansion for the purpose of processing the Bearup Mine Ore and,

Whereas, Houston has recently entered into a contract with the owners of the Bearup Mine for the processing of mineral bearing ore containing the assayed elements of Gold, Silver, Platinum group and copper wherein Bearup has agreed to sell to Houston four thousand (4000) tons of ore no later that May 15th 1986 and then an additional four thousand (4000) tons per month commencing no later than September 30th 1986 for a period of twenty-five (25) months for a total of one hundred thousand (100,000) tons of ore, and,

Whereas, Houston is desirous of obtaining Venture Capital for the financing of its plant expansion and working capital requirements and to that end is desirous of Investor participation in the venture known as the Houston - Bearup Mining project and,

Whereas, Investor has made inquiry of the Houston Corporation and its principals and based upon his findings is desirous to make an investment with the Houstons, and

Whereas, I.F.S. has agreed to act as the financial manager of the project as required herein.

IT IS THEREFORE AGREED AS FOLLOWS:

1. Investor upon execution of this Agreement will deliver his check in the amount of _____ Dollars made payable to Integrated Financial Services-Houston Bearup Trust Account for deposit to that account at Imperial Bank, 701 "B" Street, San Diego, California.

2. It has been represented by Houston that the expected recovery from the Houston-Bearup venture should average approximately $1,000.00 per ton of mined ore and that plant expansion will allow Houston to process one hundred (100) ton of mined ore per day on the new equipment purchased for expansion beginning no later than September 30, 1986.

3. Investor in return for his investment will receive a royalty of _____% of the gross proceeds received from the sale of precious metal processed from the one hundred (100) tons of ore until the Investor receives back his initial investment and then the royalty decreases to _____% until the contract between Houston and Bearup expires at the end of the One Hundred (100,000) thousand tons of ore referred to above. It is further agreed that in such event that Houston is able to extend the contract beyond the initial One Hundred (100,000) thousand tons of ore, then in such event Investor shall continue receiving said percentage of _____% until the expiration of the continued contract.

4. Houston has agreed and will with the execution hereof assign a security interest in their plant and equipment located at the above address. The U.C.C. 1 financing form will be made out to the Houston - Bearup Mining Project in amount $300,000.00 and will be filed and delivered to I.F.S. as agent, to be held for all investors in the Houston-Bearup Mining project. I.F.S. shall release said financing statement back to Houston upon the Investor receiving an amount equal to their original investment. Houston further agrees that in such event that the values of the Bearup Ore are not within the acceptable parameters of $1000.00 per ton plus or minus thirty (30%) percent of recovery then in said event Houston will pay to the Houston - Bearup Investor a percentage of recovery from other mineral recovery projects that will make the Investor whole.

5. I.F.S. will perform the following managerial duties with respect to this project:

a) prepare a weekly report of disbursements and expenses.

b) prepare a weekly report of production.

c) prepare a weekly report of progress.

d) arrange for delivery to investor of his share of production on a monthly basis unless more frequent deliveries are necessary.

6. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the premises and may only be modified by a writing executed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

HOUSTON R & R CORPORATION

By_____
REESE T. HOUSTON

INVESTOR

_____

REESE T. HOUSTON, Personally

_____

INTEGRATED FINANCIAL SERVICES

BY;_____
KENNETH G. BERNARD

HOUSTON
CORPORATION

(602) 961-0253
(602) 961-0254

1371 S. Nelson Dr., P.O. Box 5005
Chandler, AZ 85224

Minerals World Inc.
p.o. Box 2161
Bartow, Florida 33830

July 22, 1986

Dear Don;

Pursuant to our telephone conversations in relationship to the sale of dor'e bars presently in your possession as well as our future production of dor'e bars, I offer the following as a solution at arriving a formula for sale.

I enclose herein as Exhibit A a tally sheet which was dirived at from the assays of six different laboratories of the analysis of our bars. The values derived by each laboratory for each element were then totalled and averaged and the resulting numerical numbers were in parts per million (p.p.m.) except in the case of silver and copper which were in percentages of the weight of the bar. The p.p.m. were then calculated to percentages using the actual weight used in the test as related to the total weight of the bar and the percentages derived are the percentages that are an average of all assays of a representative dor'e bar.

Exhibit B is a tally of the above calculations from p.p.m. to percentages and then to values in dollars represented based on the dealer average prices as quoted in the Engineering & Mining Journal for the month of July 1986, a copy of said quotations is also enclosed.

I think it would be a mutually beneficial arrangement if fifty percent (50%) of the dollars represented were advanced upon receipt of each dor'e bar with settlement for the remaining payment upon full refining, which I understand will take from four to six weeks.

Hoping this solves the present situation and looking forward to a long relationship, I remain

Very truly yours

Reese Houston, President

Complex Metals Research & Development, Inc.

Gold, Silver & Platinum Ores

2804 N. Evergreen Street, Chandler, Arizona 85224
Telephone (602) 963-6502

January 18 1986

Reese T Houston
1371 S.Nelson Rd.
Chandler Az. 85226

Subject; Ore Bearup Mine,
Submitted By Reese T Houston

1. 30 gms Leached with Agua-Regia for two hours filtered and washed, then solution was boiled to dryness and residue was assayed.

Assay Results.	AU.oz/ton	AG.oz/ton	PT.group oz/ton
Sample # 1 Bearup	0.05	23.00	6.54
Sample # 2 Bearup Composit	0.47	26.47	5.85
Sample # 3 Bearup Composit Electrolytic Test	1.27	225.92	7.81
2. Other Leach Tests			
Sample 4 Thiourea leach 30 grams	0.62	28.40	
Sample 5 Sulfuric acid followed / chlorine 30 grams	0.88	65.25	4.00

Charges $ 1,500.00

J.C. Henderson

Research Chemist

EXHIBIT "A"

Exhibit A" is derived from six different tests performed by five different assay laboratories the results of which were totalled and then averaged for each mineral.

	Test #1 V.H.G.	Test #2 M.T.C.	Test #3 A.A.R.C.	Test #4 B.B.	Test #5 J.B.	Test #6 B.B	Total	Average
AU	180	130	124	101	71	20	626	104
PD	n/a	20	13	28	33	29	123	25
PT	25	30	35	87	50	116	372	62
OS	112	30	n/a	n/a	20	38	200	50
IR	120	95	44	n/a	10	339	608	122
RH	16	13	188	111	56	98	482	80
RU	5	31	19	101	84	86	346	58
AG	50%	50%	45%	55%	52%	58%	310	52%
CU	12%	13%	14%	12%	10%	10%	71	12%

NOTE** n/a denotes that the test was not run and the average was then calculated by dividing the remaining number of tests into the total.

1. V.H.G. Labs Inc.
2. Metallurgical Testing Corporation
3. Analytical and Research Company
4. Burr-Brown Materials Laboratory
5. J & B Laboratory
6. Burr-Brown Materials Laboratory

Note** All tests were performed on Direct Current Plasma Spectrograph machine made by Beckman Instruments.

EXHIBIT "B"

Exhibit "B" is based upon a total weight of dor'e bars presently in possession of Minerals World Inc., of 436 ounces.

Gold	6.3%	X	436	=	27.468	oz.	X	$355	=	$9,751.14
Palladium	1.5%	X	436	=	4.36	oz.	X	112	=	488.32
Platinum	3.7%	X	436	=	16.132	oz.	X	449	=	7,243.26
Osmium	3.0%	X	436	=	13.08	oz.	X	700	=	9,156.00
Iridium	7.5%	X	436	=	32.70	oz.	X	405	=	13,243.50
Rhodium	4.9%	X	436	=	21.364	oz.	X	1152	=	24,611.33
Ruthinium	3.5%	X	436	=	15.26	oz.	X	72	=	1,098.72
Silver	52.32%	X	436	=	226.72	oz.	X	5.05	=	1,144.94
Copper	12.0%	X	436	=	52.32	oz.	X	n/a		n/a
Insolubles	5.6%	X	436							
Totals					409.404	oz.				$66,737.21
										+/- 50%
										$33,368.61

CLAM MTN. GROUP (A)

MINERALS WORLD, INC.

CONSULTING • DESIGN
CONSTRUCTION • MINING
CHEMICAL EXTRACTION
EXPLORATION • EVALUATION
CONTRACTUAL OPERATIONS

SPECIALIZING IN PRECIOUS METALS •

DON NOOE P O BOX 2161 BARTOW, FLA. 33830 [813] 533-4374
TELEX 52433 TPA
813-533-4253

PURCHASE AGREEMENT

THIS AGREEMENT made and entered into this _____ day of May, 1986, by and between Minerals World, Inc. 1110 Highway 17 N, P.O.Box 2161, Bartow, Florida, 33830, a Florida Corporation hereinafter called (MWI) and Houston R & R Corporation, 1371 S. Nelson Drive, P.O.Box 5005, Chandler, Arizona, 85226, an Arizona Corporation hereinafter called (HC).

Minerals World, Inc. hereafter called (MWI) has agreed to purchase all "Dore Bars" produced by Houston R & R Corporation hereafter called (HC) containing large amounts of precious metals such as PT, PD, IR, RU, RH, OS, AU and AG, on a daily or weekly basis depending on quantity produced for a period of five (5) years with an option to renew for an additional five (5) years.

(HC) and (MWI) will bore said Dore Bars with (MWI) retaining one half and (HC) retaining one half for certified analysis with (MWI) using an independent State Certified Laboratory Analysis for DCP and will be approved by both (MWI) and (HC).

It is further agreed that (HC) will furnish (MWI) with a DCP Assay, made by Beckman Direct Current Plasma Emission Spectrometer (Spectraspan), along with metals for comparison. "Dore Bars" are to be delivered to (MWI) at Bartow, Florida by Purolator or other Security transporation.

After Analysis are accepted by (HC) and (MWI) calculation for payment, will be made based on "Last London Fix" of same day. 75% of "fix" will be drafted to (HC) with a 5% being held

in an escrow account for three (3) months until final refining has been completed and to maintain a steady flow in case of acts beyond our control. At the end of each three (3) months the 5% escrow fund will be transfered to (HC) fullfulling the 80% contract between (MWI) and (HC).

(MWI) expects to start receiving some metal within thirty (30) days with production increasing to maximum in 45 to 60 days.

FORCE MAJEURE.

If any party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this agreement other than the obligation to make money payments, that party shall give to all other parties prompt written notice of the force majeure with reasonably full particulars concerning it: thereupon, the obligations of the party giving the notice so far as they are affected by the force majeure, shall be suspended during, but no longer than, the continuance of the force majeure. The affected party shall use all possible diligence to remove the force majeure as quickly as possible.

The requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts or other labor difficulty by the party involved, contrary to its wishes; how all such difficulties shall be handled shall be entirely within the descretion of the party concerned.

The term "force majeure" as here employed shall mean an act of God, strike, lockout or other industrial disturbance storm, flood, explosion, governmental restraint, unavailability of equipment, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

(MWI) will arrange for a letter of credit to be placed in Bank or Banks to cover each and every shipment.

This agreement may be signed in counterpart and shall be binding upon the parties and upon their heirs, successors, representatives and assigned, and be notarized.

MINERALS WORLD, INC.

S/

DON E.NOOE

HOUSTON R & R CORPORATION

S/

REESE HOUSTON

Before me, the undersigned Notary Public, personally appeared Don E. Nooe, Purchaser in the foregoing agreement, who acknowledged that the same was executed of his own free will and act and that he was authorized to execute same.

Dated this _____ of May, 1986. _____

Notary Public

Before me, the undersigned Notary Public, personally appeared R.T. Houston, Seller in the foregoing Agreement, who acknowledged that the same was executed of his own free will and act and that he as authorized to execute same.

Dated this _____ of May,1986 _____

Notary Public

AMENDMENT TO PURCHASE AGREEMENT

Agreement made this 15 day of May, 1986, by and between Charles D. Bearup and James Jaeger, hereinafter referred to as SELLERS and R.T. Houston, 1371 South Nelson Drive, Chandler Arizona, 85226, hereinafter referred to as PURCHASER.

WITNESSETH

For and in consideration of the sum of One Dollar ($1.00) paid to SELLERS by PURCHASER the parties hereto agree to amend in part the contract heretofore entered into on the 28th day of April, 1986, a copy of which is attached hereto and made a part hereof as follows:

Paragraph four (4) of said contract is hereby deleted, null, void and in its place as a new paragraph four (4) is the following:

"PURCHASER shall have an option for an additional four thousand (4000) tons per month of material at the same rate of One Hundred Dollars ($100.00) per ton F.O.B. SELLERS property Maricopa County, Arizona. Two dollars and fifty cents ($2.50) per ton deposit to be paid at the time the option is exercised. This option shall expire on September 30, 1988. This option is subject to PURCHASER exercising said option no later than September 30, 1986 and continuing said purchases monthly for a period of twenty-five months." In addition to minimum deposit referred to above, additional payment pursuant to paragraph 2 (b) of the original agreement will be subject to the following sliding scale:

$500.	$100 (minimum charge)
$1,000. x 15%	$150
$1,500 X 15%	$225
$2,000 X 15%	$300

Further it is agreed by the parties hereto that if any party to the contract filesa mining claim within one half mile of the borders of the Bearup Claims as attached hereto, then in that event said claims shall merge with and become part of the mining claims of SELLERS.

Charles D Bearup

SELLER

Charles D. Bearup
P.O.Box 2717
Carefree, Arizona 85377

R T Houston

PURCHASER

R.T. Houston
1371 S Nelson Drive
Chandler, Arizona 85226

James E Jaeger

SELLER

James Jaeger

Before me, the undersigned Notary Public, personally appeared Charles D. Bearup and James Jaeger, SELLERS, in the foregoing agreement, who acknowledged that the same was executed of his own free will and act, and that he was authorized to execute same.

Dated this 15 day of May, 1986 Dorie Ramirez

Notary Public

My Commission Expires April 16, 1988

Before me, the undersigned Notary Public, personally appeared R.T. Houston, PURCHASER in the foregoing agreement, who acknowledged that the same was executed as his own free will and deed and for the purposes as contained therein.

Dated this 15 day of May, 1986 Dorie Ramirez

Notary Public

My Commission Expires April 16, 1988

PURCHASE AGREEMENT

THIS AGREEMENT made and entered into this 28 day of April, 1986, by and between Charles D. Bearup and James Jaeger P.O.Box 2717, Carefree, Arizona 85377, hereinafter referred to as SELLERS and R.T. Houston, 1371 South Nelson Drive, Chandler, Arizona, 85226, hereinafter referred to as PURCHASER.

WITNESSETH:

FOR AND IN CONSIDERATION OF the sum of ONE DOLLAR ($1.00) paid to SELLERS by PURCHASER and for and in consideration of the covenants and conditions hereinafter provided, and set forth SELLERS does hereby give and grant unto PURCHASER the inalienable right, privilege and option to purchase and remove mineral owned by SELLERS, AMC 249703 AMC 249 704 showing title to property, A part of the Agreement, which ore are situated in an area known by custom and usage as the "Seven Springs Mining District" County of Maricopa, state of Arizona, under the following terms and conditions:

1. The total cost per ton for the material FOB mine site Maricopa County, Arizona, shall be one hundred and no/100 dollars ($100.00) per ton "Dry Weight" for 4,000 tons and that said total of 4,000 tons are to be paid for and removed from premises as described in the following manner:

2. (a) PURCHASER shall pay SELLERS Two Dollars and Fifty Cents ($2.50) per ton as a deposit for material in 4,000 tons the sum of Ten Thousand ($10,000.00). Deposit to be made on or before May 15, 1986. Two Dollars and Fifty Cents per ton is an option deposit to be deducted from the $100.00 per ton.

(b) PURCHASER shall pay SELLERS Two Dollars and Fifty Cents ($2.50) per ton when material is removed from mine site to stockpile or warehouse. The remaining ninety seven dollars and fifty cents ($97.50) per ton to be paid each month after processing ; payments by PURCHASER to SELLERS shall be made on 1 & 15 of the month, following the month in which PURCHASER removes said material from mine site and shall make the final payment after processing of said material from stockpile or warehouse, and shall be accompanied by true and correct copies of all documents pertaining to said weight and said haulage. PURCHASER shall make its books and records relative to purchases of material such as weight bills and haulage charges, milling available to SELLERS at all reasonable times. A sliding scale will be developed as to the value of the ore as the project developes after a month operation the ore will develope its own guidelines.

3. PURCHASER shall arrange for a facility that is acceptable to SELLERS to stockpile or warehouse the material that is to be removed from mine site. PURCHASER shall remove a minimum of 20 tons per day by July 1, 1986 and pay for same as per schedule 2 (b) and shall continue to haul material from mine site a rate necessary to remove all of the 4,000 tons by March 1, 1987.

4. PURCHASER shall have an option for an additional 4,000 tons of material from the same property at the rate of One Hundred Dollars ($100.00) per ton F.O.B. SELLERS property, Maricopa County, Arizona. Two Dollars and Fifty Cents ($2.50) per ton deposit to be paid at the time option is exercised. All options shall expire as of March 1, 1987, if they are not exercised, PURCHASER shall have removed all material from mine site and stockpiled or warehoused it by or before March 1, 1987, as per this agreement.

5. PURCHASER shall have all reasonable means of access over the property necessary to the removal of said minerals; and SELLERS shall maintain and keep in good state of repair roads on property.

PURCHASER shall indemnify SELLER, it agents and employees and hold it and them free and harmless from any and all claims demands and liability arising out of, or in connection with its operations upon said area; and upon the termination hereof PURCHASER shall quit, leave and depart the said area without notice or demand, leaving it in as good condition.

6. FORCE MAJEURE.

If any party is rendered unable, wholly or in part, by, force majeure to carry out its obligations under this agreement other than the obligation to make money payments, that party shall give to all other parties prompt written notice of the force majeure with reasonably full particulars concerning it; thereupon, the obligations of the party giving the notice so far as they are affected by the force majeure, shall be suspended during but no longer than, the continuance of the force majeure. The affected party shall use all possible diligence to remove the force majeure as quickly as possible.

The requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts, or other labor difficulty by the party involved, contrary to its wishes; how all such difficulties shall be handled shall be entirely within the descretion of the party concerned.

The term "Force Majeure" as here employed shall mean an act of God, strike, lockout or other industrial disturbance, storm, flood, explosion, governmental restraint, unavailability of equipment, and any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of the party claiming suspension.

7. Arbitration. Except as herein otherwise provided, any claim or controversy arising out of or relating to this agreement, or a breach hereof, shall upon the request of any party involved be submitted to and settled by arbitration in accordance with the rules of the American Arbitration Association, the decision made pursuant to such arbitration shall be binding and conclusive on all parties involved, and judgement upon such decision may be entered in any court of competent jurisdiction.

8. Indemnification. SELLERS shall indemnify PURCHASER, its agents and employees, and hold it and them free and harmless from any and all claims, demands and liability arising out of, or in connection with its operation upon said areas.

9. Assignors. This agreement may be signed in counterpart and shall be binding upon the parties and upon their heirs, successors, representatives and assigned.

Charles D. Bearup

SELLER

Charles D. Bearup
P.O.Box 2717
Carefree, Arizona 85377

R T Houston

PURCHASER

R.T. Houston
1371 S Nelson Drive
Chandler, Arizona 85226

James E. Jaeger

SELLER

James Jaeger

Before me, the undersigned Notary Public, personally appeared Charles D. Bearup and James Jaeger, SELLERS in the foregoing agreement, who acknowledged that the same was executed of his own free will and act, and that he was authorized to execute same.

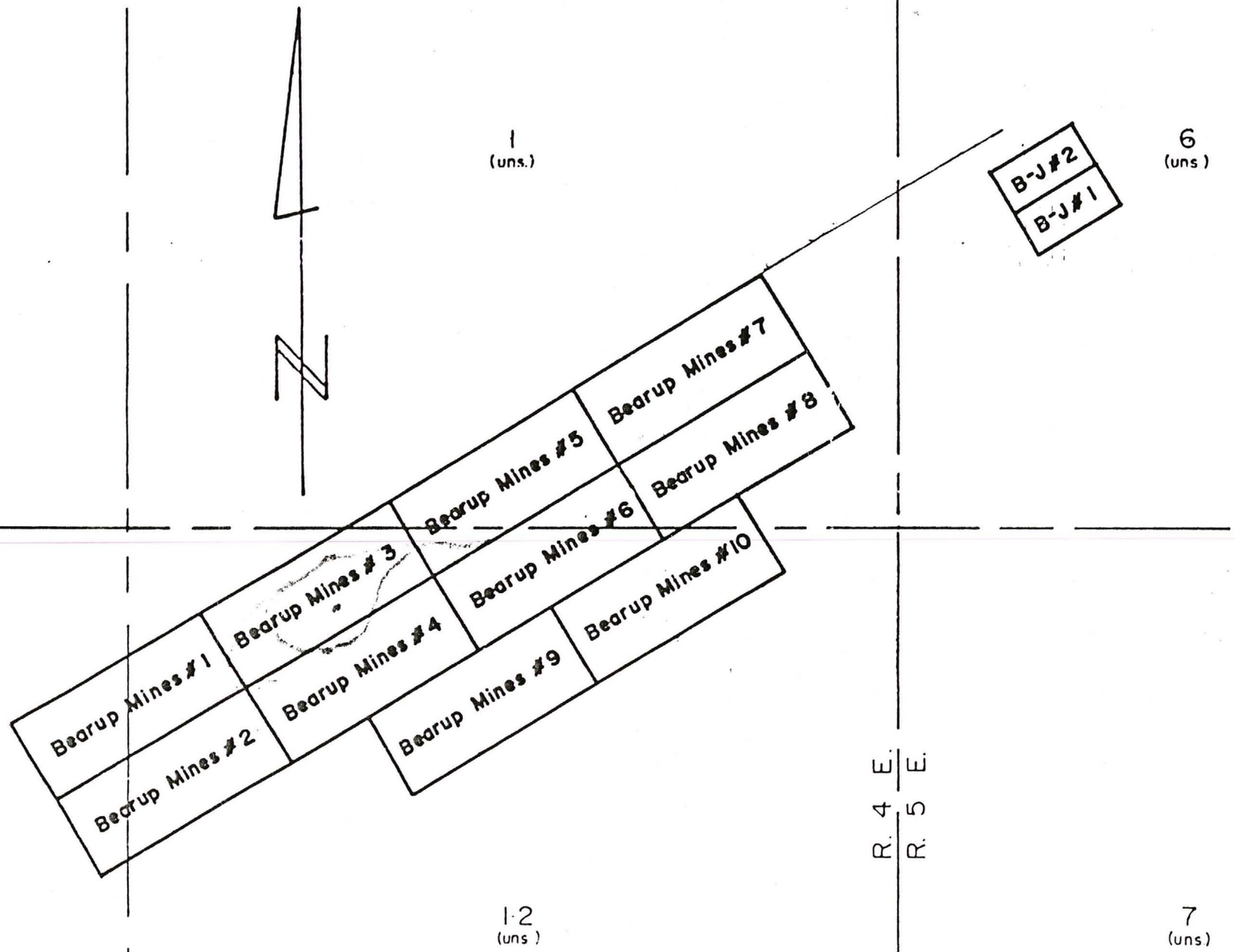
Dated this 30 Of April, 1986 Dawn Ramsey
Notary Public

My Commission Expires April 16, 1988

Before me, the undersigned Notary Public, personally appeared R.T. Houston, PURCHASER in the foregoing Agreement, who acknowledged that the same was executed as his own free will and deed and for the purposes as contained therein.

Dated this 30 Of April, 1986 Dawn Ramsey
Notary Public

My Commission Expires April 16, 1988



MINING CLAIMS

of

Charles D. Bearup
& James E. Jaeger
P.O. Box 2717
Carefree, Arizona 85377

known as

Bearup Mines 1 - 10 lodes
B - J 1 & 2 millsites

situate in

secs, 1, 11 & 12 (unsurveyed)
Tp. 7 N., R. 4 E.
sec. 6 (unsurveyed)
Tp. 7 N., R. 5 E.
Cave Creek Mining District
Maricopa County Arizona
Scale 1" = 1000' Feb 15, 1986

surveyed by

Harvey W. Smith, E. M.
Del Tierra Engineering
& Mining Corporation

Note: x - denotes location monument
All mons. are 2" x 2" x 4'6" wood posts.

EXHIBIT A

EQUIPMENT INVENTORY OCT. 1, 1981

Ore Conditioning Unit

1.	One grinding Unit	$ 25,000
2.	One cyclonic grinding tapered inlet	4,000
3.	One cyclone classifying unit	5,000
4.	One conveyor and bin with flow control	4,500
5.	Three sets of power transmission units V. belts and sheave	2,000
6.	Five sub bases for units	5,500
7.	One material feel control blower	4,000
8.	Six material air flow transport pipes	5,000
9.	One diesel engine with transmission 200 HP	8,000
10.	One flash roaster with bins and flow pipes	24,000
11.	One sutorbilt blower 1200 cfm at 10 psi	6,000
12.	Twenty air valves 4" & 2"	2,500
13.	One cyclone dry 48" dia. X 20' high	5,000
14.	One cyclone wet 32" dia. X 20' high	5,000
15.	One cyclone wet 36" dia. X 20' high	5,000
16.	One air stack wet 36" dia. X 20' high	3,500
17.	Two water pumps for wet cyclone 2"	1,000
18.	One dry material storage silo 6' dia. X 30' high	7,500
19.	Two dry material silos w/ sub base 8' dia. X 20' high	15,000
20.	One dry material mixing unit with auger & tank 6' X 4' X 2'	2,500
21.	One exhaust fan 10,000 cfm.	2,500
22.	One water pump for material mixer 2"	500
23.	100' of 4" air flow pipe for material transportation	2,000
		$144,500

Ore Concentrating unit

1.	Two agitation tanks 8' dia. X 20' high w/ sub base	15,000
2.	One settling tank 7.5' dia. X 20' high w/sub base	6,000
3.	Two agitators, motors, and power transmission equipment	5,000
4.	Two gear reducers w/ connectors	8,000
5.	One Wilfrey 4" X 3" Sand pump	3,000
6.	One Wilfrey 3" X 2" Sand pump	2,000
7.	One Wilfrey 2" X 1" Sand pump	1,500
8.	One Sand Pool Filter 2"	1,000
9.	One Deaeration Tank 4' X 6' 28 in. vacuum specs.	2,000
10.	One sutorbilt vacuum pump 200 cfm at 25 in. vacuum	1,000

11.	One deaeration tank water pump 3" X 2"	1,000
12.	Two plastic chemical tanks 15 gal.	500
13.	One injection pump 10 gpm.	500
14.	One Zinc feeder dry w/hopper	500
15.	One American leaf filter 2"	1,500
16.	One American Bag filter 2"	500
17.	Ten plastic valves 4"	3,000
18.	Ten plastic valves 2" & 2½"	2,000
19.	One sutorbilt pump 4000 cfm. 10 HP	5,000
20.	One set control lines 4" plastic pipe 50'	500
21.	One set control lines 3" plastic pipe 50'	500
22.	Four rubber hose misc. sizes 4" 3" 2" 1"	1,000
23.	One plating tank stainless steel 2' X 2' X 4' high Tanks in Fabrication	1,500
24.	Five tanks 12' X 20' w/cones & agitators w/ sub bases	30,000
25.	Four tanks dry material silo's w/sub bases 8' X 20'	20,000
26.	Three tanks dry material silo's w/sub bases 8' X 20' Nev.	15,000
27.	Two tanks washing, mixing w/sub bases 12' X 10'	10,000
		$137.500

Laboratory Equipment

1.	One electrolyzing tank	8,000
2.	Two sedimentation tanks	2,400
3.	Two precipitation tanks	4,000
4.	Three pressure filters	1,500
5.	Three filter pumps	1,200
6.	Four transfer pumps	1,200
7.	Three figer glass tanks 300 gal.	1,200
8.	Two booster pumps 1HP	750
9.	Two PH Recorders #8320	1,000
10.	Two Sedimentation tanks	800
11.	One figerglass water tank 500 gal.	800
12.	Two figerglass stock tank 75 gal. each	500
13.	One power supply unit 20 volts at 1500 amps	10,000
14.	One Polyscience Stirrer RZR #10	250
15.	One Lindberg furnace #51232	2,000
16.	One Lindberg controller #59344	1,200
17.	One Variac GR, model W30M	500
18.	One Power stat, Superior 15 amp.	300
19.	One submersible pump	250
20.	One meter balance scale, 12655	1,400
21.	One microscope #312688-175	1,000
22.	Three power supply units	600
23.	Three magnetic stirrers	600
24.	Three agitators variable speed	1,200
25.	One gram scale	120

26.	One P H digital mode w/probe	1,000	
27.	Two vacuum & air pressure combination Gast pumps	600	
28.	One C R C filtermat w/accessories	300	
29.	One transformer for power supply	2,500	
30.	One lot of misc. laboratory glassware	800	
31.	One lot of misc. sieves Tyler	400	
32.	One lot misc. benches & tables	2,000	
			$ 50,370
	Ore Refining Equipment		
33.	One gas furnace	600	
34.	One lot of furnace accessories	700	
	Chemicals		
35.	One lot of misc. chemicals		
	Sodium Cyanide		
	Potassium cyanide		
	Sodium hydroxide		
	Potassium hydroxide		
	Soda ash		
	Lime		
	Sulfuric acid		
	Hydrochloric acid		
	Nitric acid		
	Lead Oxides		
	Powdered Zinc		
	Select Reagents	2,700	
			4,000
	Total Equipment Inventory		$336,370

This Inventory listing has been prepared by Reese T. Houston.

DEPARTMENT OF MINERAL RESOURCES

REPORT TO OPA ON ACTIVE MINING PROJECT

Date 1/30/45

Name of Mine Lookout

Owner or Operator Wm F Steinegger

Address 701 N 7th St, Phx.

Mine Location Camp Creek

Filing Information

File System

File No.

This chart to be used for gallons of gasoline required per month.

PRESENT OPERATIONS: (check X)

Production ; Development ✓ ; Financing ; Sale of mine ;

Experimental (sampling) ; Owner's occasional trip ;

Other (specify)

PRODUCTION: Past and Future. **Tons**

Approx. tons last 3 months

Approx. present rate per 3 months

Anticipated rate next 3 months

If in distant future check (X) here

EQUIPMENT OPERATED:

Type	Quantity or Horse Power	Miles or Hours Per Month	Gallons Required Per Month
Personal Cars	29 Ford Sedan	300	20
Light or Service Trucks			
Ore Hauling Trucks			
Compressors Pump (gas engine)			15
Other Mine or Mill Eqpt.			35

PRODUCT PRODUCED OR CONTEMPLATED: Name metals or minerals.

Copper

REMARKS:

This operator is developing a copper mine with a view to early shipment to Magma smelter

ARIZONA DEPARTMENT OF MINERAL RESOURCES

By George A Ballam

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine CRAM MOUNTAIN GROUP Date March 22, 1957

District Magazine Mining District, Maricopa Co. Engineer B. J. Squire

Subject: Field Engineers Report

Location - S12, T7W, R4E, (unsurveyed), Magazine Mining District, Maricopa County, Arizona, about 1½ miles west of Ashdale Ranger Station on the north side of Cave Creek.

The road turns west off the Bloody Basin Road about 2 miles north of Seven Springs recreational area and the property is 4 miles west of the main road.

Description - The country rock is granite and shist, both probably pre-cambrian. This is cut by several andesitic dikes which are mineralized with copper carbonates and oxides and gold. The dikes strike northeast and dip steeply south, with smaller cross dikes striking northwest.

There is one conspicuous quartz vein striking northwest and dipping about 45° SW. It has a band of a foot of good mineralization, showing copper carbonates and at lower levels sulfides.

The 500 foot cross-cut dump (see old report) shows that the lower level work picked up considerable barren pyrite. On the top of Cram Mountain, the ore occurs in a confused pattern of pockets, with considerable tenorite in with the malachite and some high grade (up to $150) gold.

The property is well worth studying and sampling and might make a commercial mine. A small shipper would have trouble operating at a profit due to the hand sorting required to reach a suitable grade.

The owners at present are Sterling and Woolf of 364 N. 3rd Avenue, Phoenix, Arizona.

There has been considerable road building and a little shipping of sorted ore in the past two years.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Cram Mountain **Date** September 25, 1959

District Cave Creek, Maricopa County **Engineer** Lewis A. Smith

Subject: Mine Visit

R.E. Woolf (Res.) 806 W. Roosevelt Phoenix, Ariz. Phone: AL 3-8877 (4-13-61 - LAS - visiting card)

FILED
OCT 23 1959

Owners: Raymond Nellis, Sterling Price, and E. Wolf.

President: " " 314 N 15th St., Phoenix (Al 3-4310)

Agent: James H. Thompson, 2201 N 27th Place, Phoenix

Property: 18 claims

Location: T 7 N, R 4 E, Sec. 1 (12) 2

Work: The mine consists of 2 tunnels and several pits and cuts. The main, or upper, tunnel is 150' long and is connected to the surface by a ventilation raise. A 10' winze was sunk under the ventilation raise at the end of the tunnel. The raise was inaccessible but the drift and raise showed strong mineralization by sulphides along with rhodochrosite. The tunnel trends nearly at right angles to the older structural trend.? A drift was driven south for 30' along a shear zone at a point 100 feet from the portal. The second, or lower tunnel (now mostly inaccessible) which is about 125 feet lower in elevation, was driven to a depth of 70-75 feet, according to Mr. Thompson. The size of the dump would roughly substantiate this figure. This tunnel follows an intimately sheared zone trending northwest-southeast. The mineralization here was entirely oxides of copper.

Roughly 400' to the southwest from the tunnels several pits and cuts were made in a transverse fracture zone. These showed azurite, malachite and melaconite which were replacing rhodochrosite and sulphides.

Geology: The study of the geology was somewhat handicapped by soil and detrital covers which are quite thick in some places. However, it appears that the immediate area is composed of a dense diorite mass of large dimensions. This mass either grades into a porphyritic diorite or is intruded by it in a dike-like form. The "dike" and the formations surrounding the diorite mass trend northeast-southwest and these formations pitch away from the dioritic mass. These latter formations appeared to be composed of schists and marblized limestone and these were only observed along the northwestperiphery of the diorite mass at a distance of at least 6 miles from the mine. This northwest trending older structure complex has been disrupted by shears which roughly parallel northeast trend and by other shears which are more or less transverse. Most of these later shears trend N 20° W to N 40° W and are apparently later than the conformable shears. In addition the sheared mass was cut by transverse faults which trend N 30° W to N 50° W. The dioritic mass is jointed by conjugate type of shattering which may have been caused by the extensive shearing and faulting. The intersections of these various shears and faults may have created mineralization loci. No noticeable transition from the dense diorite to the more porphyritic phase was observed, but the presence of intense epidotization in both phases was seen. The epidotization appeared, from the few exposed places to be more intense in and adjacent to the porphyritic phase. The heavy cover prevented a determination of the true extent of the epidotization. The epidotization is affiliated with the sulphides in both types but is apparently coarser in the porphyritic phase.

Rhodochrosite, in disseminated crystal aggregates, is prevalent, especially in the porphyritic phase, and the supergene solutions have partly, or wholly, converted this to azurite, malachite and melaconite. In most places, residual rhodochrosite is still present. This would probably indicate that the chance for enrichment is very limited since carbonates tend to hold copper in the oxidized zone. For the most part the oxide copper minerals have not been formed far from the original sulphide blebes or grains and in many cases form halos around, or remain in the cavities formed by the oxidation of the sulphides. However, in the lower tunnel the oxides appear to have concentrated within the fractures of a shear and may have moved out from the source material.

The "Porphyritic" phase is more coarsely crystalline than the "straight" diorite, showing well defined augite and rhodochrosite phenocrysts scattered through a finely crystalline ground mass. The "straight" diorite is dense and much much finer grained. The "straight" diorite adjacent to the more porphyritic phase contains minute grains of chalopyrite, pyrite, and pyrite with no observable rhodochrosite. As far as could be seen, without microscopic work, the sulphide blebs were much larger in the porphyritic phase.

The sulphide blebs show no distinctive shape, or do they show particularly selective replacement of any part of the rocks. This might indicate a transition from "straight" diorite to the "porphyritic" diorite due to phases of differentiation. This along with the erratic distribution of the sulphides in size, shape and location within both rocks may indicate magmatitic differentiation. The apparent absence of veinlets coupled with the absence of observable fractures leading to the sulphide blebs is also suggestive. This also indicates that the jointing may have been superimposed upon the sulphide bearing rocks at some later date.

Conversely the "porphyritic" phase appears in bolder topographic relief than the "straight" diorite, indicating that it is either a harder rock, or was hardened by the more intensive epidotization present in the "porphyritic" phase. The impression, gained from a distance, was that the area occupied by the more porphyritic phase may represent a dike-like body of considerable lineal extent.

Some bornite, pyrite and chalcopyrite boxworks were present, especially in the more "porphyritic" phase. In the upper tunnel incipient oxidation is producing a "boxwork" pattern similar to the more mature "boxes" found above.

Three interpretations of the origin of the deposit from the incomplete evidence are suggested:

(1) That the "porphyritic" diorite is intrusive into the "straight" diorite, and the intrusion is accompanied by intensive contaction metamorphism and the introduction of epidote along with the sulphides. This is also the possibility of a hidden intrusive.

(2) That the contact between the two phases of the diorite is transitional due to variable temperatures of cooking in the magma. If this is true, then a central core of "porphyritic"

diorite would gradually become finer in texture until the "dense" phase was reached. The decrease in size of the sulphide blebs, and other mineral blebs or crystals, would be probable also. This process could be repeated in bands or as a halo. If this proves true then the deposit could be due to magmatic segregation. The apparent absence of fracture control is also suggestive of this type of origin. The decreasing size of the sulphide blebs out from the "porphyritic" phase, coupled with the irregular character of the sulphide blebs is also indicative.

(3) That intersecting fractures and shears localized the hydrothermal mineralization, especially within the more receptive "porphyritic" phase of the diorite. However, the apparent absence of mineralization along fracture and irregular sulphide bleb forms are against this theory. The only explanation which would favor this theory, in lieu of the physical sulphide distribution, would be some form of mineralization "soaking" which would selectively replace certain irregular areas of different composition with the rock itself. Both of the two phases of diorite appear to show fairly consistent character.

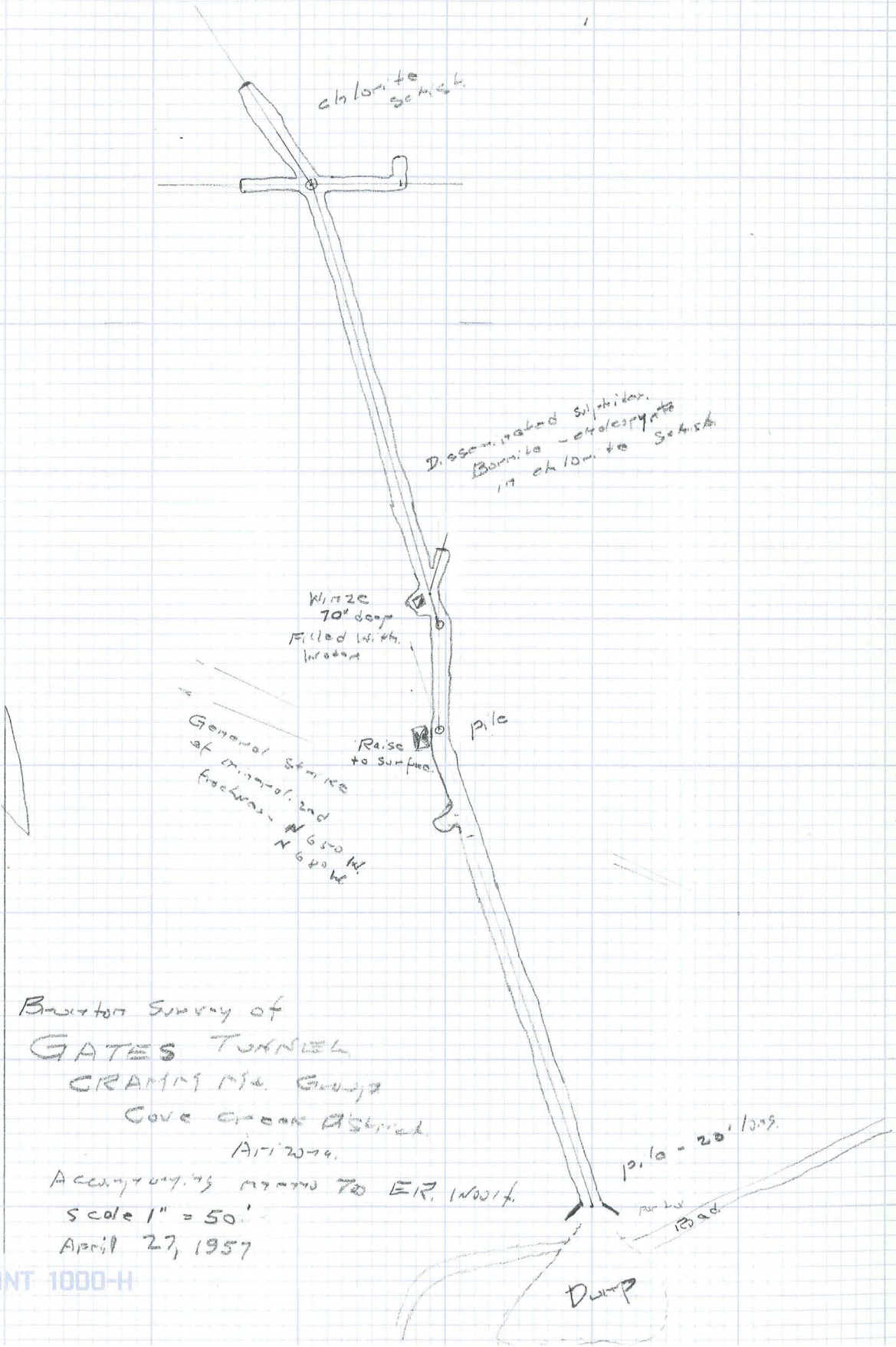
Which of these three theories are correct will only be determined by careful core drilling or far more intensive underground development than has been done to date.

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Chas Bearup
   Address: 5633 W Indian School Rd 247-2652
2. Mine: Cram Mt Mine (Woolf Estate) No. of Claims - Patented 8
   Unpatented 70+
4. Location: NE 5 of Seven Springs, SW of Red Rover
5. Sec ____ Tp 7N Range 4E 6. Mining District ____
7. Owner: Chas Bearup & Sons Mining & Drilling Co
8. Address: 5633 - W Indian School
9. Operating Co.: Same
10. Address: do
11. President: Chas Bearup Jr 12. Gen. Mgr.: ____
13. Principal Metals: Cu, Au, Ag. 14. No. Employed: 4
15. Mill, Type & Capacity: ____
16. Present Operations: (a) Down ☐ (b) Assessment work ☐ (c) Exploration ☑
    (d) Production ☐ (e) Rate ____ tpd.
17. New Work Planned: Drilling
18. Miscl. Notes: ____

Date: Mar 2 1971

F. T. Johnson
(Signature) (Field Engineer)



Boulton Survey of

GATES TUNNEL

CREAMY Mt. Camp

Cove Creek District

Alaska.

Accompanying memo to E.R. Wood.

Scale 1" = 50'

April 27, 1957

REPORT

ON

THE CRAM MOUNTAIN GROUP.

The property is located in the Magazine mining district, Maricopa county, Arizona,at an average elevation of 3500 feet above sea leavel, and 52 miles north of Phoenix,Arizona which at present is the nearest railroad station.However, a railroad is about to be constructed from Clarkdale,Arizona along the Verde River to Mesa, Arizona a distance of 160 miles;and I am reliably informed that construction work is to begin at once.Owing to the fact that the parties behind the project are very strong financially and have built railroads in Arizona and elsewhere,leaves no room for doubt but what the road will be constructed at once.This would bring the Cram Mountain Group within about fifteen miles of the new railroad and afford an outlet for the ores to the various smelters located at Hayden,Douglas,Humbolt, Arizona and El Paso, Texas.

This consists of 22 full mining claims,600x1500 feet each or about 440 acres.This comprises the following claims;Connection.Venus,Mars,Jupiter,South Slope Baba,Richmond,Ascencion,Security,Apex,Lookout,West End,Ohio,Nora,Center,North,May , Hearst,Maggie,North Side, Hope and East End.

The country rock is porphyry,andesite and chlorite schist.The porphyry and andesite being the foot wall,and contact with the schist about the center of the property which forms the hanging wall.The schist as well as porphyry are highly mineralized and disclose excellent copper as well as gold values on surface.There are a number of well defined veins traversing the property having a strike from E to W 20 degrees south,and can be traced for more than 3000 feet.

The first veing known as the south or schist vein traverses the Venus,Mars a portion of the Jupiter and Barba.This vein has an average width of 8 feet. Both foot and hanging wall are schist,having a dip to the south.

The next vein,known as the Air Shaft vein,has excellent surface croppiggs and is highly mineralized its entire length of more than 3000 ft.This vein passes through the Ascension,Richmond,a portion of the Baba and Lookout clims.This vein is exposed in the crosscut tunnel 250ft from its portal and has average width of 6 ft where exposed in the drift which has been extended 50ft on same.The vein filling is schist showing chalcopyrite,chalcocite and native copper.However owing to the fact that the vein where cut by tunnel has only a depth of 175 feet,the ores have been leached to a great extent and depth will have to be attained to find the ore in place and quality.

A cross vein with a strike fron N to S intersects this vein near the tunnel and winze,but has not faulted it,but merges with Air Shaft vein.

Fortyfour feet N of Air Shaft vein a station has been cut and a winze sunk to a depth of 70 ft on same.As there was water in the winze I was unable to examine same,however,the ores on the dump which I am reliably informed were taken from said drift are highly mineralized and show chalcopyrite,bornite,chalcocite and some native copper.

The next vein cut by the tunnel which has attained a length of 500 feet is in porphyry,but as ver little drifting on the vein has been done,its width or value can not yet be determined.However,I would advise drifting on same and fully explore it,as I am of the opinion that a good ore body will be opened sufficiently large to warrant sinking on vein.

Samples from various parts of the property gave assay returns as follows;

	% Cu	$z Au	Oz Ag		% Cu	$ Au	oz Ag
1	1.76	$2.00	Tr	7	11.2	.60	
2	3.20	2.80	Tr	8	14.2	Tr	
3	2.18	.64	1.5	9	10.11	2.40	
4	5.04	2.20	2.5	10	8.5	2.40	
5	8.9	2.20	3.0	11	10.5	2.00	
6	4.02	.32	3.0	12	9.4	2.40	
13		3.20		14		6.60	

Thes samples were taken for the purpose of showing the thorough mineralization of the ground.

The development consists of a crosscut tunnel 500 ft in lenghh the portal of which is on the Ascension claim,and the breast on the Security claim.This tunnel is connected with an Air Shaft 175 feet to the surface as stated before.A drift has been extended for 50 feet on the Air Shaft vein,and a winze sunk 70 ft on the Cross or North and South vein,and a drift extending 30 ft on the same.There are a number of shallow shafts and open cuts on the various veins,but some deep enough to be of much consequence except insofar that all of them show mineralization

Cave Creek with a flow of 200 miners inches passes through a portion of the property.This flows the entire year and sufficient power can be developed to operate all machinery for mining and reduction works by electricity.

Cave Creek at and near the property has a fall of about 200 feet to the mile.This will give the cheapest power known and is on great importance in the cost of operating the property.

I would recommend the construction of a dam on Cave Creek and the installation of an electric plant to operate air compressor and hoist and the sinking of a shaft from the tunnellevel on the Air Shaft vein to a depth of from 800 to 1000 feet,extending laterals every 100 ft east and west,thus fairly exploring that portion of the mine.Water level or the sulphide zone will be reached at about 800 feet from the surface.

I further recommend the exploration and development of the schist vein as I am confident large ore bodies will be uncovered.The schist at depth at or near water level will be replaced by sulphides of which I am confident large bodies exist.There is no question in my mind but that a great producer of copper ores will be the result with systematic development.In fact the geological conditions are such that a failure to open a big producing mine is almost improbable;taking in consideration the geological conditions which are ideal, together with the cheap power for operations,makes this a most desirable proposition for development.

Respectfully,

(Signed) J.P.Olympious,

Phoenix,Ariz.
April 5,1917.