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GLADIATOR - WAR EAGLE
AND
FAIRVIEW DEPOSITS
IN
YAVAPAI COUNTY, ARIZONA

This internal report updates the Mason Coggin Feasibility
Report for the purpose of the 1984 debenture.

Prepared by: Nor-Quest Resources Ltd.
October 1984

GLADIATOR-WAR EAGLE REPORT

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SUMMARY AND CONCLUSIONS

Nor-Quest Arizona Inc has a block of patented and B.L.M. staked claims totalling 1,100 acres of land including the Gladiator-War Eagle Mine located in the Yavapai County of Arizona.

The patented and staked lands have previous records showing the following potential gold/silver producing veins:

- Gladiator-War Eagle Vein
- Fairview Vein
- Crown King Vein
- Spring Green Vein
- Del Pasco Vein

Of the above veins, the attached report details the Gladiator-War Eagle property and to a less extent the Fairview property. None of the remaining veins are mentioned as no work has been completed for substantiating grade and reserves, but they can be recognized as possible future veins to develop for reserves.

The Gladiator-War Eagle project has 81,138 tons of proven reserves containing 0.58 ounces per ton of gold and 3.72 ounces per ton of silver across a 4.61 foot mining width. The reserves were developed by diamond drilling (1983), 1942 sampling and projections from mining and the 1984 sampling program.

The results of the 1984 Sampling and Development program allowed for a decision to be made to proceed to production. This decision initiated the completion of surface facilities at the mine, and the widening of the old adit to a 9 foot by 9 foot opening to allow rubber wheeled mining equipment access to the work area. The 100 ton per day mill and mining equipment owned by Nor-Quest Resources was mobilized for the project.

An amount of \$ 1.2 million dollars has been spent on the project to date. This includes the drilling, sampling and development program as completed. The present financing of the project will complete the relocation and construction of the mill; development of the "D" zone by a decline tunnel and allow one months operating cost to bring the project to a positive cash flow.

Projected positive cash flows are scheduled to start four months after construction starts at the mine. It is expected that at an operating cost of U.S. \$ 170 per ounce of gold, a operating profit cash flow of U.S. \$ 200,000 per month can be expected with gold prices at U.S. \$ 300 per ounce.

The Fairview project has a projection of 88,000 tons of possible ore grading 0.50 ounces per ton gold and 2.0 ounces per ton of silver for a width of 3 feet. The access to this vein will be from the Gladiator-War Eagle 6,500 foot level adit and will be a major target for early development.

HISTORY

The Gladiator-War Eagle properties were first discovered and worked in the 1870's when a small but unrecorded production of high grade gold ore was produced under extremely adverse conditions. The property was located in a particularly remote district and ore shipped out by burro over nearly 50 miles of unusually rough road from Prescott. The mine was found to be too remote and inaccessible to operate profitably and the original operations ceased to await better access. The mine was reopened in the 1890's when the first road was built into the area. A small stamp-mill was brought in by wagon train. The mine and mill were then operated with limited water which was pumped from a local creek.

A poor recovery was made by amalgamation and the mine and mill again shut down in about 1900.

About 1902 the property was acquired by Moores and Maguire under bond and lease. Both men were experienced in mining operation and about \$ 25,000 was invested in the reopening of the property. They rebuilt the road, built new buildings and equipped the mine with two compressors delivering 400 cubic feet of air. Within a short time they mined and shipped 5,155 tons of ore valued at \$ 20 per ton under the prevailing prices at that time. (Gold was selling at \$ 20 per ounce). The ores were shipped to the smelters at Hayden, Magma and El Paso, Texas. They were hauled by wagon to the railhead at Mayer and shipped from there to designated smelter. At the \$ 20.00 value, they did little more than break even on the venture. Realizing that the only chance for a reasonable profit was to construct a local mill, they had floatation tests of their ore run by the Minerals Separation Company. The tests showed that an iron-concentrate could be made with a concentration ratio of 4 to 1 and recovery at 93%. Further testing indicated that most of the iron could be dropped with a resulting concentration of 15 to 1 and recovery held at slightly less than 90% for the contained gold and silver.

Local water was judged to be insufficient to run a 50 ton mill. The operators did not have enough money to construct either the mill or a pipe line to the property. They then placed the property on the market for \$ 200,000.

In August of 1926 the property was visited by D.M. Barringer, Jr., a well known Mining Engineer of the period. At that time the property was leased by Fike and Starbird from the owners.

At this time the property was opened by a single adit about 1,900 feet long. It ran as a cross-cut for about 500 feet, where it encountered the vein. A short drift ran North at this point and the main heading ran South, following the vein for 1,400 feet.

Close to the intersection of the vein with the adit there was extensive stoping. The stopes were inaccessible, but it was known that they connected with the surface by the large amount of air that was circulating through the openings. At this point there was about 400 feet of backs above the adit. A 25 foot pillar between two stopes at this point showed the vein to be between 18 and 24 inches thick. It carried heavy lead, zinc and iron sulfides.

At that time Fike and Starbird were proposing to mine this pillar, if sufficient equipment could be obtained.

In the late 1930's the property was leased from the owners by C. Moores, a well experienced mine operator of the period. With the help of his family and Anthony Bennett, an experienced mining engineer, the mine was operated from 1937 to 1942. It is for this period of time that a summary of the smelter shipments is available. During that period they shipped a total of 21,961 tons for which they received slightly over one million dollars. With the proceeds they paid all of the bills, returned a royalty to the owner and made a reasonable profit. They continued to operate the mine during the second world war and leased a mill at Turkey Creek where the ores were milled. No production records are available for this time. When operations were suspended after the war the operators owed the owner \$ 30,000 to complete purchase of the mine. According the Mrs. A. Bennett, a daughter of Moores, they borrowed the \$ 30,000 on their life insurance policies and completed the purchase.

From 1947 to 1980 the property was not explored. In March of 1980 the property was leased by Anthony N. Bennett, Sophoronia Moores Bennett, Charles Forbes Moores, Vera Moores, and Elizabeth B. Maguire to John Warsing. Warsing opened up the adit and explored the property apparently attempting to promote the property to a larger company. He failed the make the necessary payments and the option reverted to the owners.

In 1981 the property was leased to Noranda Exploration Company. During a six month period they completed a drilling program and thoroughly sampled the surface for geochemical anomalies. During the last year most of the larger mining companies have suffered a deep economic recession. Those companies which depend on base metal mining profits to fund their exploration efforts have had to reduce their programs. In March of 1982 Noranda returned the property to the owners. A summary of their program and their finding will be described in the Geology section of this report.

Negotiations with the owner by Nor-Quest were undertaken as soon as information on the Noranda program became available.

These negotiations have resulted in a contract under which Nor-Quest will acquire title to the property by making payment of \$ 100,000 per year each year for a total of \$ 500,000 or 10% of the net smelter returns, whichever is greater.

LOCATION AND ACCESSIBILITY

The Gladiator-War Eagle properties are located in the Central Arizona Precambrian Schist Belt about 35 airline miles south of Prescott and about 30 miles by well graded dirt road from Interstate 17 at the Bumble Bee Crown King off-ramp. This dirt road partially follows the old Prescott and Eastern Railroad grade which ran from Mayer to Crown King.

The railroad was constructed in 1904 by Frank Murphy, a mining and railroad promoter of the era. It served the community until 1925 when the tracks were torn out during the recession of that decade.

Although well graded, the steepest grade being about 6%, it is narrow and there are several switchbacks. From Crown King the properties can be reached by 3 miles of very narrow steep dirt road that is reasonably well maintained to service the recreational and mining traffic in the district. Although rough, access is good and the roads can be travelled year round with only seasonal maintenance.

Crown King is the closest town to the Gladiator-War Eagle properties. In the early 1900's the town served as the center of activities for the mining interest in the surrounding Districts. At present it is primarily a recreational community. The only services available are housing, one store, two bars, two restaurants and gasoline available at the store. The community also has a fire station and a Forest Service work camp.

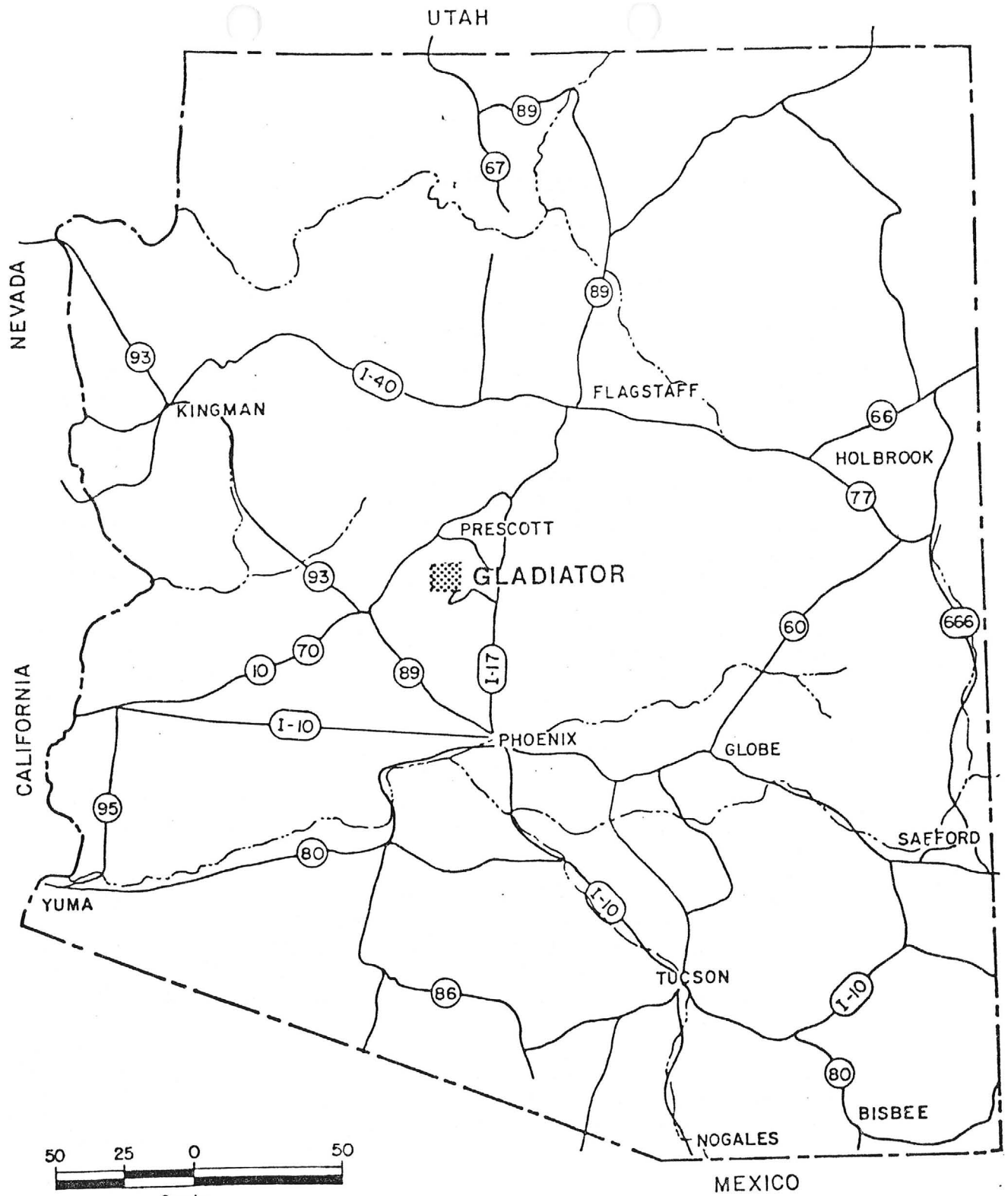
The nearest large supply center is Phoenix, about two and one half hours away. Prescott which is about one and one half hours from Crown King has few mining supplies.

Crown King is served by Arizona Public Service and there is adequate power available in the community. There are telephones available. The General Store also serves as a U.S. Post Office. Water is supplied to the community by two independent water companies. This source of water for the systems is some of the old mine shafts in the area. The source should be adequate for a small mill as well as the community.

Vegetation in the areas consists of heavy pine timber, dense stands of scrub oak and cat claw. Previous operators of the property have used the local timber for the few required mine supports. Timber has been obtained locally from two sources. Both can provide good pine at reasonable prices and will deliver to the site.

There are two local contractors who are equipped with small loaders, backhoes, dozers and a fleet of well-used dump trucks. Both have graders and are familiar with the local regulations and requirements.

Some of the local labor has had previous underground mining experience and most of these are current with the latest safety training requirements. Supervision, lead miners and mill operators are available in the Prescott area. There is a well experienced and well equipped underground mining contractor available in Prescott.



Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

LOCATION MAP
ARIZONA

PROPERTY HOLDINGS

The Gladiator-War Eagle properties consist of the following patented lode mining claims.

Claim Name	Yavapai County	
	Book of Deeds	Page
War Eagle	Book 10	595
1st. N. Ext of the War Eagle	Book 10	599
2nd N. Ext of the Eagle	Book 108	378
3rd N. Ext of the War Eagle	Book 10	42
Gladiator	Book 10	410
Magnet	Book 41	410
Magnet No. 2	Book 67	494
Charleston	Book 67	494
Monitor	Book 67	494
Lone Jack	Book 67	494
Merrimac	Book 67	494
Olympia	Book 67	494

(The position of the above patented claims are more particularly described in the field notes of the U.S. Mineral Survey made on each of the said claims on file with the Bureau of Land Management, 2300 Valley Bank Centre, Phoenix, Arizona.

GEOLOGY AND MINERALOGY

The geology of the Gladiator-War Eagle properties is very similar to the geology of many other precious and base metal deposits of the Central Arizona Precambrian Schist Belt. It consists of syngenetically formed deposits of massive sulfides in metavolcanic and metasedimentary rock of early precambrian age.

In general these deposits consist of distal and proximal deposits of base and precious metal which have accounted for a substantial portion of Arizona's precious and base metal production. Other and more famous deposits of this nature in Arizona include the United Verde deposit at Jerome, the Iron King deposit at Humboldt and the Gladstone McCabe deposit which is currently being developed by Stan West Properties through their subsidiary, the Jerome Mining Company. There are dozens of smaller deposits of this type scattered from Jerome which lies at the extreme north end of the Central Arizona Schist Belt to the Morristown New River Area which lies in the extreme south end of this exposure. Rocks of the same age are also present in other parts of Arizona. In general they are also well mineralized and have had production of base and precious metals.

The occurrence of this type of deposit in other parts of the world is well documented. The Canadian Precambrian Shield, the Konar Gold Mines in India, the gold districts of Central Australia and the Homestake Gold Mine in South Dakota all occur in similar formations.

It has only been in the last two decades that the concept of syngenetically emplaced sulfides has been taken seriously in Arizona. The persistent belief that the mineralization is either all Laramide in origin or the preoccupation of the entire mineral exploration with Porphyry copper type of deposit has concentrated efforts away from the precambrian deposits.

Technical efforts to locate and re-examine these deposits in Arizona in the last decade were initiated by a few individuals. The concept is still new and its supporters are treated as wild eyes speculators in much of the technical community. One of the problems may lie in the fact that much of the areas involved are exposed because of the Laramide intrusives into the adjacent areas. These large upheavals give Arizona geologists an opportunity to see portions of the underlying precambrian rocks which are rarely exposed elsewhere in the state. In these instances the Precambrian Schists have been highly metamorphosed, their original values remobilized and redeposited. In fact much of the mineralization now associated with the banded iron formations in these schists is probably of Tertiary age due to the remobilization. Consequently it is not proven whether or not this mineralization was originally associated with the precambrian sedimentary volcanics or the Laramide intrusives. Only in such places as Jerome is the mineralization clearly defined as a proximal deposit to precambrian volcanism.

Not surprisingly most of the supports of the syngenetic model in Arizona have had at least some exposure to Canadian Shield geology.

It was probably part of this background that induced Noranda Exploration Inc., of Tucson to acquire and explore the Gladiator-War Eagle properties. During

the summer of 1981 they mapped, drilled and sampled the properties and have provided a detailed geological report. Although they dropped the property from their program in March of 1982, it is obvious that they still have a keen interest in reacquisition. During the last year they have dropped much of their holdings in Arizona and have greatly reduced their exploration activities in the state.

The following is an extract of their geological findings:

Volcan-sedimentary rocks in the area consist of a thick sequence of intermediate flows and pyroclastic rocks interbedded with lesser amounts of felsic pyroclastics, epiclastics and iron formation. These rocks are intruded and bound by Precambrian and Laramide-age granitic bodies.

Rocks throughout the area have been metamorphosed to regional amphibolite grade. Preservation of the volcanic features is excellent. Pillowed andesite flows with interstitial hyaloclastic breccias and chilled selvages are locally preserved. Collapsed pumice fragments in felsic tuffs and clasts up to block size in felsic tuff-breccias are also recognizable.

Nearly all of the stratigraphic sequence exposed in the area is part of the Iron King Volcanics of the Big Bug Group, Yavapai Series. The Iron King Volcanics include andesites, rhyolites, sediments and iron formation. However, the formation is dominated by andesites and is referred to as the andesite complex. The andesite complex is underlain by a thin ribbon of pelites belonging to the uppermost Spud Mountain Volcanics, also of the Big Bug Group. Overlying the Iron King Volcanics and Yavapai Series with major unconformity is the Texas Gulch Formation. The Iron King Volcanics and adjacent rocks are west facing in the area.

Spud Mountain Volcanics

The Spud Mountain Volcanics constitute a pile of pelitic siltites and shales exposed east of the andesite complex. They are the oldest rocks exposed in the immediate area. Lithologically, this unit consists of magnetite-bearing siltites, chertic mudstone, minor shales, magnetite-bearing chert and rare mafic flows. The Iron King Volcanics unconformably overlie the Spud Mountain Volcanic.

Iron King Volcanics

This unit makes up about 60% of the andesite complex. It is composed of several important and easily distinguished units namely the Andesite Flows (APL, AFL), a Conditionally Banded Andesite Pyroclastic Unit (APY), a felsic Volcanic Unit (RTF), the Banded Iron Formation (BIF), which in turn is composed of an Oxide facies (OIF), a Carbonate facies (CIF) and a Sulfide facies (SIF), and Calcareous cherts (CCT). The andesitic flows including rare basalt flows are found throughout the entire andesite complex. The typical mineral assembly is hornblende and andesine plagioclase, with quartz being the most common accessory mineral.

The Banded Andesite Pyroclastic Unit (APY) is a major rock type in the area. It is a heterogeneous unit that consists of abundant tremolite, up to 10% calcite, minor epidote and thin white bands of extremely

fine-grained plagioclase and quartz. A fine grained felsic tuff occurring as thin discontinuous lenses within the andesite complex crop out near the north end of Gladiator Ridge. They can be found interbedded with andesite tuffs and iron formations. Quartz is the most abundant mineral with lesser amounts of muscovite, biotite and pyrite.

The Banded Iron Formation is the most important and easily recognized rock outcropping in the area. It consists of four facies. The Oxide facies (OIF) is composed of purple, hematitic banded chert with hematite and thin laminae of carbonates. Sulfides are absent. The Carbonate facies (CIF) is composed of calcite, quartz, biotite, ankerite and siderite. Pyrite/pyrrhotite laminations are infrequent. The Sulfide facies (SIF) form a complex stratigraphic assemblage of chemical and clastic sediments. The major lithologies are thinly bedded to laminated carbonaceous, pyritic mudstone interbedded with garnetiferous, chlorite-rich mudstone, chert, and infrequent carbonate laminae. Calcareous cherts (CCT) contain between 5 and 10% carbonates with white calcareous white chert. Magnetite is common and sulfides are rare.

Texas Gulch Formation (TGP) unconformably overlies the andesite complex. This formation consists of a siliceous siltite at the base of the formation grading into a fine grained rhyolite tuff, lapilli tuff and arkosic sands further up in the section. The pelitic unit (TGP) is a distinctive silver-gray quartz-muscovite schist while the siltites (TGV) and the arkosic sands (TGS) tend more to red.

The Crasy Basin Quartz-Monzonite (CBqm) is Precambrian in age. It is exposed to the east of the area and is coarse grained with conspicuous pink microcline crystals and white quartz. Biotite is the chief accessory mineral.

The Crown King Granodiorite (CKgd) is a Laramide intrusive stock exposed south of the area.

Numerous **Latite Porphyry (LP)** dikes of Laramide (?) age intrude the stratified rocks. The dikes are sub-parallel to the regional west dipping foliation and preferentially intrude the carbonaceous mudstone in the Gladiator-War Eagle area.

The structure of the area and in particular the schist belt is in dispute. None of the recent authors are in agreement on the fold geometry and stratigraphic sequence. In general, however, it can be seen that the foliation throughout the area is sub-parallel to the bedding. Foliation in the area strikes NNE, and dips steeply westward.

Steeply plunging isoclinal folds can be observed throughout the area. In most cases the fold axis plunges 60 degrees.

Two types of faults intersect the area. Precambrian strike-slip faults of small displacement are probably the result of flexural slip during formation. Tertiary normal faults in the area strike WNW and offset

lithologic contracts as much as 200 feet. Most faults of this type can be followed for only a few hundred feet. Drag folding is commonly observed near the fault plane.

Although Noranda personally describes the mineralization as limited to iron and iron sulfides during the Precambrian age with a Tertiary overlay of lead, zinc, and copper, they fail to give any accounting to the age of the precious metals. Furthermore there is no consideration for the fact that the base metal enrichment may have come from the banded iron formations themselves and represents only a migration of the values from some other place in the strata. Other deposits of the same type located tens of miles from Laramide intrusives display this same type of redeposition.

Similar geology and similar deposits exist on either side of the Gladiator-War Eagle property and along strike to the north and south. There is an excellent opportunity to acquire adjacent properties with the similar potential.

GLADIATOR-WAR EAGLE PAST PRODUCTION

The following is an estimate of the past production of the Gladiator-War Eagle Properties.

Gladiator-War Eagle Production

Period	Activity	Period
1870 to 1880	Discovery	3,000 oz. gold
1900 to 1920	Crown King Railroad	3,000 oz. gold
1937 to 1942	Moores and Maguire	11,795 oz. gold 105,235 oz. silver
1942 to 1946	Bennett and Moores	3,000 oz. gold

It is important to recognize that this property is located centrally in the Peck, Pine Grove and Tiger Mining districts. According to Elsing and Heineman in Bulletin 140 of the Arizona Bureau of Mines these districts have the following recorded production up to 1937:

Crown King Area Mineral Production to 1937

DISTRICT	COPPER (pounds)	LEAD (pounds)	GOLD (ounces)	SILVER (ounces)
Pine Grove	400,000	unk.	73,295	235,858
Peck	18,200,000	250,000	12,095	2,075,000
Tiger	200,000	100,000	33,382	1,507,142
Total	18,800,000	350,000	118,772	3,818,000

Elsing et al., realize that much of the early production was not reported and their estimate does not include the early years of mine production. This estimate also does not include the production of the late 1930's, the war years, nor the recent production from the district. In reality these estimates could probably be doubled.

Mining Methods

The mining method previously used was a very simple shrinkage stope system. The wall rocks and the vein are quite hard and the old stopes are standing open with occasional sprag supports. No other support system is in evidence other than the chute and shaft timbers.

The stopes were generally mined to the width of the vein and there is little evidence of overbreak or spalling of the walls.

Both the vein material and the wall rocks are incredibly hard but the vein is not frozen to the walls and a slick wall defines both the hanging and foot wall

contact. The veins are further different in color and texture and can be easily identified. The previous operators claim not to have had excessive powder costs although experienced difficult drilling with the plain steel bits. Modern carbide bits and integral steel will no doubt prove satisfactory.

The mining plan required to develop the different blocks of ore has been developed with the prime extraction method following the traditional method of shrinkage stoping. Access to each block of ore is by rubber wheel vehicles and declines will gain access to blocks of ore below the 6,500 level major adit.

With the addition of this modern equipment and mining methods, the productivity of the mining system will be excellent.

Recovery Systems

The majority of the ores mined for the Gladiator-War Eagle properties were shipped directly to the smelters. The only known treatments were the stamp milling operation on the original operations during the 1890's and the milling done by Anthony Bennett during World War 2. Nothing is known of the original stamp milling process although parts of the old mill are still standing on the property. There are essentially no tailings left from this operation. Apparently Moores and Macguire shipped them to the smelter during the late 1920's or possibly the early 1930's.

The present program will mill all of the ore mined from the Gladiator-War Eagle properties and any additional ore from veins such as the Fairview, Crown King extension, Spring Green and the El Paso will be processed at the mine site.

The site chosen to construct the mill is the site of the old stamp mill where ground foundations are excellent. The mill, which is presently located in Vancouver, British Columbia, will operate at 100 tons per day and following a chemical extraction (with cyanide or ammonia thiosulphate), a doré bar will be produced for market.

GLADIATOR-WAR EAGLEOPERATING COSTS

Mining Labour	Tons Per Day	Tons/ Man Shift	Man Shifts Required	Cost Per Man	Cost Per Day	Cost Per Ton	Cost Per Week	Cost Per Month	Cost Per Year
Item									
Development	39	10	4	125	500	12.82	2,500	10,825	129,900
Stope Mining	104	12	9	125	1,125	10.82	5,625	24,356	292,275
Tramming	143	72	2	80	160	1.12	800	3,464	41,568
Supervision	143	38	4	125	500	3.50	2,500	10,825	129,900
Maintenance	143	72	2	80	160	1.12	800	3,464	41,568
Total Labour					2,445	29.38	12,225	52,934	635,211

Supplies	\$/Ton	\$/Day	\$/Mo.	\$/Yr.	Equipment	\$/Mo.	\$/Yr.
Fuel & Lube	5.31	760	16,450	197,400	1200 CFM Compress	3,500	42,000
Powder, Fuse & Caps	5.31	760	16,450	197,400	Drills	3,500	42,000
Steel & Bits	1.10	157	3,413	40,957	Pipes	250	3,000
Misc Supplies	5.31	760	16,450	197,400	Fans	500	6,000
Ins, FICA, etc.	1.86	266	5,747	68,963	Scoop Tram	3,500	42,000
Total Supplies	18.89	2,703	58,510	702,120	Young Buggy	3,500	42,000
					Misc.	1,125	13,500
					Total Equipment	15,875	190,500

\$/Ton

5.13

GLADIATOR-WAR EAGLE OPERATING COSTS

Page 2

Milling Costs	\$/Ton	\$/Day	\$/Mo.	\$/Yr	Remarks
Labour	20.00	2,000	60,620	727,440	12 Required
Power	5.00	500	15,155	181,860	150 KWHR/Ton
Iron	0.50	50	1,515	18,186	1 \$/ton
Chemicals	2.50	250	7,578	90,936	
Misc.	4.00	400	12,124	145,488	
Total Milling	32.00	3,200	96,992	1,163,910	

Operating Summary	\$/Ton	\$/Day	\$/Mo.	\$/Yr.	
Mining	29.38	2,445	52,934	635,211	
Supplies	18.89	2,703	58,510	702,120	
Equipment	5.13	524	15,875	190,500	
Milling	32.00	3,200	96,992	1,163,904	
G & A	3.82	382	11,578	138,941	
Taxes S & L	1.00	100	3,031	36,372	
	90.22	9,354	238,920	2,867,048	

EXPLORATION AND DEVELOPMENT PROGRAMS

Exploration Drilling

Diamond drilling was started on the property in early summer of 1983 and was completed in the fall. Drilling consisted of 16 diamond drill holes. The drilling was initially under the direction of Beniot Violette, geologist, until he was reassigned to another Nor-Quest property in Canada.

All Gladiator-War Eagle drill holes, their assays and intercepts have been plotted on the attached Nor-Quest Section through Under-ground Workings and Ore Zones and the cross sections. The accuracy of the existing work is sufficient for the purpose of this presentation.

Drill Hole Spacing

The pattern of the drill holes in Block A is approximately 50 feet along the dip and 100 feet in fences along the strike. The first holes were drilled to box the existing Noranda drill hole number 3. The highest intercept of the holes is about 100 feet below the old workings where the previous operators have reported values ranging from 0.24 to 0.98 ounces per ton in gold and 0.86 to 5.14 ounces per ton in silver along a strike distance of 600 feet.

The drilling in Block D consists of 3 holes with a spacing of approximately 50 feet and about 100 feet below the bottom of the old workings. The old workings are reported to have mined 20,000 tons of ore grading 1.02 ounces of gold per ton during 1890 and 1906 period and 21,961 tons of ore grading 0.54 ounces of gold and 4.79 ounces of silver, these records are accurately recorded in old smelter receipts.

Assays

Assays for most of the drill holes have been provided and are attached. (see cross section)

Two assayors were used during the drilling. The first assayer, Iron King Assay Office of Humboldt, Arizona, is the second oldest assay office in Arizona and has been operated by the same assayer for over 30 years. Over the past 12 years this writer has had several check assays run on this assay office with satisfactory results. The second assayer is Jacobs Assay Office in Tucson, Arizona. Jacobs Assay Office is the oldest assay office in Arizona and represents three generations of assayors. Check assays against this assayer have also produced satisfactory results. Both assayors used traditional fire assay.

Continuity of Mineralization

The Gladiator vein displays all the features of veins in the banded iron formation

of the Yavapai Schist Belt of central Arizona. The vein is continuous, well defined and displays a uniform thickness and consistent values throughout its course.

The old workings show a remarkable continuity in the vein consistency. Other veins of the same type in the area also exhibit strong continuity of vein width and vein values.

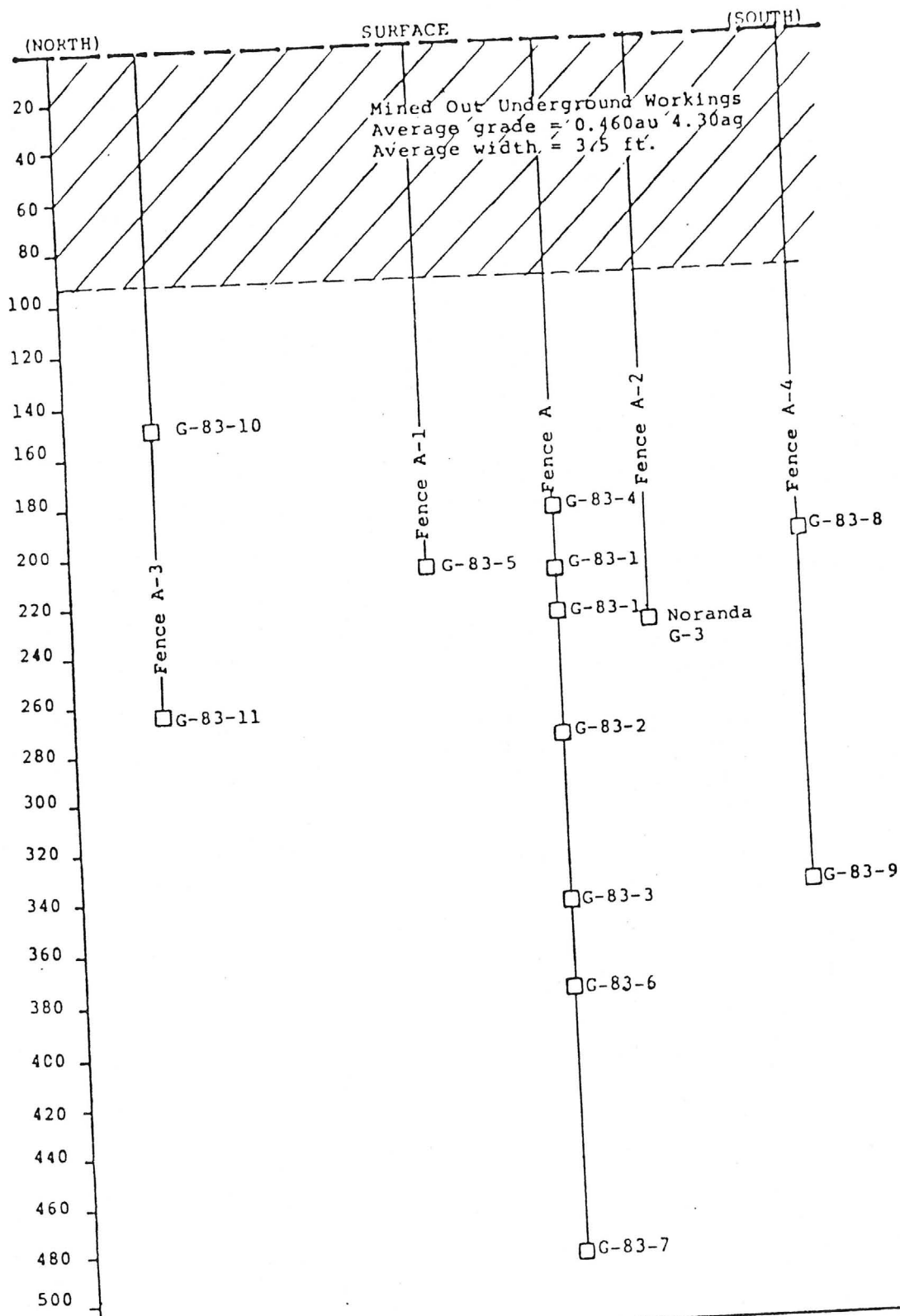
According to Benoit Violette. "It (the vein) varies in true thickness from 1.1 to 2.2. feet. It is noticeable that the vein is faulted and a more substantial true thickness could be inferred considering the 4 foot vein thickness obtained at similar depth by the Noranda drilling"

"The returned grades for gold mineralization are fairly consistent throughout the drilled section but the silver grades are somewhat erratic and unreliable."

Past Production and Assay Comparisons

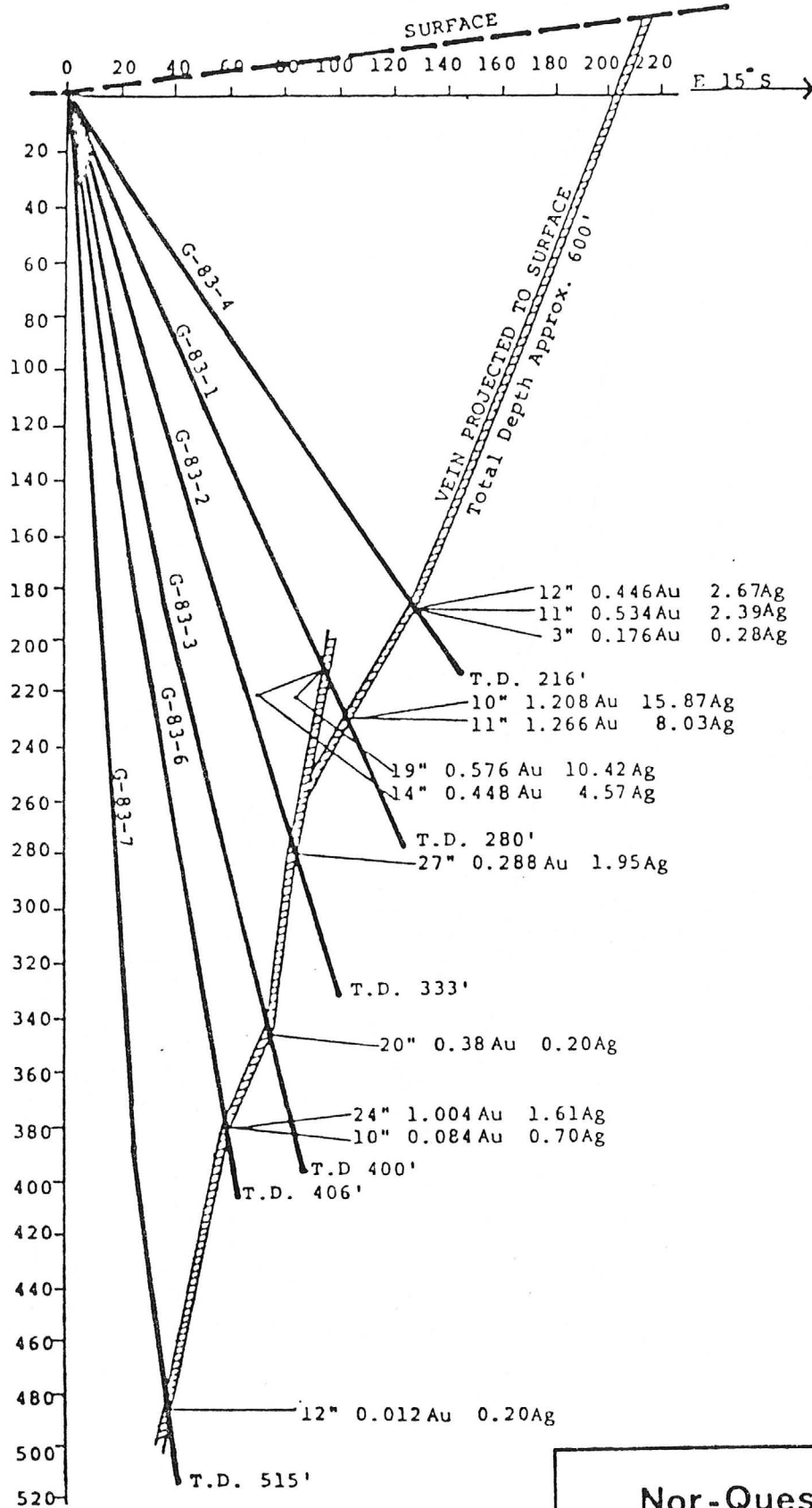
Previous operators produced from the Gladiator-War Eagle 21,961 tons of ore grading 0.54 ounces per ton in gold and 4.79 ounces per ton in silver for which they have accurate smelter receipts.

As these smelter shipments were not hand sorted or processed in any way they would include dilution to a mineable width. Considering the present estimate of 0.58 ounces per ton of gold and 3.72 ounces per ton of silver these grades appear to be consistent with the smelter receipts.



Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

NORTH/SOUTH SECTION
LOCATING DRILL HOLES
ORE BLOCK A



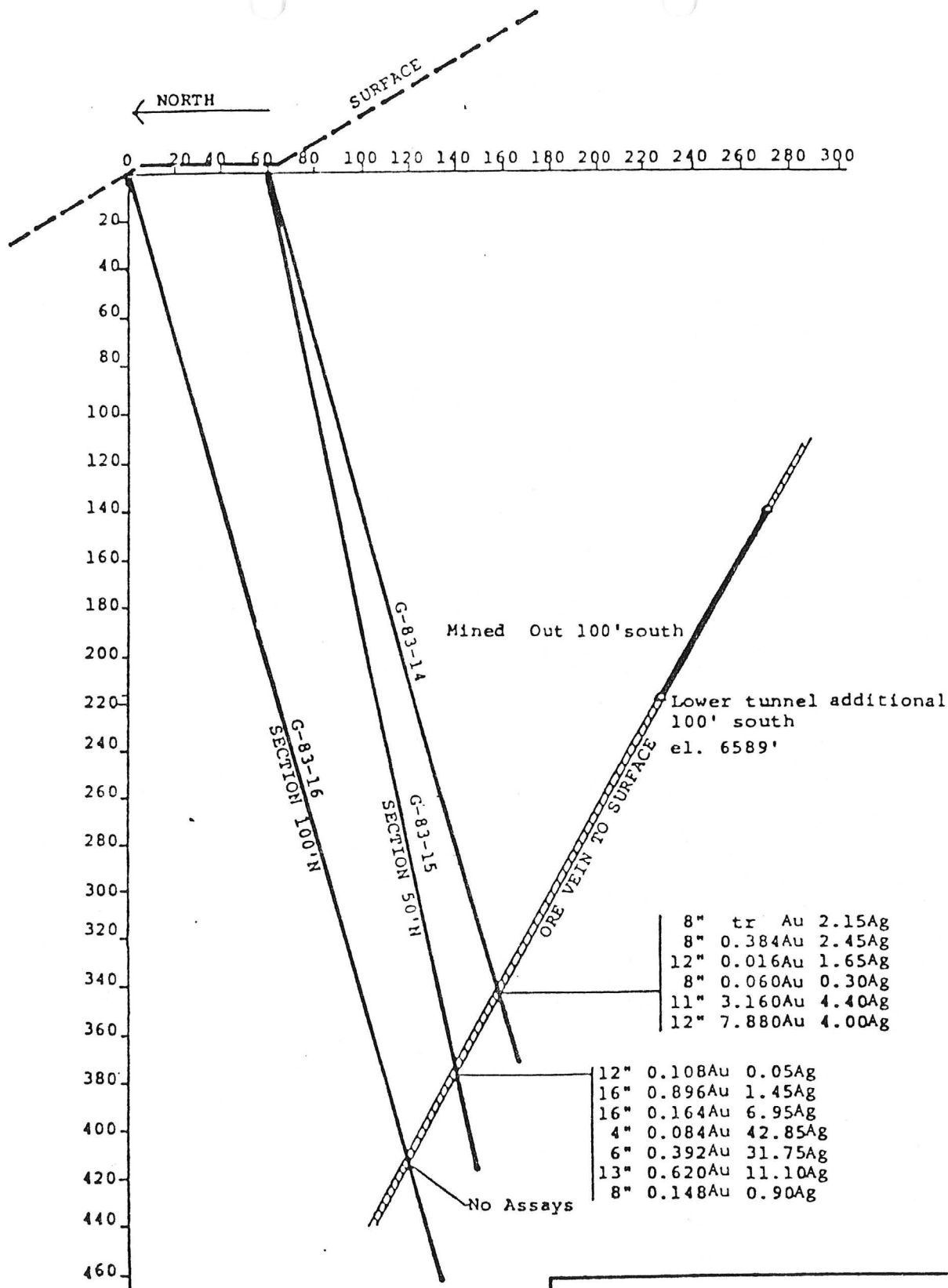
LEGEND

mineralized vein

DDH Intersection 10" 0.00Au 0.00Ag

**Nor-Quest Arizona Inc.
Gladiator-War Eagle Project**

FENCE A, ORE BLOCK A



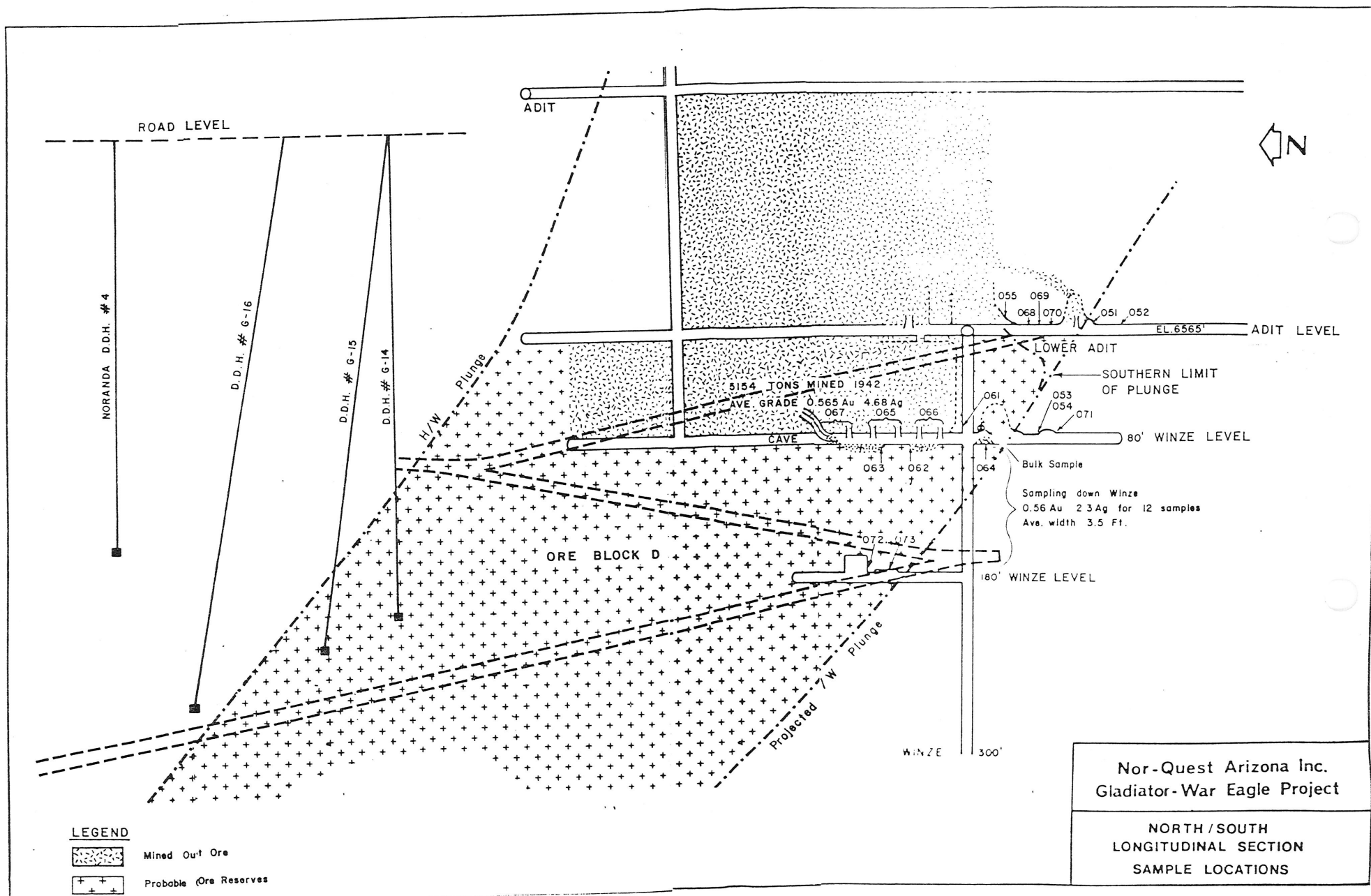
LEGEND

mineralized vein

DDH Intersection 10" 0.00Au 0.00Ag

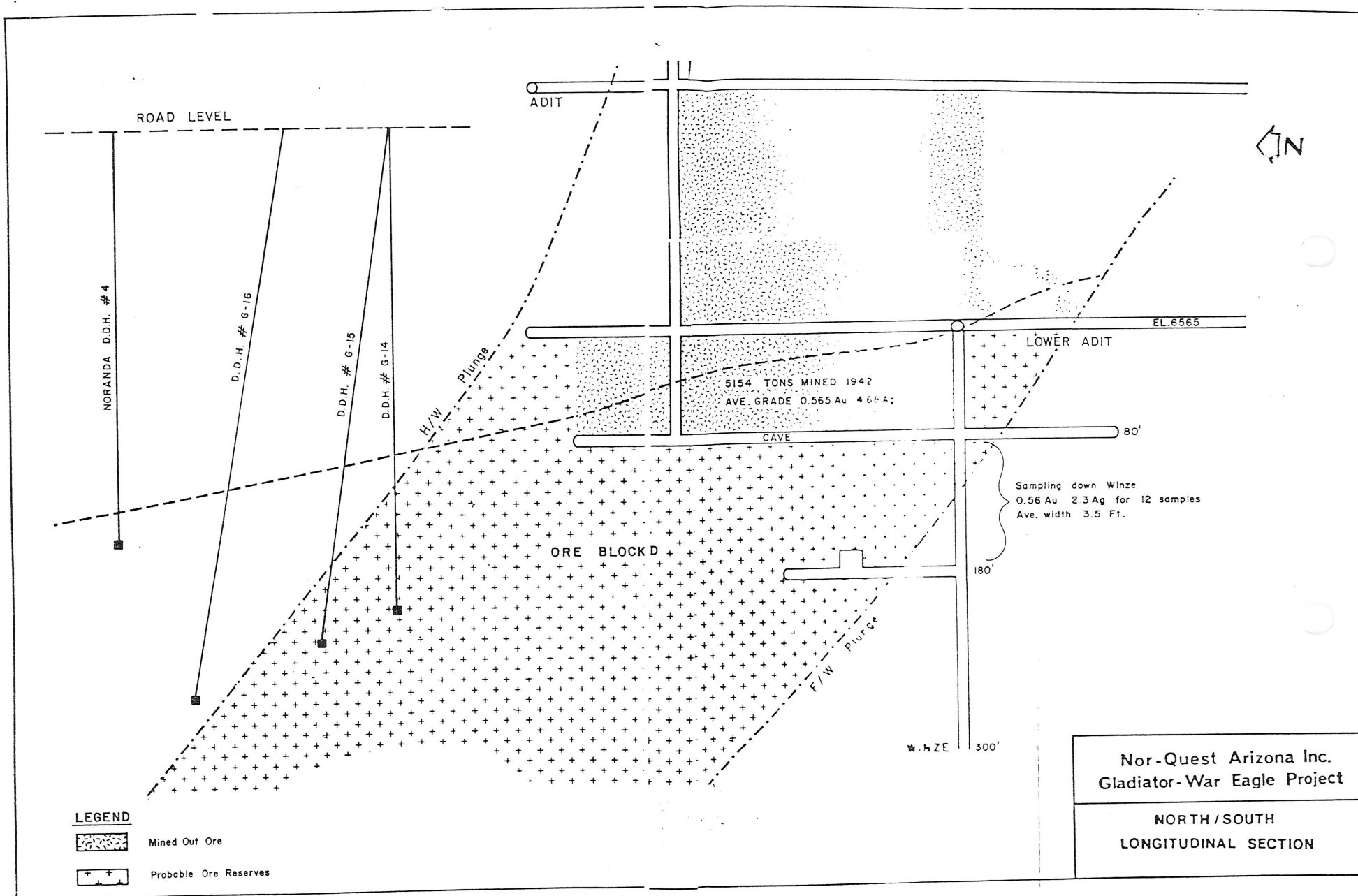
Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

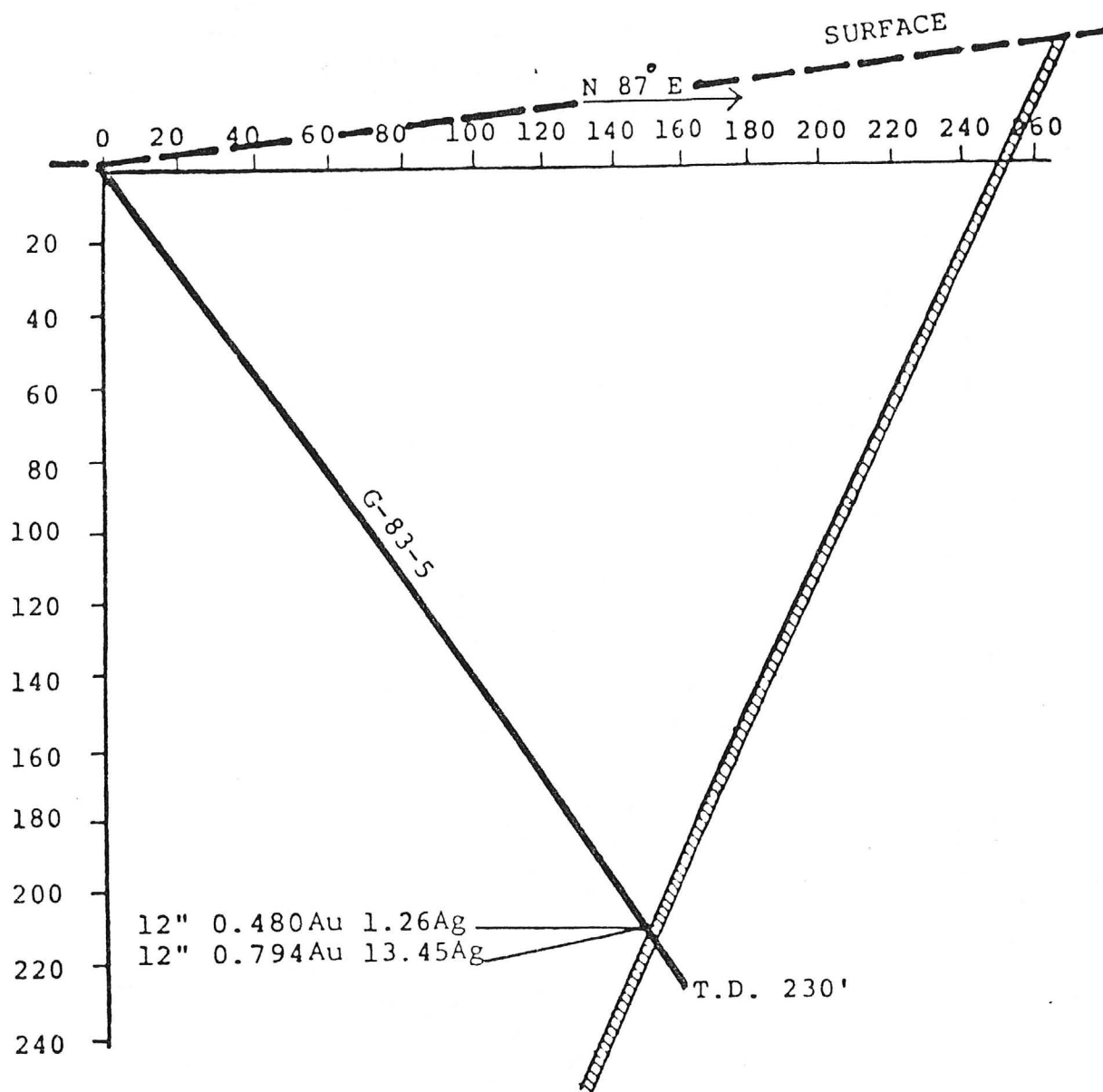
ORE BLOCK D



Nor-Quest Arizona Inc.
 Gladiator-War Eagle Project

NORTH / SOUTH
 LONGITUDINAL SECTION
 SAMPLE LOCATIONS





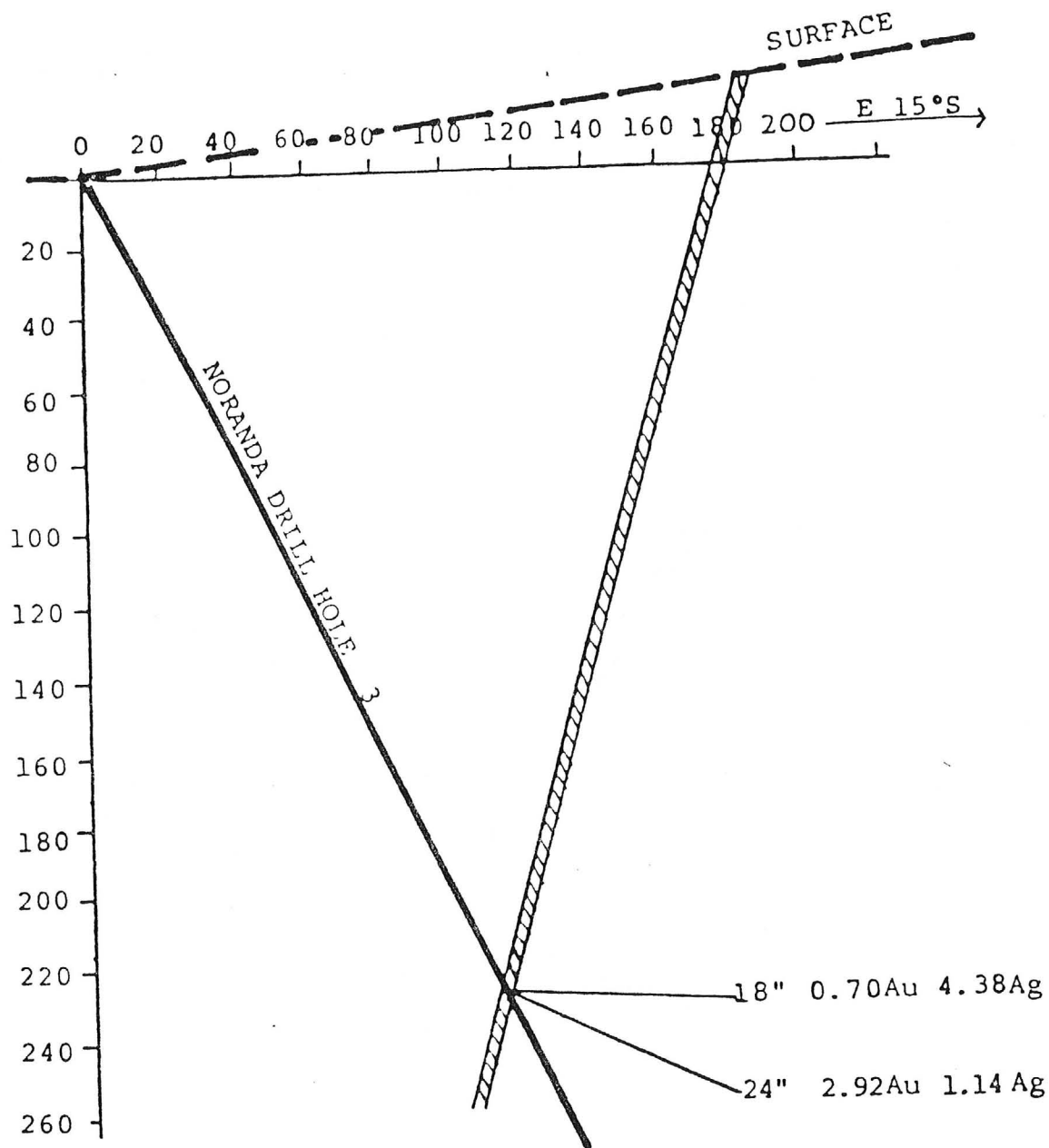
LEGEND

mineralized vein

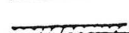

DDH Intersection 10" 0.00Au 0.00Ag

Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

FENCE A1, ORE BLOCK A
(50' NORTH FENCE A)

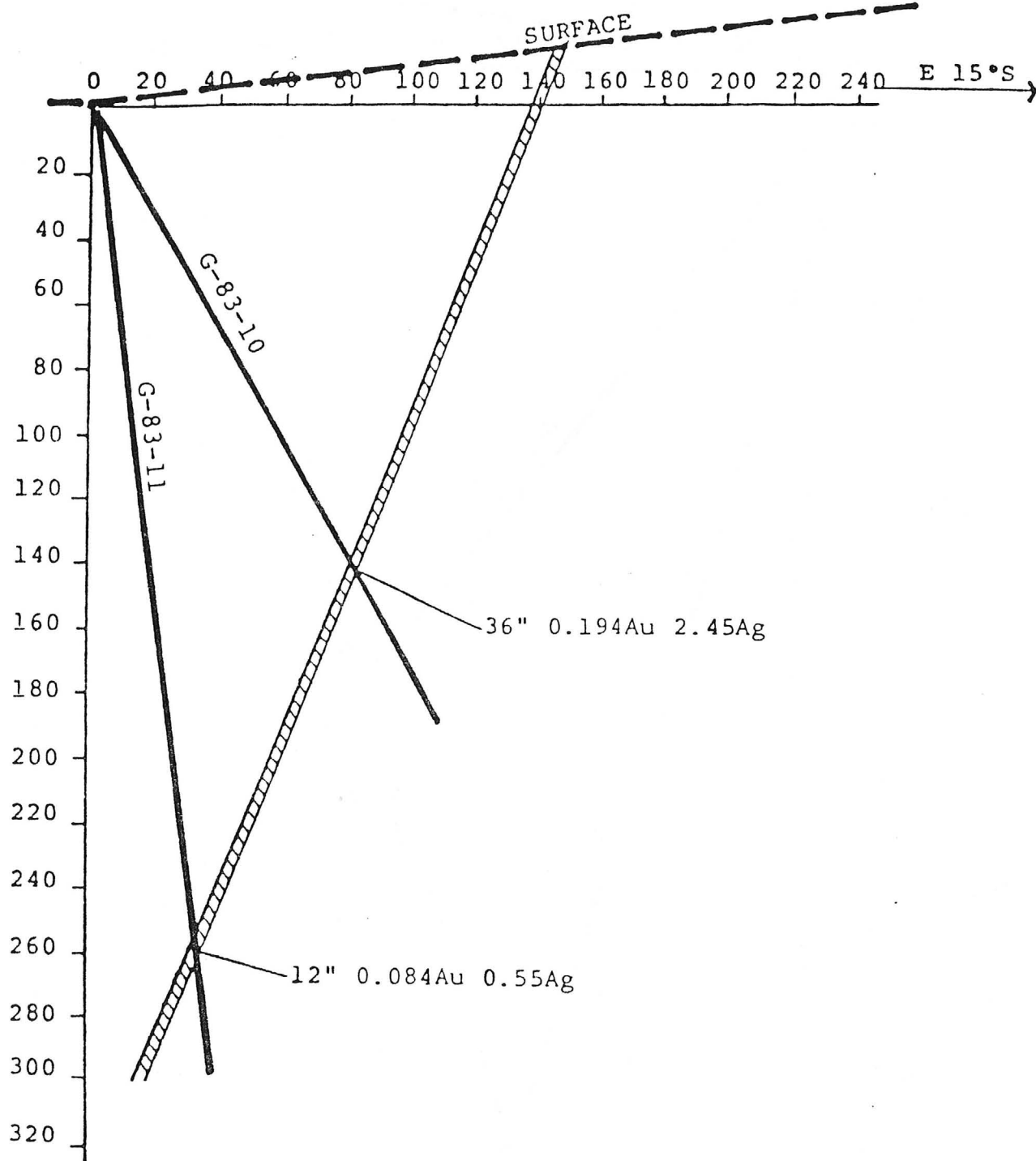


LEGEND

 mineralized vein
 DDH Intersection  10" 0.00Au 0.00Ag

Nor-Quest Arizona Inc.
 Gladiator-War Eagle Project

FENCE A2, ORE BLOCK A
 (35' SOUTH FENCE A)



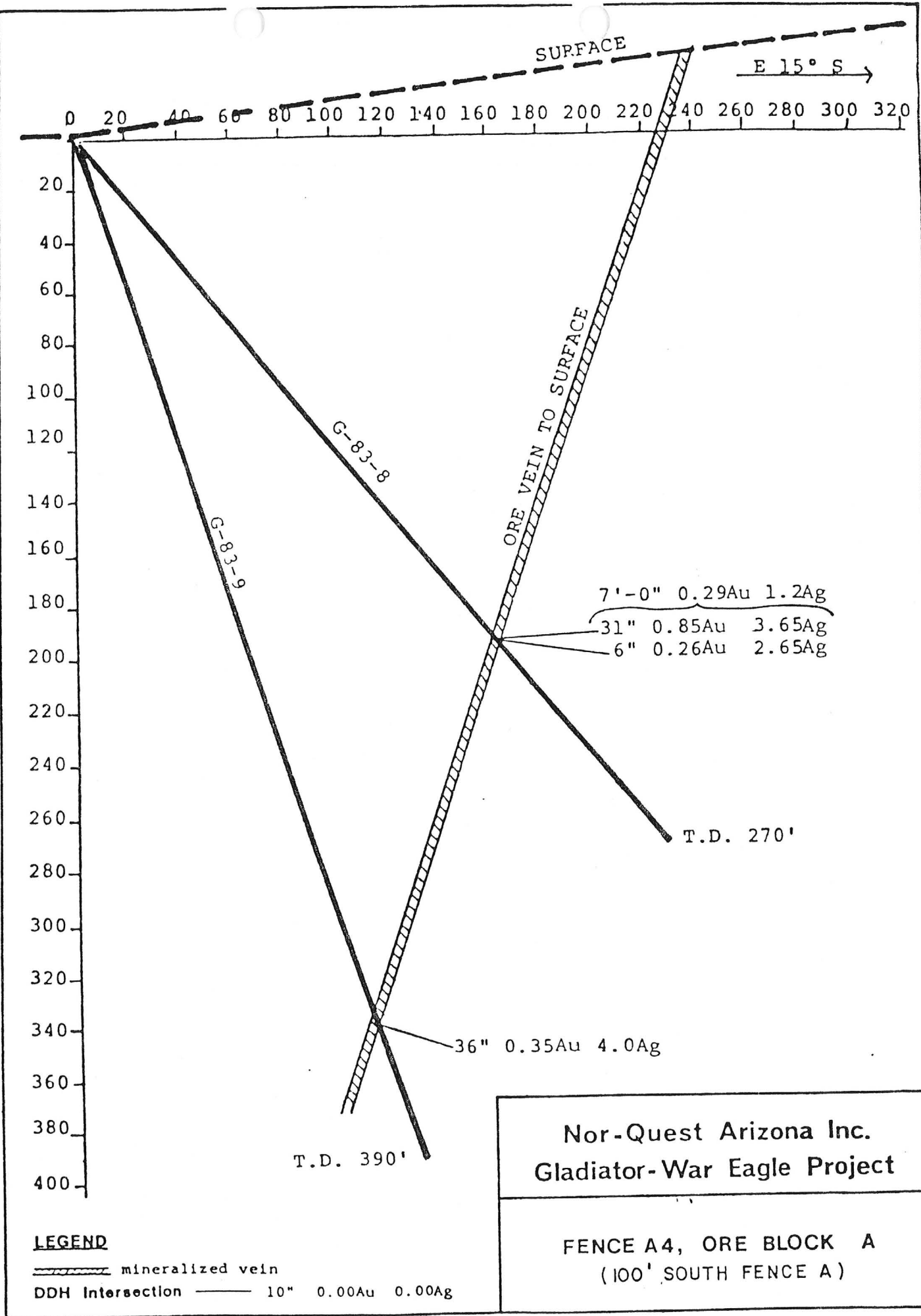
LEGEND

mineralized vein

DDH Intersection 10" 0.00Au 0.00Ag

Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

FENCE A3, ORE BLOCK A
(160' NORTH FENCE A)



ORE RESERVE CALCULATIONS

The results of the drilling combined with historical production records and results of previous sampling programs has provided a basis for a reserve estimate as follows:

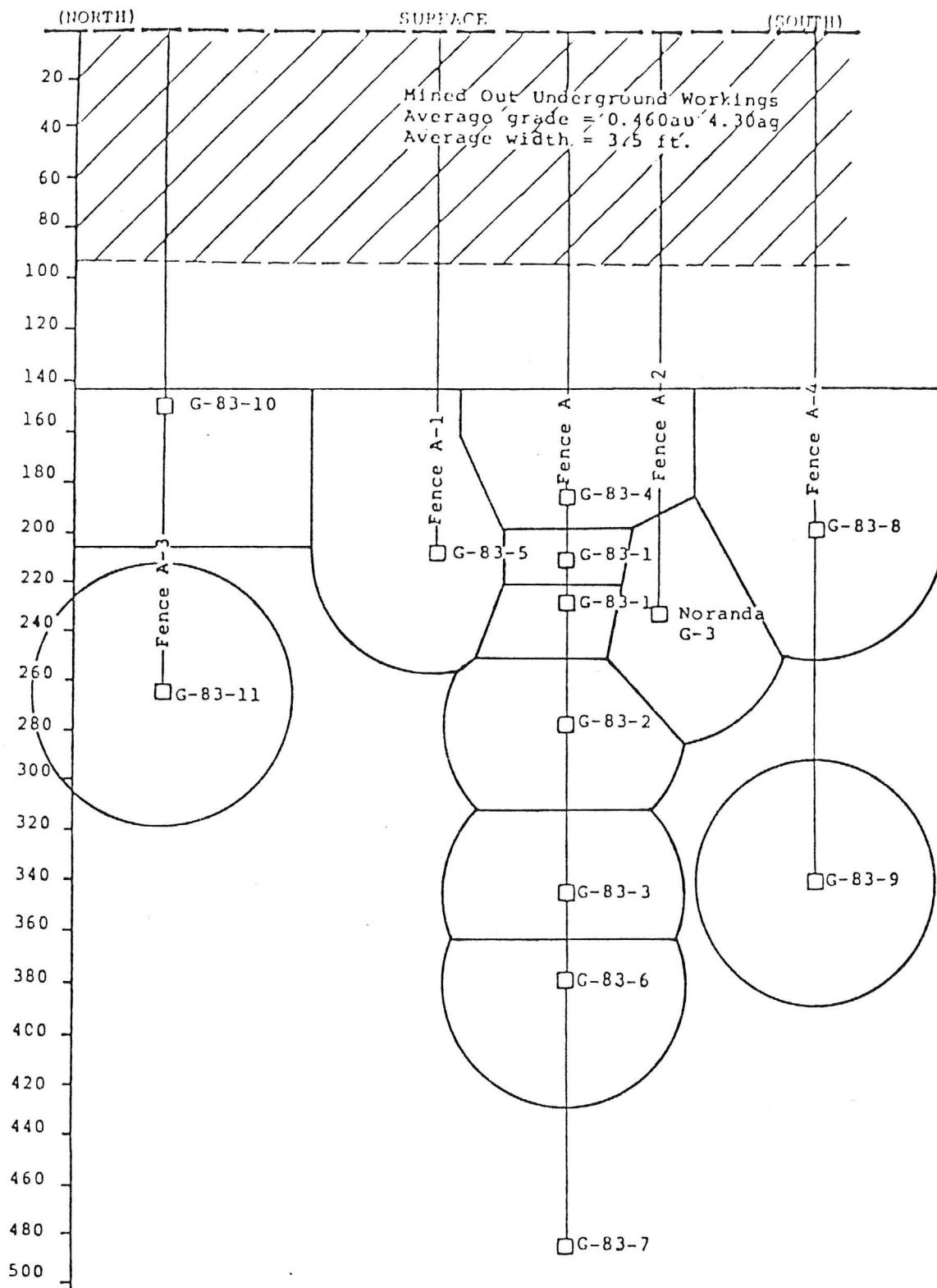
Block Identification	Tonnage	Thickness	Gold oz/ton	Silver oz/ton
Block A	23,687	4.5	.42	2.61
Block B	30,201	4.5	.36	2.99
Block D	27,250	4.83	.96	5.49
Total	81,138	4.61	.58	3.72

The details of this estimate are shown on the attached Gladiator Reserves Estimate of December 10, 1983. The location of the drilling, the old stopes and results of the 1942 sampling are shown on the attached sections.

The volumes of the reserves are polygon controlled and are limited to an area of influence of 50 feet in any given direction. The reserves are fully diluted with waste to a mineable width of 4.5 feet. The grades represent weighted average grades. No attempt has been made to diminish the reported assays.

In all cases the tonnage factor of the vein material was taken at 10 cubic feet per ton to reflect the high sulfide content.

The drilling was not exhaustive and there is potential to explore and develop additional reserves below Blocks B and D. There is further potential along strike and down dip from the known workings. To date the Noranda program and the Nor-Quest programs are the only ones to have drilled the property. Both of these programs provided ore grade intercepts.



Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

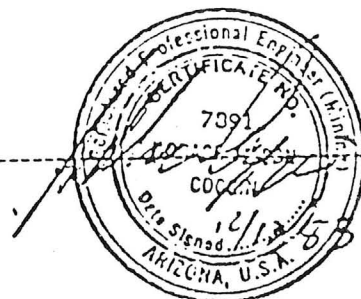
NORTH/SOUTH SECTION
ORE BLOCK A

UNITED STATES
DECEMBER 10, 1963

ORE BLOCK A VEIN DIP 72 DEGREES
RESULTS OF DIAMOND DRILLING

HOLE NO.	COL. EL	DEPTH	SLOPE	INTER	LENGTH INCHES	H THICK FEET	OZ/T GOLD	OZ/T SILVER	INFLUENCE LENGTH HEIGHT	50 FT	TONS	H THICK FEET
1		280			10 11		1.21 1.27	15.87 8.03				
2		330	0 72	43 36	21 27	1.25 1.39	1.24 0.29	11.76 1.95		3858 4823	484 671	1.25 1.39
4		216	55	53	12 11 3		0.45 0.53 0.18	2.67 2.39 .28				
5		230	55	53	26 12 12	1.82	0.45 0.48 0.79	2.28 1.26 13.45		5732	1043	1.82
6		406	55 81	53 27	24 24 10	1.68	0.64 1.00 0.08	7.36 1.61 0.70		8681	1458	1.68
8		270	81 50	27 58	34 84	1.35 6.24	0.73 0.29	1.34 1.20		6476 8819	876 5504	1.35 6.24
9		390	70	38	36	1.94	0.35	4.00		7854	1525	1.94
10			60	48	36	2.34	0.19	2.45		3927	921	2.34
NOBANDA 3			63	45	18 24		0.70 2.92	4.38 1.14				
BELOW STOPE				45	42 42	2.60 3.50	1.97 0.46	2.53 4.30	300 50	4575 15000	1190 5250	2.60 3.50
TOTALS		2122								69744	18922	3.59
										DILUTION	18423	3.50
										DILUTION	21055	4.00
										DILUTION	23687	4.50
										DILUTION	26319	5.00

BLOCK C SAMPLE NO	WIDTH FEET	GOLD OZ/T	SILVER OZ/T	LENGTH FEET	HEIGHT FEET	TONS	T X W	GOLD OZ	SILVER OZ
BELOW 300	3	0.46	2.50	600	90	16200	48600	7452	40500
7	3	0.24	0.40	50	90	1350	4050	324	540
8	3	0.36	13.10	50	90	1350	4050	486	17685
9	2.5	0.28	8.50	50	90	1125	2813	315	9563
10	1.2	1.60	6.00	50	90	540	648	864	3240
11	1.3	0.68	4.30	50	90	585	761	398	2516
12	2	0.18	6.00	50	90	900	1800	162	5400
13	1.2	0.40	17.72	50	90	540	648	216	9569
14	2	0.82	1.60	50	90	900	1800	738	1440
TOTALS	2.77	0.47	3.85			23490	65169	10955	90452
DILUTION	3.50	0.42	3.50			25843		10955	90452
DILUTION	4.00	0.41	3.37			26846		10955	90452
DILUTION	4.50	0.36	2.99			30201		10955	90452
DILUTION	5.00	0.33	2.70			33557		10955	90452



GLADIATOR RESERVES PAGE 2

BLOCK C	WIDTH	GOLD	SIL	LENGTH	HEIGHT			GOLD	SILVER
SAMPLE NO	FEET	OZ/T	OZ/T	FEET	FEET	TONS	T X W	OZ	OZ
BELOW BO	3.5	.565	4.60	300	100	10500	36750	5933	49140
BDH 14	0.67	.001	2.15						
	0.67	.384	2.45						
	1.00	.016	1.65						
	0.67	.06	0.30						
	0.92	3.16	4.40						
	1.00	7.88	4.00						
BDH 15	4.92	2.26	2.63	150	100	7375	36260	16634	19425
	1.00	.108	0.50						
	1.33	.896	1.45						
	1.33	.164	6.95						
	0.33	.084	42.85						
	0.50	.392	31.75						
	1.08	.62	11.10						
	0.67	.148	0.90						
BDH 16	6.25	0.39	8.64	150	100	9375	58594	3611	80975
TOTALS C	4.83	0.96	5.49			27250	131604	26178	149540

SUMMARY	WIDTH	TONS	OZ/T AU	OZ/T AG	OZ GOLD	OZ SILVE	T X B
BLOCK A	4.50	23687	0.42	2.61	9902	61822	106591
BLOCK B	4.50	30201	0.36	2.99	10955	90452	135906
BLOCK C	4.83	27250	0.96	5.49	26178	149540	131604
PROVEN	4.61	81138	0.58	3.72	47035	301814	374102



DEVELOPMENT PROGRAM

Sampling and Mapping 1984

The program started in March of 1984 and was completed by the beginning of June 1984. At that time it was decided to proceed from the Sampling and Mapping program by preparing the 6,500 foot level adit as the major access for all future mining activity.

In March ground surveying was completed and the total area mapped from aerial photography. The aerial survey enabled correlation of the dumps, shafts, adits and drill hole locations.

The first objective of the underground program was to gain access to all the old workings by opening the adits, dewatering the winze and generally making safe entry. With this accessibility established, detailed mapping of the workings was surveyed with a transit and steel chain. All surveys were closed traversed ensuring the accuracy needed. These survey results were plotted on 1"=20' maps, 1"=50' maps and 1"=100' maps (same as aerial maps) for future planning.

Samples were taken at all areas of exposed veins, each set of samples were taken completely across the vein where mineralization was suspected. The samples were taken in their entirety to a fire assayer for analysis. The same assay checks were completed as was done during the drill core assay program and correlation was again found to be within acceptable limits.

From the above survey and sampling program reserves calculated from the 1983 drill program were checked and accepted both in tonnage and grade.

During the early months an operating office was purchased and outfitted to administer the project in the town of Mayer. The central location of the town provides an obvious geographic position for suppliers and access to the mine site while having all the advantages of communications.

The mine site was upgraded by converting international containers to include a field office and two warehouse units. A volume box was later purchased and converted into a change house for the miners.

The slabbing of the 6,500 level adits to a 9 foot by 9 foot opening started in June, had progressed 300 feet by the end of the month. Detailed mine design work to complete this adit and a curve designed to allow the rubber wheel loader to negotiate a smooth transition to a -20% decline has been completed.

The old stamp mill site was levelled in June and a consulting civil engineering firm taken to the site to examine ground conditions for the construction of the mill at the old stamp mill site. The report indicated excellent footings for a mill building and a road to this site was completed.

At present security is established on site to guard equipment (transferred from Nor-Quest, Vancouver) and check on all buildings in the hope of avoiding vandalism.

A new probable road access from the town of Mayer to the mine site was detailed during the program and a centreline complying to National Forest guidelines staked in the field. This new road would cut off 17 miles from the present road and provide two great advantages to the mine, namely:

- 1) Reduce distance to haul supplies, a cost and time benefit
- 2) Make the Mayer, Humboldt area a dormitory for potential employees.

The National Forestry personnel have been thoroughly briefed in this regard and the road will be submitted for approval as cash flows dictate.

SAMPLE ASSAY RESULTS

Sample No.	Au	Ag	Sample Width	Results
051	0.272	1.15	4' 11"	6,500 level adit
052	0.010	0.13	5' 6"	
055	0.122	0.20	4' 5"	
068	0.022	0.18	4' 8"	
069	0.182	0.44	5' 5"	
070	0.134	0.55	5' 0"	
053	0.074	0.24	_____	Grab sample, caved material
054	0.788	0.85	11 3/4"	
071	0.076	0.10	_____	
064	0.102	0.70	_____	
061	0.510	1.17	4' 11"	
062	0.478	3.46	_____	
063	0.518	1.24	_____	Floor of x/cut 5' wide
065	0.130	0.41	_____	Grab samples from chute boxes
066	0.088	0.28	_____	Grab samples from chute boxes
067	0.106	0.44	_____	
072	0.318	0.28	_____	
073	0.838	0.60	_____	
Bulk Sample #1	1.19	2.90		80' winze level at south side of winze

MINING

Access to the high grade Block D will be the first development target. This block will provide the highest profit level and can be reached by a 9 foot by 9 foot decline tunnel from the 6,500 foot level adit.

The decline will start in the footwall of the vein and run at a -20° gradient some 20 feet true thickness east of the vein. The vein will be drilled every 20 foot advance of the decline and core samples will be sent to the assay laboratory for fire assay. The information from this drill program will improve details on the vein width and grade while deliniating the southern limit of the decline.

Initial mining will occur by horizontal cross-cuts from the decline, every 121 feet, these cross-cuts will be developed to intersect the vein where drifts will be developed along the strike from the north end of the plunge to the southern limit. This system of ore extraction will allow immediate stoping.

With the completion of the decline some 25,000 tons of ore will be contained in the block and this area can be mined while the rest of the reserves in Block B and Block A are being developed by project-generated cash flow.

Water for the driving of the decline will come from the winze and the natural flow of water within the adit.

Ventilation will be driven by fan from the old stoped out area above Block D while reactivating the old Rattlesnake shaft which in turn will be used for ventilation and a second exit which is required by both Federal and State mining regulations.

In most cases and where ever possible the previous method of stoping will be used. This previous method was shrinkage stoping. The wall rocks and the vein are quite hard and most of the old stopes are still standing open will occasional sprag supports. No other support system is in evidence other than the chute and shaft timbers. The stopes were generally mined to the width of the vein and there is little evidence of overbreak or spalling of the walls. It is planned that this method or a system of underhand stoping will be employed.

Both vein material and the wall rocks are competent. The vein however, is not frozen to the walls. A slick wall defines both hanging and foot wall contacts in the old workings. The veins are different in color and texture than the wall rocks and can be easily identified. Previous operators claim that they suffered no excessive powder consumption due to the hard rocks, although they experienced difficult drilling with the plain steel bits. Modern carbide bits and one piece steel will no doubt prove satisfactory.

The stope activity begins from the level and continues upward with a system of raises. This is followed by driving drifts in ore at 100 foot intervals to the

limits of the deposit. Additional raises are then driven from the main haulage level to intercept the drifts in the levels above. The raises are collared in the foot wall of the vein so that they can be mucked without blocking the main haulage level. The raises are further driven so that they will not require chutes or grizzlies. This is the luxury of rubber tired mining. The loader bucket is large enough to handle the larger boulders without further reduction. In rail haulage the sizing of material with a double jack through a grizzly is necessary for chute loading. In the older stopes this required about 2 man hours per shift. In the rail haulage practiced pulling the chutes and loading cars was a time consuming, two man, operation.

The stopes will be started by driving sub-levels on 25 or 30 foot intervals with slushers. The vein is then drilled and shot in the conventional manner and the muck is pulled from the bottom by the rubber tired loader to allow work room at the back.

With modern equipment and improved mining methods the productivity of the mining system is expected to be about 15 tons per man shift in the stopes.

Development footage and exploration drifting would be continued during production to further develop the reserves and explore the previously unexplored vein. This development would include driving a spiral or decline into the footwall of the vein and sinking to the lower elevations of the deposit. Drifting should also be continued along the vein on the lower adit level so long as the material intercepted shows mineable widths and grades.

The drifting along the vein will average 9 tons per man shift or about 10 feet per day. The ratio of development footage to ore developed is about 46 tons per running foot. At 25% mineability this would develop about 115 tons of ore per day. If successful this would provide 2.3 tons of new ore per ton of ore mined.

The tramming operation would consist of moving the entire mine production to the mill with rubber tired LHD. With a 2 cubic yard buck this would require about 35 trips per day. The time required at 60% efficiency is 8.23 minutes per trip. This is well within the capacity of the equipment.

Supervision will consist of two shift bosses and a general manager.

Major Equipment

Major equipment required in the mining operation will consist of the following:

- One 5 ton young buggy
- One rubber tired LHD
- Two 750 cfm compressor
- One powder magazine
- One cap magazine

Three jacklegs with hose, oilers, couplings, drill steel and bits
One office and laboratory
One shop and change room
One lot Safety equipment
One primary fan
Ten secondary fans
Two 188 KW generators
Tools and spare parts
Two pickup trucks
2,000 feet of 6 inch air line
4,000 feet of 4 inch air lines
6,000 feet of 2 inch water line
4,000 feet of 24 inch fan bag
Ten stopers with hose, oilers, couplings, drill steel and bits
Four slushers with buckets
Miscellaneous electrical starters, cable, transformers and fittings
Miscellaneous valves and couplings

Most of the above equipment is available from Nor-Quest or can be leased or purchased locally.

PROCESSING

Records from the previous milling operation at Turkey Creek are unavailable. Projected recoveries of 95% for gold and 90% for silver are expected with concentration ratios 20 and 19 to 1 respectively.

The mineralogy of the ore as described previously is simple sulfide and uncomplicated milling is expected.

Bulk sample testing has been completed by Bacon and Donaldson of Vancouver, B.C., and showed the following assay:

Au	0.72 oz./ton
Ag	2.15 oz/ton
Pb	1.66 %
Zn	2.84 %
Fe	15.15 %
Cu	0.21 %
As	1.90 %

The bond grindability of the ore was determined to be 11.26 kwh per ton at 80% minus 150 mesh.

Greater than 80% gold recovery can be achieved in a concentrate representing less than 10% of the feed weight, while conditions for producing this concentrate have not been optimized.

In view of the high percentage of the sulphides in the ore and the present road access problems, it has been concluded to progress with a solvent extraction method on the initial mill circuit and as cash flows improve to modify the mill to take advantage of the Pb, Zn and Cu concentrates.

In general, the mill will have storage at the front of the circuit, storage of the crushed ore, storage for concentrates and in the case of sand filling underground storage of the tailings. Storage in the flow sheet allows the operator to continue operating some of the circuit during breakdowns and maintenance and attenuates the flow of materials through the plant. Consistent flow rates are necessary for efficient recovery and efficient operation.

The primary crusher must be protected by a grizzly. If this grizzly is not placed in the circuit downtime on the crusher will be excessive and the operator will not reach the required production levels.

Coarse feed to the crusher must be screened before feeding the crusher. This can best be accomplished by using a grizzly feeder. The fines would be discharged onto the fine product conveyor belt.

The material is screened before secondary crushing. The secondary crusher is in closed circuit around this screen for efficiency.

Fine ore storage allows smooth and continuous feed to the ball mills and the flotation floor. A reclaim belt with a weightometer and an adjustable feeder will insure the proper feed rate for optimum operation.

There is only one ball mill in the circuit. If a regrind mill is available it will increase mill production by 50 to 100%.

The ball mill is in closed circuit with a cyclone to insure that all of the material will be properly sized for optimum liberation of the values.

The solvent extraction unit will follow the ball mill where the gold and silver will be extracted using cyanide and the carbon in pulp method. Preliminary testing by RTO Inc. of Tucson showed a 91.5% recovery of gold in four hours, however, more testing is still required to detail the mill circuit.

The waste material after cyanidisation will be dewatered on a drum filter and dispersed as a dry waste product.

Major Equipment List

The following list of equipment is typical:

Coarse ore Storage

- One 25 ton ore bin with grizzly and pan feeder
- One Vibrating grizzly feeder
- One 12 x 18 inch jaw crusher
- One 24 inch cone crusher
- One 2 deck screen
- One Fine ore storage bin with belt feeder and weightometer
- One 5 x 7 ball mill (primary)
- Three Solvent extraction tanks
- One Drum filter
- One Carbon pulp extraction system
- One Mill building
- Miscellaneous circulating pumps
- Miscellaneous conveyor belts
- Miscellaneous pipe, valves, and fittings
- Miscellaneous electrical motors, starters, cables and switch gear

This equipment is available from Nor-Quest or can be leased or purchased locally.

ENVIROMENTAL REQUIREMENTS/WASTE DISPOSAL

Enviromental Requirements

There does not appear to be any enviromental problems or requirements associated with the mining operation. All of the workings will be contained on patented property and underground mining will cause little surface disturbance. The intended operation is too small to require an air quality permit. The mine water will be totally consumed in the mining and milling operations so there will be no ground water degradation. The mill will operate on a closed circuit system, re-using all water.

Waste Disposal

The driving of the initial adit to the vein and subsequent development in waste will produce an undetermined amount of waste that will require disposal.

The mining operation will produce approximately 35,000 tons of waste material that will require disposal. The ideal placement of this material is the construction of the pad area for the mill, shop, office, change room and parking lot. All excess rock and waste will be disposed of in the valley north of the portal.

The attached plan shows a small area of 800 feet north of the portal where 5 years of mining operation waste disposal can be located at a level dump. This area could be greatly increased by increasing the height of the dump and moving the dump north.

CLAIM PATENTED LIMIT
1000 FEET

WASTE DISPOSAL AREA

MILL

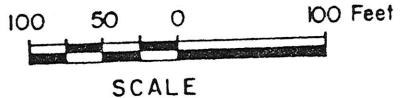
MINE PORTAL

OFFICE & WAREHOUSE

CHANGE HOUSE

Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

GENERAL SURFACE LAYOUT



Manpower Requirements

Manpower requirements for mill operation are shown on Page 17, Operating Costs.

When running properly a mill will operate three shifts per day 24 hours per day 7 days per week with 95% availability.

Labor requirements for a properly designed and constructed mill are small. State and Federal Safety requirements provide that at least two men be on duty at any time. This can be scheduled with 8 men working 8 hours per day 5 days per week with only occasional overtime.

Supplies

Mill supplies will include chemical, wear iron, lubricants, fuel or power, replacement parts and laboratory supplies. The costs estimated on Page 17 should cover all of these.

Water

A 100 ton per day mill will require approximately 70 gallons per minute. An additional 20 gallons per minute is required for the mine and plant. This water is believed to be available in the mine but it has not been tested. If the mine source is not satisfactory additional sources are available in the area through the Crown King Mine. An agreement in principal has been reached between Mr. D. Marketic, owner of the Crown King Mine to supply water from his storage tank to the Gladiator mine site.

INFRASTRUCTURE

Supplies and Services

Most of the supplies and services for the mine and mill can be obtained from Phoenix and Tucson. Delivery to Crown King will be through the Mayer office.

Delivery of fuel, reagents, and bulky packages will have to be arranged. Gasoline is delivered to Crown King but the scheduling is not dependable. Delivery of chemicals will have to be by special arrangement. Delivery of supplies and services to the mine from Crown King can be done by mine personnel.

Maintenance Shop Office

Nor-Quest apparently has all the major tools and equipment necessary for a well equipped shop. This included a welder, small compressor, drills, saws and metal working equipment. Bringing this equipment to Crown King will greatly facilitate operations.

A weather tight shop and change room are necessary, this has been constructed on the property.

FAIRVIEW REPORT

FAIRVIEW REPORT

Diamond drill holes F-1 and F-2 were drilled in 1983 to test the downward continuity of high grade gold/silver vein located in the Fairview tunnel which was driven in the early 1900's and averaging 0.67 oz. gold per ton and 3.8 oz. silver per ton for a length of 287 feet.

F-1 drilled to a depth of 353 feet intersected 3 feet of 0.16 oz. gold per ton and 2.38 oz. silver per ton.

Approximately 100 feet north of the Fairview tunnel entrance a 15 foot shaft was sunk by Tony Bennett in the early 1940's. The average grade reported by him was 0.60 oz. gold per ton plus 2 oz. silver. The drill holes and underground workings have confirmed a downward continuation of the gold/silver vein and projecting 100 feet north and 100 feet south (580 feet long) from present known results and allowing 500 feet down dip from the surface will give 88,000 tons of possible ore grading plus 0.50 oz. gold per ton plus 2.0 oz. silver per ton for a width of 3 feet.

The Fairview vein could be mined by pushing a cross cut from the drift off the lower Gladiator adit for a distance of approximately 600 feet.

The four Block Claims cover approximately 6,000 feet of strike length of the Fairview vein and there is also evidence of at least one other vein structure on the property. There are excellent chances to increase the tonnage significantly.

Nor-Quest Arizona Inc.

Gladiator / Fairview Project

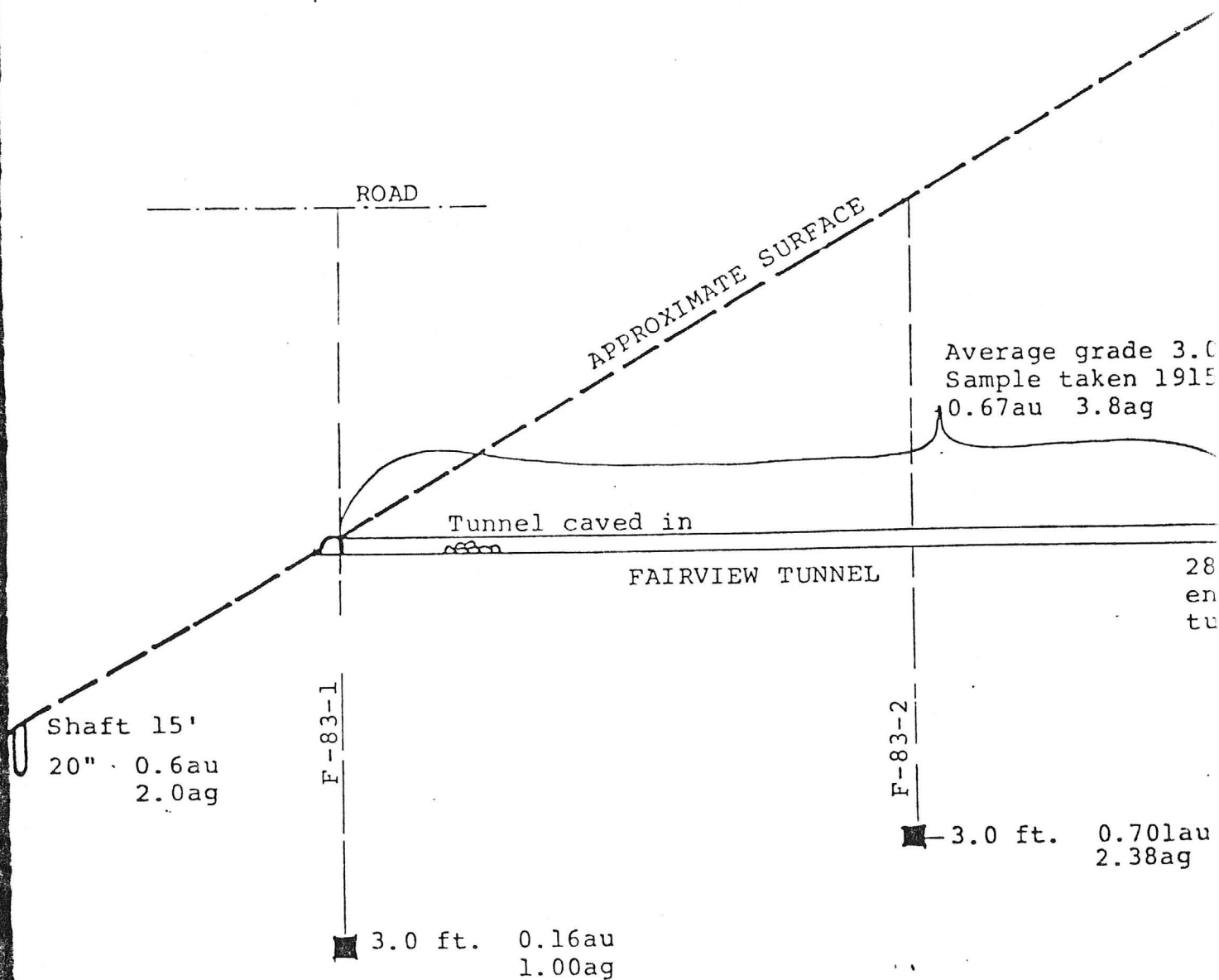
Yavapai County, Arizona

North-South Section

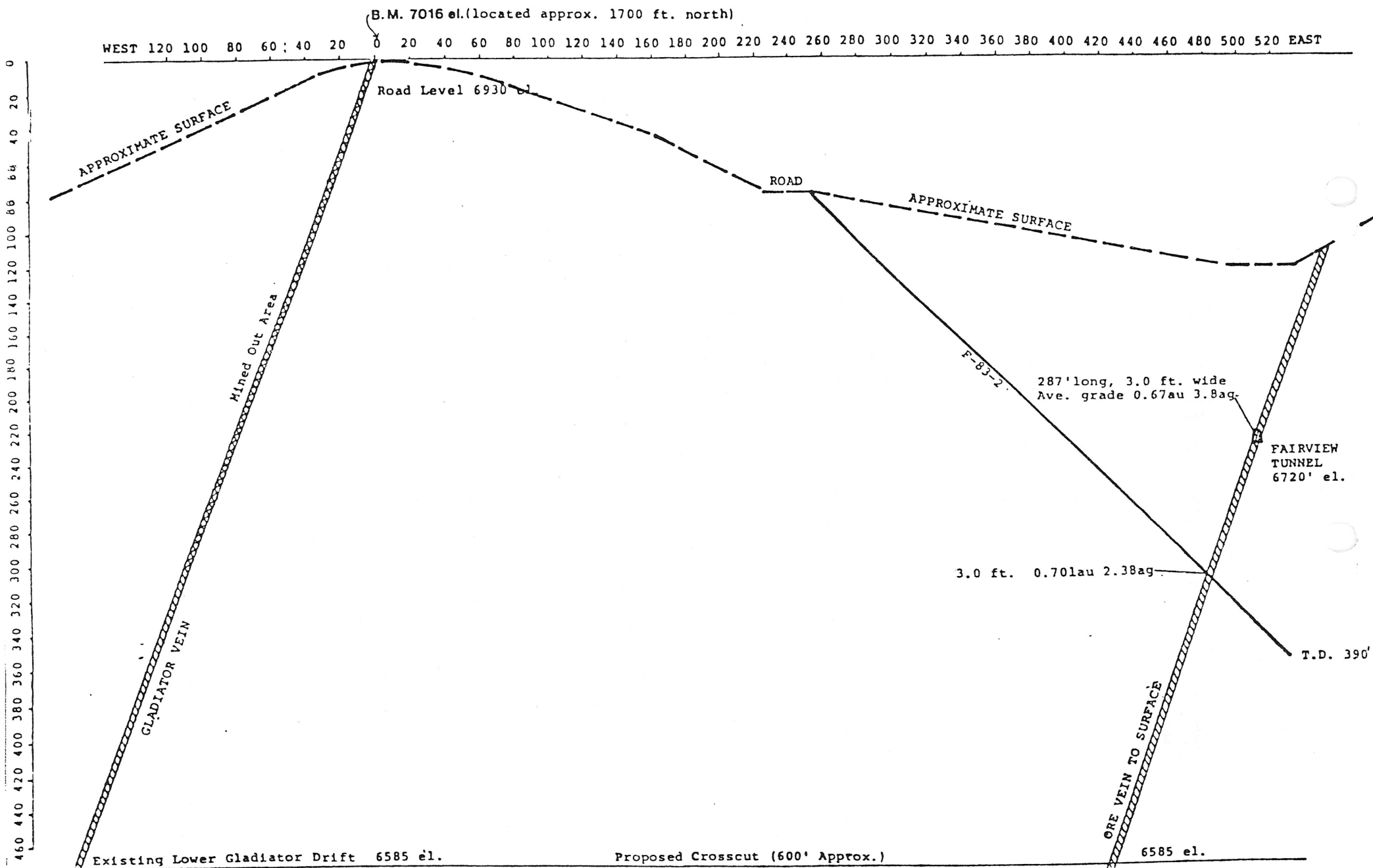
Underground Workings & Ore Zones

Fairview Vein

Scale 1" = 50'-0"



Yavapai County, Arizona
 East-West Section
 Underground Workings & Ore Zones
 Fairview Vein & Gladiator Vein





Nor-Quest Arizona Inc.

ATTENTION: NOR-QUEST ARIZONA GOLD FUND, INC.

LIMITED PARTNERS

GLADIATOR/WAR EAGLE MINE (A)

PROGRESS REPORT #7

January 1 - February 25, 1986

SURFACE

The central sewage system and potable water system, pursuant to MSHA requirements, have been completed.

The assay laboratory is completed, with power, water and sewer connected. We are presently interviewing assayers and should have one on-site by the end of the month.

The "direct diesel" fuel system has been completed and will result in substantial savings and efficiency.

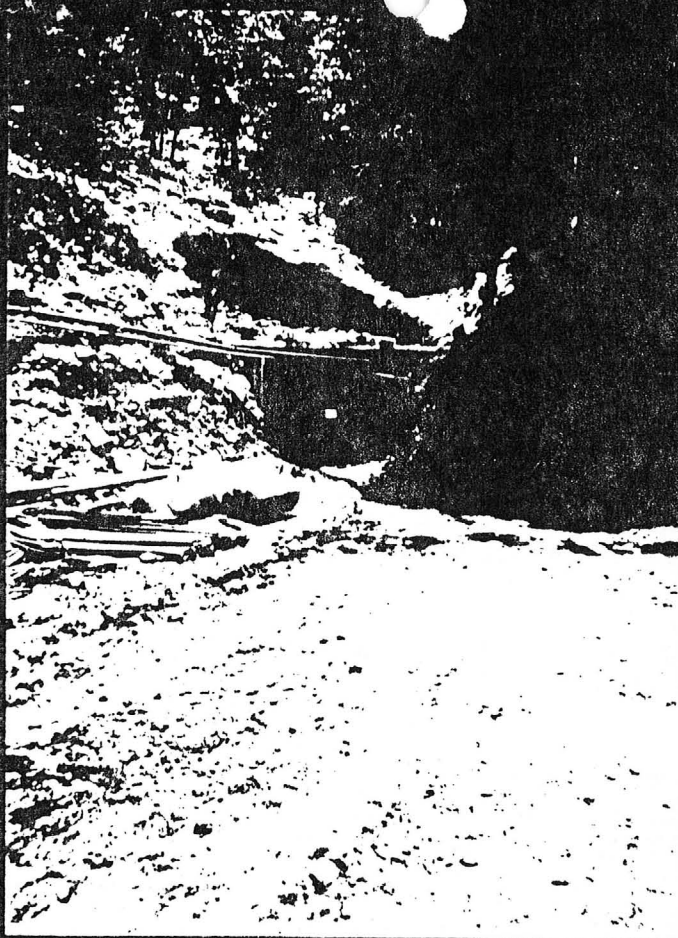
The Crown King Mine water has been successfully negotiated for and the pumping system and pipeline are operable. Pumping has begun on a 24 hour per day basis and is currently supplying approximately 65% of the mill water. The repairs on the Crown King Mine's storage tank of 265,000 gallons has begin.

The annual electrical ground tests, as required by MSHA and the State of Arizona, have been completed and approved.

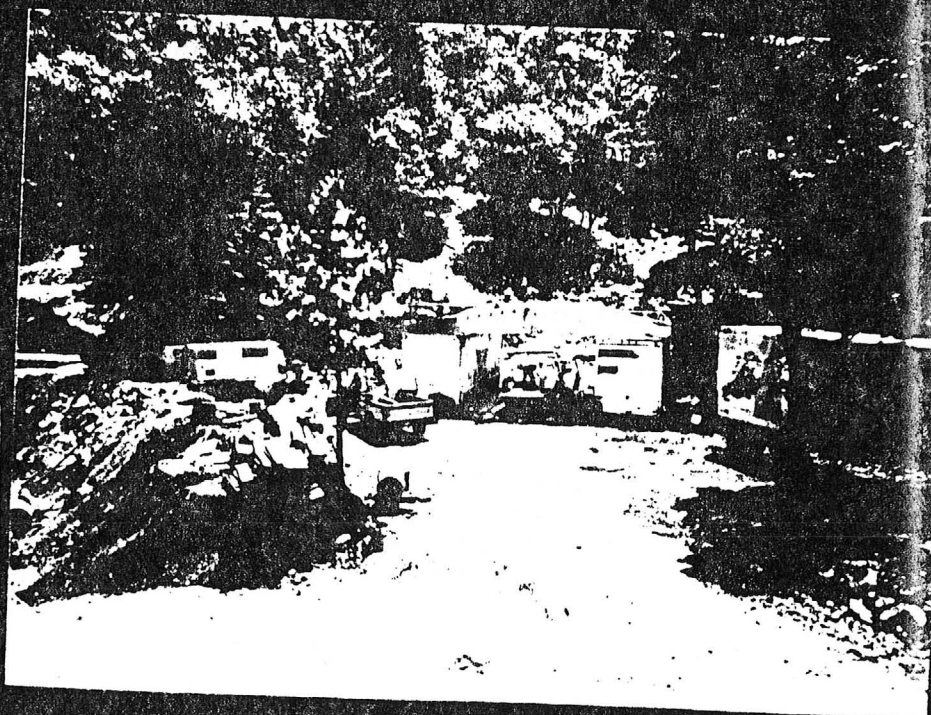
We have replaced two of MCO's generators with one of our own, which will result in savings of fuel as well as rental costs.

[illegible]

VIEW OF PORTAL



VIEW OF MINE SITE



UNDERGROUND

The 5146 Stope has been extended an additional 67' to the north, making the stope 180 feet long with three manways and eight chutes. The potential tonnage in the stope is now approximately 15,000 tons.

The 143 South heading has broken through the known fault and is now on the projected vein structure for a total distance of 86'. This area is hopefully going to be developed as 5139 Stope within the next 40 days.

The 5144 Stope is progressing nicely, the mid-manway is currently 60' above track level, and the grade of ore is improving.

The 5144 Winze Station hoist has been installed and is currently being upgraded to conform to the safety requirements of the Arizona State Mine Inspector and MSHA.

On February 3, a new underground geologist, George Ambariantz, joined us, bringing with him several years of experience in exploration geology. George is also handling the duties of Safety Director for liason with the various mine inspectors, and will occassionally supplement the engineering/underground surveying duties.

Nor-Quest Arizona currently has an estimated 1200 tons of development ore crushed and stockpiled. We also have an estimated 800 tons of development ore and 1000 tons of production ore on the ore pad.

The mine has been consistently producing 70-85 tons per day for the last several days (50-60 tons of production and 20-25 tons of development). Emphasis is now shifting to fulfilling required secondary access and mine ventilation requirements, as well as continuing the 143 South heading to block out more ore bodies and potential stopes.


MILL

The mill has been experiencing frustrating circumstances; i.e., the weather during late November and early December was the coldest period since 1939, and now there is a virtual drought. However, with the in-

stallation of the Crown King Mine water line, extreme water conservation at the mill, and water recovery techniques, we are now running the mill for approximately 9 hours per day (40 TPD) and will increase gradually to 24 hours per day during the month of March.

The first semi-trailer of flotation and jog concentrates was shipped out the afternoon of February 25th - destination is the Cominco Smelter in Trail, British Columbia.

Prepared for
NOR-QUEST ARIZONA INC.
By Resident Staff
February 27, 1986
By



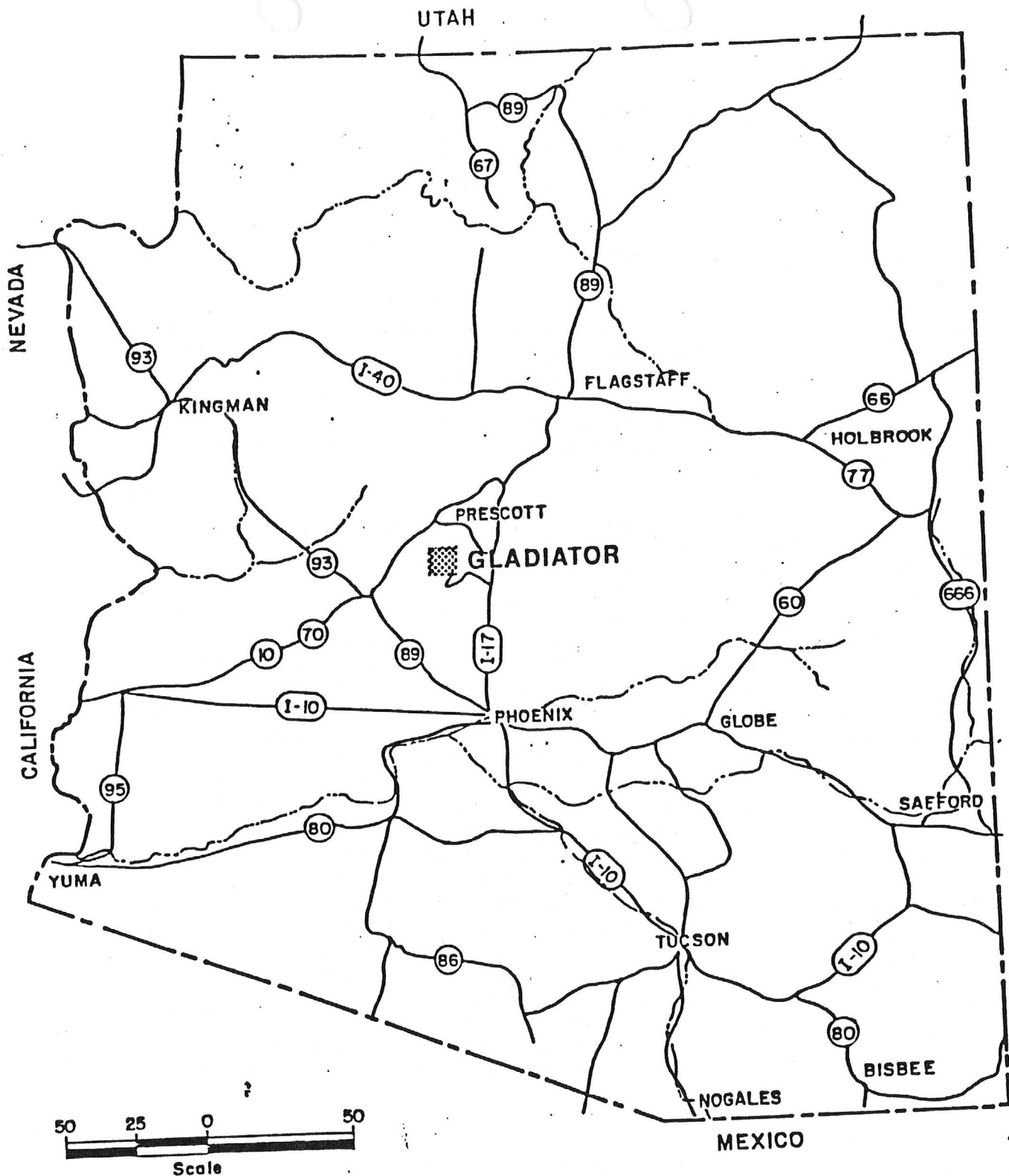
Richard A. Bovee ^{ek}
Manager, Mining Operations

RAB:ek
encl.

(file)

GLADIATOR - WAR EAGLE MINE

Property Summary



LEGEND

-  River
-  Highway
-  Arizona Boundary

Nor-Quest Arizona Inc.
Gladiator-War Eagle Project

LOCATION MAP
ARIZONA

Gladiator - War Eagle Mine

Property Review

March 1988

Introduction and History

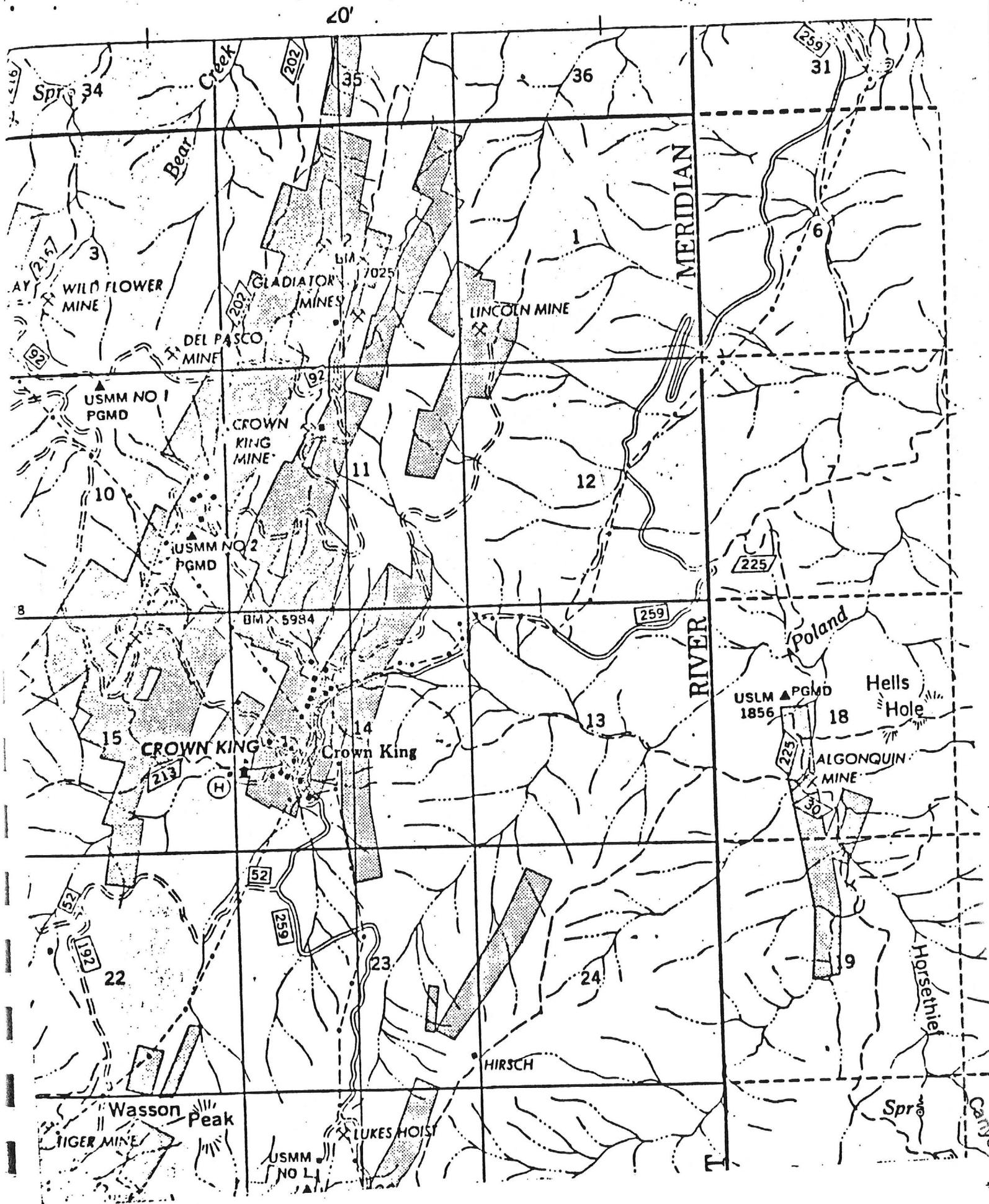
The Gladiator - War Eagle mining property is located in north central Arizona, about 50 miles south of Prescott in the Bradshaw Mountains. The property is owned by Nor-Quest Arizona Inc. and consists of 17 patented and 47 unpatented mining claims situated primarily in the Pine Grove Mining District of Yavapai County, three miles north of the town of Crown King. The area is wooded and of high relief between the elevations of 6 - 7000 feet.

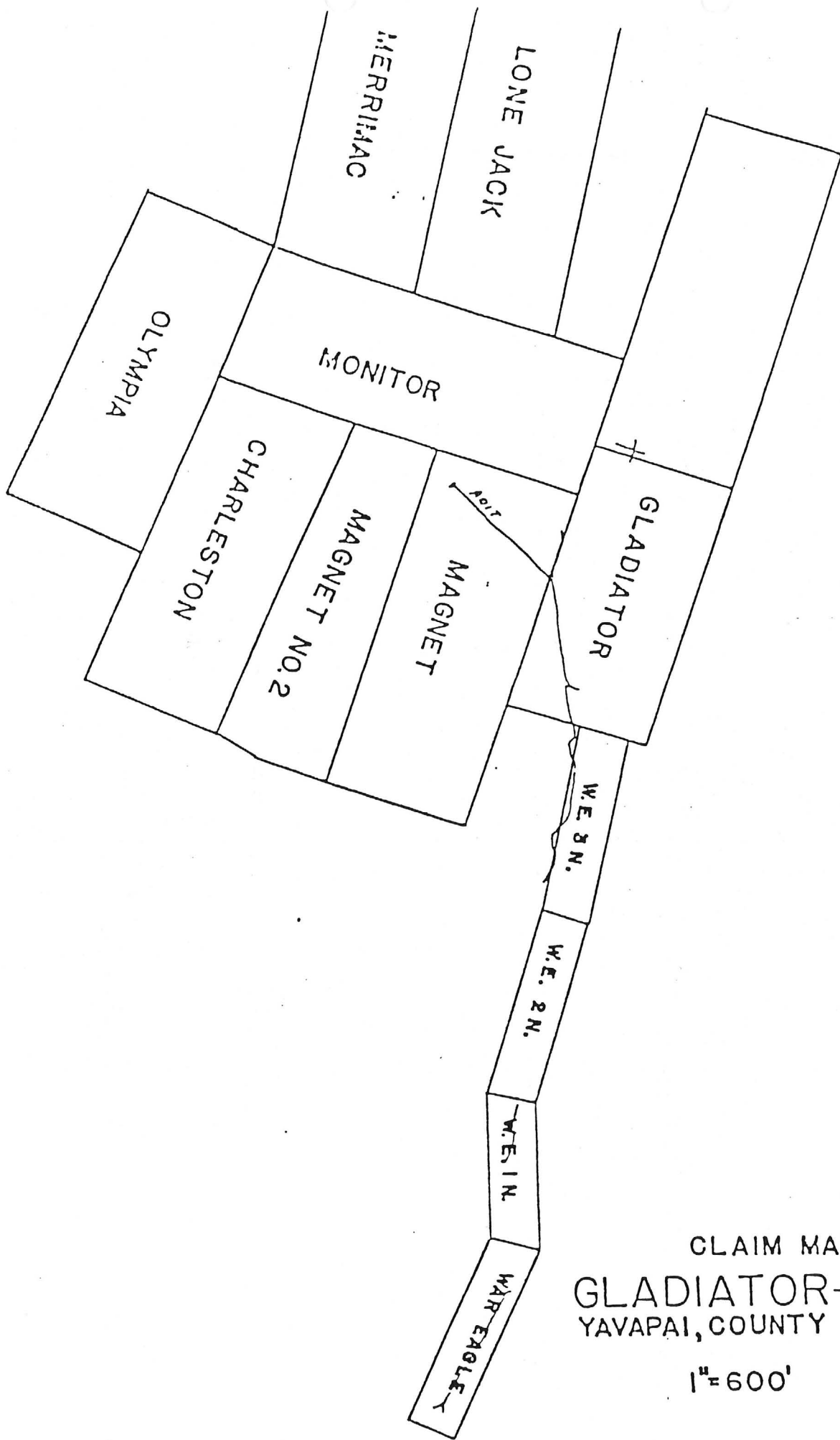
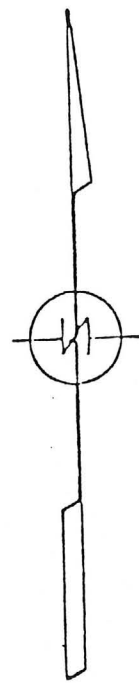
Production history at the Gladiator mine dates from the early 1870's but very little was recorded until 1937. This early production was estimated from the mine workings to be about 50,000 tons of high grade gold ore. During the period from 1937 to 1942, 21,961 tons were produced averaging 0.44 oz/ton Au, 3 oz/ton Ag, 0.35% Cu, 4.5% Pb and 15.0% Zn. No records are available to 1947 when the property was shut down after the war. The property was not explored again until 1981 when Noranda Exploration Co. completed a district wide drilling and sampling program. In the wake of program reductions, Noranda turned the property back to the owners in 1982.

Nor-Quest obtained a lease and option in 1983 and continued the exploration program begun by Noranda. After surface drilling and underground sampling indicated favorable down-dip extensions of known ore zones, the lower 560 level adit was widened to accomodate new production. A 100 ton per day gravity mill was constructed below the portal and a new well drilled to supply increased water demands. Underground development began as traditional shrink stoping but was converted to a modified shrink to accomodate greater mining selectivity. Production began in earnest in 1986 concurrent with mine development and continued through 1987. Since start-up, the property has produced 1800 ounces of gold and 5400 ounces of silver.

Geology and Mineralogy

The geology of the Gladiator - War Eagle properties is very similar to the geology of many other precious and base metal deposits of the Central Arizona Pre-Cambrian Schist Belt. The Gladiator - War Eagle quartz-massive sulfide veins are situated in a narrow sulfide facies of the Yavapai schist. The veins extend northerly from the Crown King granodiorite stock on a bearing of N 10 - 20° E and dip steeply to the west at about 70°.





CLAIM MAP
GLADIATOR-WAR EAGLE
YAVAPAI, COUNTY ARIZONA

1"=600'

The Gladiator - War Eagle vein is one of a series of gold-bearing Laramide-age veins that strike northeasterly across the Bradshaw Mountains. Others in the sequence which cross Nor-Quest property are the Del Pasco, Crown King, Spring Green, Fairview and Lincoln veins. These veins can be traced quite continuously paralleling the major fold structures in the banded iron formation sequence. The veins occupy zones of pre-mineral faulting, shearing and subsequent diking. These later events have had the greatest impact on precious metal distribution throughout the mining district.

The Gladiator vein is a high grade steeply dipping fissure fill and replacement deposit with basic quartz-base metal sulfide mineralogy. This hydro-thermal veining is directly associated with an igneous dike latite composition which often splits the vein into both a foot-and hanging-wall member. Gold and silver values show a considerable variation with respect to vein thickness and mineralogy. In general, good sulfide mineralization can be expected to assay in the 0.1 to 0.5 oz/ton range with anomalies up to 2.5 oz/ton. A second hanging wall vein occurs about 20 feet to the west of the footwall structure and is quartz-rich in composition. Quartz mineralization has been found to be more highly variable in gold-silver content than the massive sulfide type, but significant reserves are possible in this hanging wall section.

A typical distribution of gold mineralization is exhibited in the Crown King mine to the southwest where higher grade zones form a northerly plunge of 20 - 30 degrees. This same pattern can also be seen along the Gladiator vein system. The currently known higher grade zones are generally outlined by the "A" and "D" ore blocks which seem to rake northerly at low angles. This pattern is undoubtedly due both to the direction of pre-mineral diking and general metamorphic fabric of host rocks.

This "ore shoot" pattern of distribution of vein gold mineralization is very common in the district but has only been partially tested at the Gladiator by previous exploration programs. At present, four of the producing stopes above the 560 level, have generally progressed upward into lower grade ore zones. It is now recommended that an underground drifting and diamond drilling program be instituted to properly outline the higher grade areas along the veins. Information from the recent mining experience and the known strength of the vein system, indicate a high degree of probability that an additional 50,000 ounces of gold could be developed both laterally and above the current known reserves.

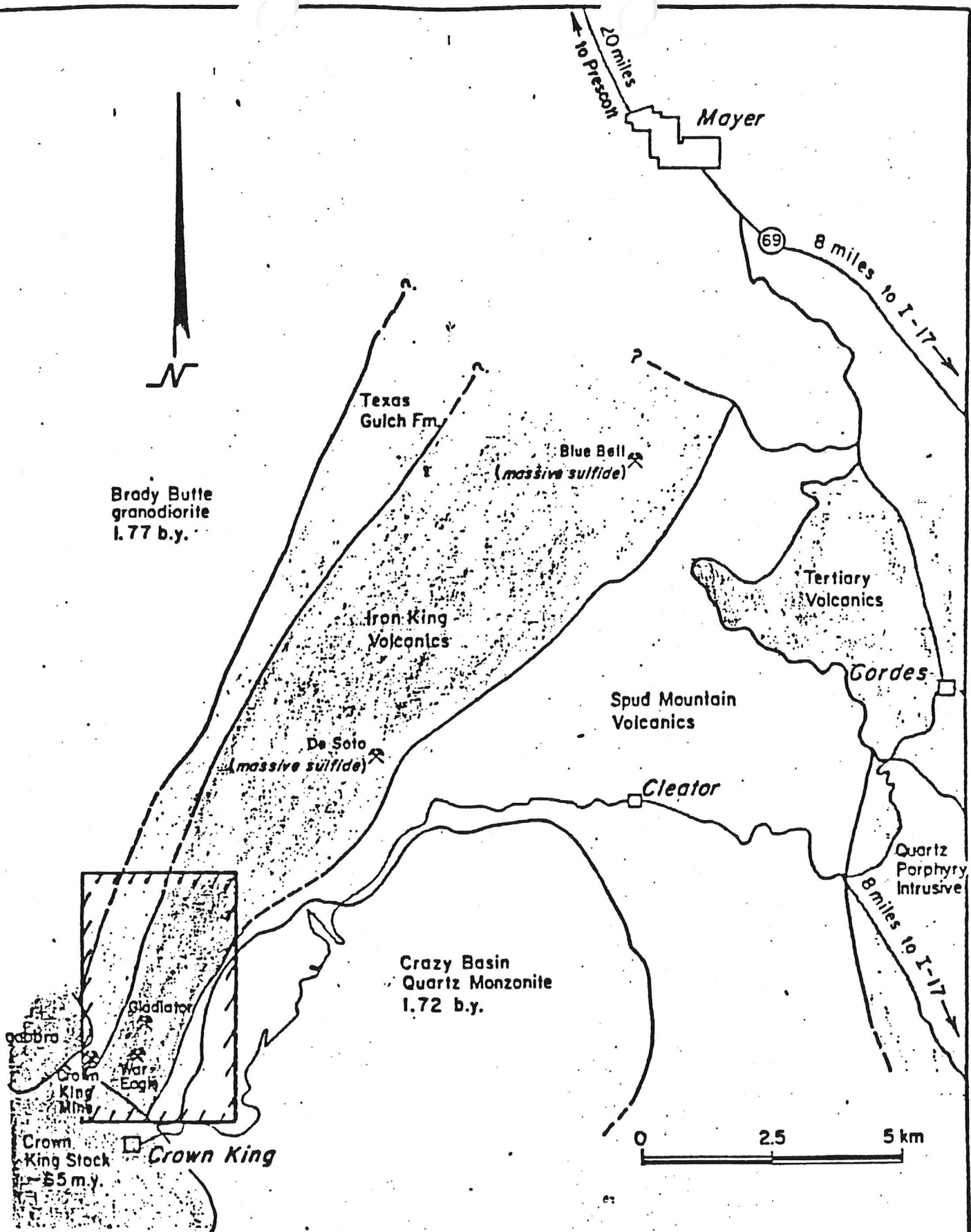


FIGURE 1. Location Map and Regional Geologic Map of the Mayer - Crown King and Black Canyon Schist Belts.

Ore Reserves

Ore Reserves along the Gladiator - War Eagle vein system have been developed by sampling mine workings, and by both surface and underground diamond drilling. Recently, the ore reserves have undergone considerable revision with respect to the separate vein splits and their mineability. The current reserves are all attributed to the footwall vein and are categorized into four separate zones labeled A, B, C, and D from south to north. An average mining dilution of 20% has been included along with a minimum mining width of 3.5'. A summary of all reserve classes is as follows:

<u>Ore Block</u>	<u>Tonnage</u>	<u>Grade</u>	
		<u>Au</u>	<u>Ag</u>
"A"	34,000	0.382	1.82
"B"	30,201	0.360	2.99
"C"	10,249	0.420	1.10
"D"	19,200	0.432	2.47
Broken Ore	5,500	0.310	1.08
Total (all classes)	99,150	0.385	2.14

Ore Zone Development

A program of underground drifting and diamond drilling is planned to effectively define the precious metal distribution along the Gladiator - War Eagle vein system. The proposed plan calls for 1700 feet of drifting on the 560 level to establish 10 diamond drill stations in strategic positions along the vein. From these stations, a total of 19,200 feet of diamond drilling will be required to penetrate the vein at relatively even intervals for accurate reserve calculations. Both plans and sections are included (inside envelope) which illustrates this proposal. It is estimated that at a 50% success rate over 50,000 additional ounces of gold can be developed at the Gladiator.

Mining Method

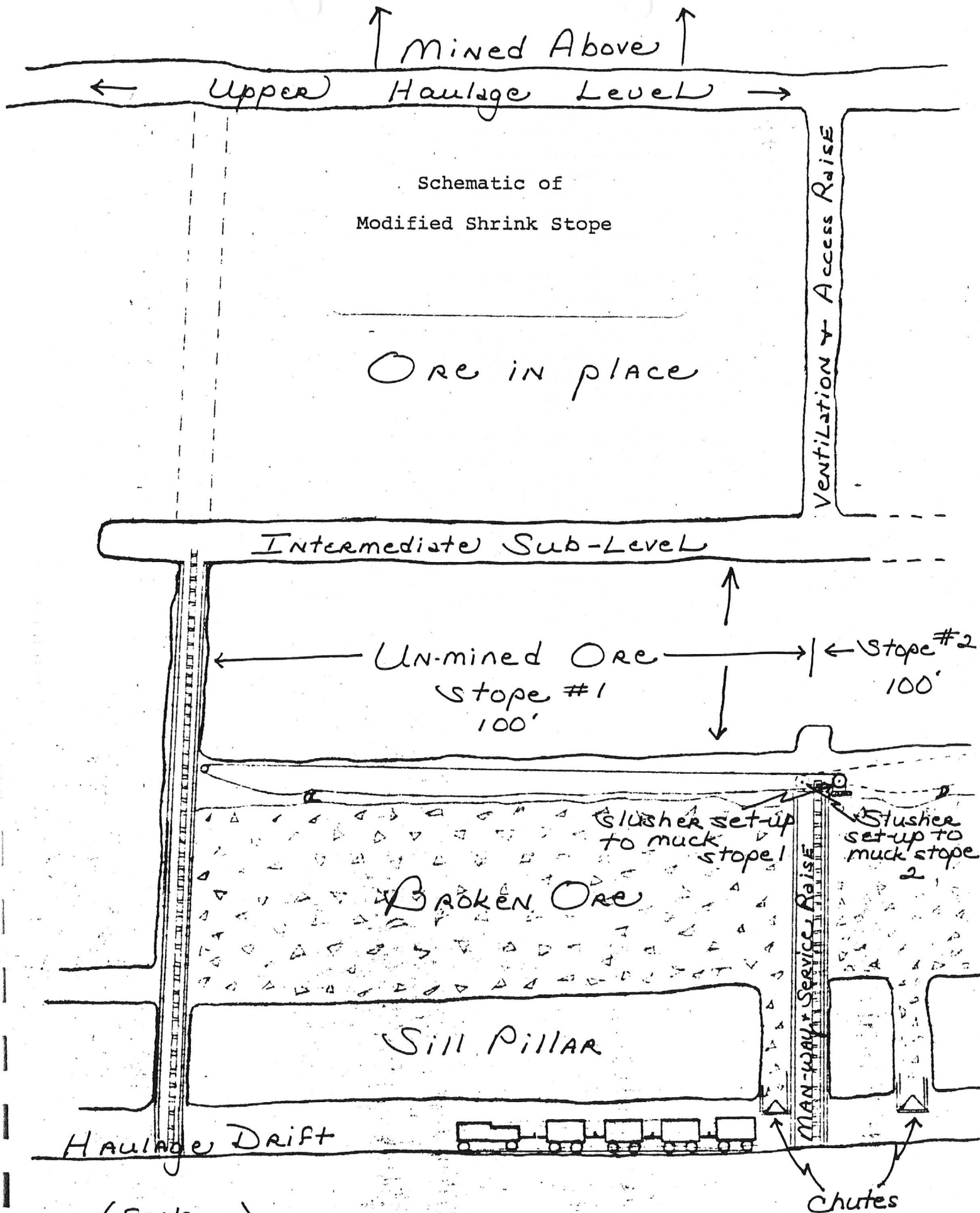
The Gladiator ore body consists of narrow veins which vary from 1.5' to 4.0' wide and dip to the west at 68 to 70 degrees. The minimum mining width is 3' which is maintained in all stopes. The attitude of the ore lends itself to shrinkage stope mining. The actual method in use is a modified shrinkage which utilizes 5 H.P. air slushers and scrapers. One chute is used to draw the ore from each stope. The swell from each cut is moved to that draw point with the slusher and scraper.

Each stope is started with a boxhole and raise to the ore from the haulage drift. When the chute and manways have been installed, the sub-drift proceeds north and south to open the ore for mining. As the stope limits are reached, an access raise is drilled to the level above to provide ventilation. When the raise is completed the stoping sequence begins. (See sketch)

Stoping is done by drilling up holes and blasting with non-electric caps and ANFO. Most cuts are shot with 2 blasts per 100' length of stope. After scaling, the swell is removed to provide the proper drilling height for the next cut. This sequence will provide 350T to 400T per month per stope.

Experience has shown that in order to produce the required 100T/D for the mill operation, a total of 8 stopes will be necessary in the following stages: 2 on "free draw", which are completed stopes and ore can be removed on a scheduled basis; 2 in development stage and 4 in the mining phase. If more than 100T/D is required, additional stopes will be needed.

When the mine closed on March 4, 1988, two stopes were under development and 3 stopes were being mined. This was not sufficient for the required 100T/D mill supply. There had not been sufficient exploration to allow stope development to obtain the required tonnage. When the exploration program has opened sufficient reserves it will require 3 to 4 months to develop more stopes to provide the necessary mill feed. During this period any ore produced will be crushed and stockpiled to await the start of milling.



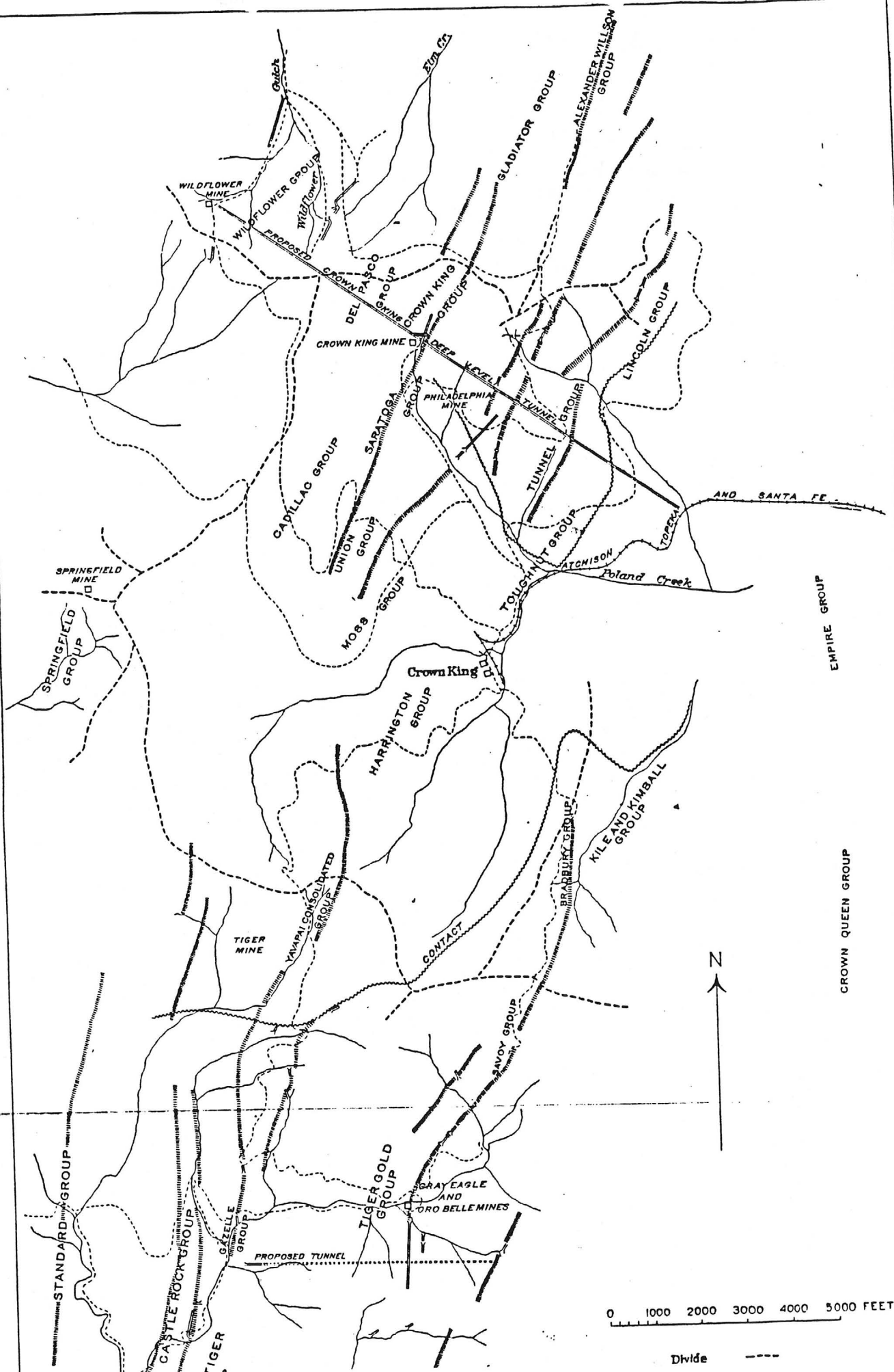
(Scale
1" = 20')

District Potential

It is important to note that only a very limited amount of diamond drilling has been completed in the district and that the planned exploration does not exhaust the potential targets even on the Gladiator - War Eagle vein. Mineralization along the Gladiator is suspected to continue laterally (both north and south) and down-dip. Ore along the Crown King vein to the west extended over 2000 feet laterally and over 500 feet vertically.

The Fairview vein some 500 feet to the east roughly parallels the Gladiator - War Eagle vein. Exploration efforts to date have all been positive in demonstrating a plus 0.6 oz. gold mineralization for a strike length of nearly 300 feet and a down-dip extension of 150 feet. This vein is the next most promising prospect outside of the Gladiator and can most likely be developed from the 560 level development.

The Spring Green vein to the west about 400 feet is also sub-parallel to the Gladiator. Results of only a small number of samples on this prospect have remained inconclusive. A series of short surface holes would be needed to test for higher gold values along strike. The other two veins to the west are the northerly extension to the Crown King deposit and the Del Pasco group. These also have reasonable good potential for developing additional gold reserves. It is obvious from the past production and strength of the various vein systems that the potential for additional precious metal deposits district wide remains high.



12,400 North

Cross - Section
N 70° W

(Looking So.)

"A" ZONE
Planned Drilling

J. F. P. 3-88

7200'

7000'

6800'

6600'

6400'

26' North

DDH 83-12

Gladiator

Vein

No Intercept

Fairview

Vein

Projection

6570'

Alter.

450'

-20°

11,000 East

+70°

+50°

+30°

+10°

300'

250'

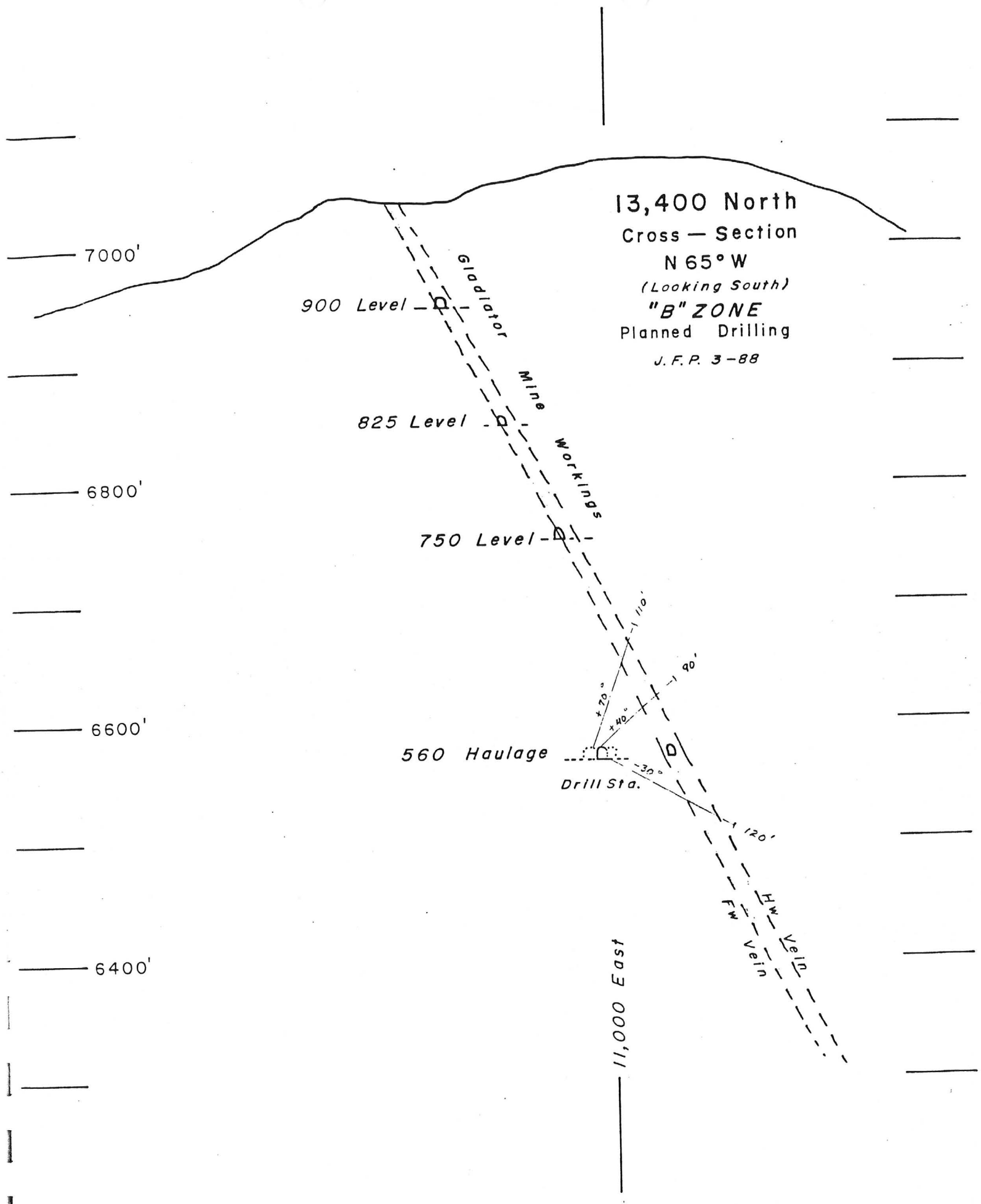
220'

220'

220'

-20°

260'



13,400 North
Cross - Section
N 65° W
(Looking South)
"B" ZONE
Planned Drilling
J. F. P. 3-88

900 Level -

825 Level -

750 Level -

560 Haulage

Drill Sta.

Gladator

Mine Workings

FW Vein
HW Vein

11,000 East

7000'

6800'

6600'

6400'

7100'

7000'

6900'

6800'

6700'

6600'

6500'

6400'

6300'

13,700 North

Cross - Section

(Looking South)

"C" ZONE

Planned Drilling

J.F.R. 3-88

750' Level

5136 Sub-Level

560' Level

Drill
Station
(12' South)

Alternate hole
520'

11,200 East

Gladia

Vein

L.D.

X-Cut

Extension

Fairview

Vein

Projection

80'

140'

70'

55'

25'

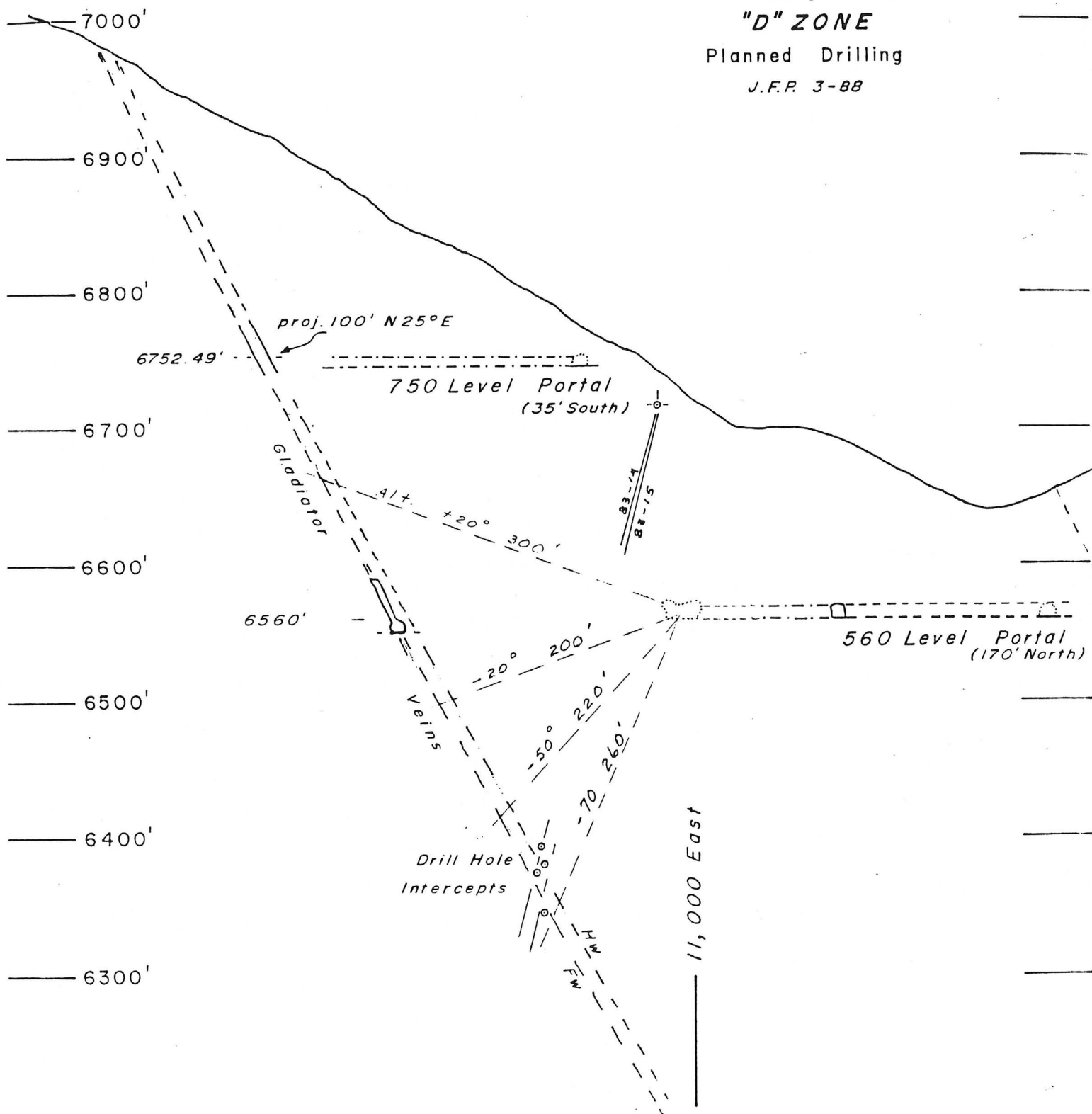
100'

20'

160'

20°

J.F.P. 3-88



GLADIATOR MINE

CROWN KING? ARIZONA.

SUMMARY OF SMELTER LIQUIDATION RETURNS ON ORE SHIPMENTS FROM MINE .

DATE	DRY WEIGHT	OUNCES GOLD	OUNCES SILVER	PER TON VALUE	SHIPMENT VALUE
1937.					
March 24.	79117	.48	6.00	\$20.01	\$795.12
Apr 11 19.	100437	.35	4.40	14.63	734.70
" 26	88572	.35	4.20	14.48	641.26
May 4	92648	.52	4.00	19.83	918.61
" 12	108677	.60	3.10	21.73	1180.77
" 17	92042	.41	3.10	15.59	717.93
" 18	105763	.68	3.60	24.53	1297.18
" 18	106070	.50	2.40	17.97	953.04
" 21	100558	.74	5.90	28.37	1426.00
" 26	93016	.43	4.70	17.45	812.03
June 10	71064	.34	2.80	12.44	459.78
" 30	107325	.46	2.50	16.76	899.38
July 2	98315	.47	3.10	17.53	861.24
" 2	118110	.28	2.20	10.71	631.88
" 7	104857	.33	3.70	13.46	705.69
" 7	106276	.46	7.40	20.46	1087.20
" 12	108526	.34	2.40	12.80	694.57
" 14	111128	.48	3.70	18.14	1007.93
" 15	90765	.28	1.40	10.11	458.36
" 21	101708	.30	2.96	11.95	606.18
" 21	103915	.58	4.33	22.01	1141.96
" 27	104549	.73	6.37	28.40	1484.60
" 31	103558	.51	4.54	19.91	1030.40
August 10	106909	.40	4.30	16.18	1448.94
" 10	93835	.33	3.60	13.30	628.69
" 16	104571	.29	3.46	11.98	627.43
" 23	102018	.41	4.20	16.50	842.98
Oct. 4	93338	.73	.76	24.95	1163.80
" 13	107824	.66	1.20	22.24	1198.99
" 15	110607	.67	1.35	22.67	1219.98
" 16	109297	.64	1.30	21.66	1183.68
" 22	113331	.64	1.50	21.81	1235.30
Nov. 1.	113824	.66	1.55	22.50	1280.51
" 5	113254	.66	1.65	22.58	1269.63
" 8	107388	.41	1.20	14.16	760.31
" 8	110882	.59	2.40	20.13	1115.47
" 12	109980	.50	1.50	17.29	950.23
" 16	107163	.66	1.55	22.50	1205.58
" 19	113920	.63	1.45	22.10	1258.82
" 26	111492	.60	1.62	20.60	1148.37
" 26	99786	.52	1.40	17.87	1091.09
" 26	111127	.55	1.35	18.80	1044.59
Dec. 3	226145	.42	.90	14.25	1610.15
" 6	337646	.42	.90	14.25	2404.04
" 10	340146	.50	1.10	16.99	2891.24
" 14	225253	.53	.85	17.77	2000.28
" 21	224110	.54	1.25	18.39	2061.81
" 21	325779	.55	1.30	18.76	3065.80
" 22	216272	.60	1.20	20.30	2195.16
" 27	211214	.82	1.60	27.71	2925.31
" 31	336892	.61		20.92	3523.88
1937 TOTALS			AVERAGE	\$17.81	\$60,374.08
TONS 3390.477					

1939	Dry Weight	Gold oz.	Silver oz.	Ton Value	Total Value .
Jan. 2.	99999	.29	6.46	\$13.45	\$672.48
17	95201	.32	5.96	14.82	705.444
Feb. 15	93124	.42	3.82	15.94	742.20
25	55920	.30	5.04	12.87	360.12
Mar. 12	107556	.42	6.24	17.59	936.81
13	196606	.36	3.27	13.66	1342.82
17	93451	.400	5.26	16.36	764.43
23	102208	.53	6.27	21.04	1075.23
23	93451	.40	5.26	16.22	757.89
29	218093	.42	6.24	17.49	940.53
29	107665	.38	5.62	15.81	1722.193
Apr. 29	106023	.70	9.07	28.30	1500.22
6	102157	.31	5.48	13.49	689.56
17	97588	.29	1.47	10.25	499.65
15	295479	.43	6.24	17.81	2629.76
19	99114	.35	1.11	12.97	641.27
21	196746	.40	4.59	15.79	1544.29
25	78020	.65	6.76	25.21	905.03
May 4	99494	.30	9.64	11.60	516.95
5	101344	.71	7.25	27.40	1390.44
9	191241	.38	4.32	14.7 8	1432.39
13	196197	.37	2.19	13.28	1302.75
16	105188	.30	7.20	14.36	750.00
16	93836	.37	6.06	15.77	739.43
19	105240	.29	3.50	11.55	604.08
17	109665	.43	4.01	16.38	898.15
24	110555	.34	3.13	12.93	7.14.18
24	112447	.43	5.82	17.54	986.42
27	114233	.49	6.86	20.14	1150.33
Jun 1	102881	.40	3.87	15.33	788.07
6	120266	.58	4.80	21.71	1304.89
May 31	112042	.55	6.59	21.90	1226.86
Jun. 13	102197	.22	2.33	8.56	437.40
16	107466	.28	3.03	10.43	561.07
19	103918	.54	3.91	21.24	1103.60
19	91775	.57	3.66	20.66	948.03
26	95125	.33	1.69	11.68	555.53
26	103459	.55	4.09	20.29	1111.00
Jul 7	214398	.57	4.11	21.21	2272.62
10	204847	.60	5.66	23.27	2382.37
17	218682	.54	5.49	21.22	2320.22
17	73982	.56	6.83	22.81	843.39
24	218337	.31	2.88	11.96	1305.64
26	97955	.46	5.33	18.53	897.06
Aug. 9	313840	.36	4.44	14.70	2306.72
15	104000	.33	3.33	13.38	695.76
22	99076	.56	6.10	22.30	1111.39
23	102677	.46	5.37	18.56	952.75
28	48276	.60	7.24	24.38	888.48
Sep. 4	105055	.48	5.97	19.64	1031.64
19	210858	.39	4.59	15.77	1661.56
29	105066	.36	5.25	15.27	801.20
25	98620	.74	4.47	26.93	1327.43
Oct. 4	215632	.37	4.13	14.80	1595.66
7	203615	.42	3.78	16.16	1645.21
16	58620	.64	7.30	25.77	755.02
16	104949	.44	4.84	17.55	920.40
24	204809	.82	3.58	28.87	2955.39
Nov. 1	70179	.98	9.42	38.13	1337.61
1	82237	.18	2.11	7.33	300.99
7	91292	.24	3.66	10.29	470.15

DATE 1938.		WEIGHT	GOLD OZ.	SILVER OZ.	TON VALUE	TOTAL VALUE .
Jan.	3.	220970	.57	1.50	\$19.39	\$2143.41
"	10	109317	.46	1.07	15.66	861.42
"	12	212750	.36	.85	12.00	1276.50
"	19	106891	.52	1.25	17.35	926.74
"	22	92218	.49	.80	16.34	753.42
"	24	109365	.63	.75	20.83	1139.58
"	29	111177	.87	1.10	28.81	1600.95
Feb.	4	109487	.54	.65	17.86	979.52
"	7	115055	.60	1.00	20.02	1161.70
"	7	112306	.56	.75	18.57	1042.20
"	12	92880	.46	.65	15.28	709.60
"	12	113877	.52	.75	11.00	625.80
"	23	113782	.33	.53	17.94	999.60
"	25	111438	.54	.78	11.99	672.21
Mch.	5	112035	.34	.58	21.4 4	894.90
"	22	83480	.61	2.77	21.68	1070.41
April	5	98746	.57	5.20	29.91	1270.05
"	15	84953	.89	1.84	14.63	729.18
"	16	99712	.41	2.20	23.94	1283.30
"	23	107210	.70	2.10	15.20	738.76
"	30	97205	.45	1.05	19.04	980.46
May	10	102990	.53	3.05	15.28	576.79
"	30	104223	.50	2.35	17.4 7	909.87
"	30	75470	.40	3.75	14.85	726.22
June	7	97873	.3 8	4.10	16.36	686.53
"	11	83928	.42	4.45	11.81	579.3 0
"	14	98186	.29	3.90	16.21	846.4 0
"	29	1044 94	.44	3.25	15.93	853.40
July	9	107211	.4 1	2.31	28.33	996.79
"	12	70324	.77	5.90	11.11	903.00
"	13	91456	.32	1.3 0	16.03	833.33
"	28	104 036	.3 8	5.95	18.71	996.91
"	29	106624	.4 1	8.64	20.25	1090.33
Aug.	9	107740	.47	8.03	13 .16	592.28
"	12	90013	.3 5	3.00	3 0.24	5090.53
"	30	338917	.72	10.77	28.55	3113.42
"	30	220282	.73	7.95	23.80	1296.83
Se p	6	108977	.60	7.06	20.79	2100.97
"	20	202016	.51	6.88	28.17	1273.43
"	20	90445	.77	5.37	22.88	1206.74
"	20	105484	.57	7.13	16.17	1680.04
De t.	19	207926	.39	5.68	20.55	1069.80
"	20	104168	.3 8	13.00	24.85	1320.71
"	22	106338	.68	4 .69	15.81	879.16
"	28	111287	.32	8.63	28.98	1512.96
Nov.	14	104414	.73	8.63	17.28	922.46
"	21	106152	.48	3.05	13.61	1505.27
"	21	221364	.27	7.70	15.67	799.21
"	21	96962	.34	7.4 0	21.80	3495.01
"	28	320643	.51	8.45	24.72	1371.24
De c.	2	110942	.62	7.54	22.66	1246.28
"	9	109998	.56	7.48	13.88	1542.05
"	16	223639	.333	5.12	15.37	850.42
"	16	110732	.39	4.63	14.61	1652.51
"	20	226371	.3 1	6.29	24.88	811.20
"	24	108305	.38	4.43	19.50	1038.55
"	24	114413	.52	4 .36		
					Total	\$68889.31

1938 TOTAL 4454.1385 Tons .

Average \$15.46

GLADIATOR MINE

CROWN KING? ARIZONA.

SUMMARY OF SMELTER LIQUIDATION RETURNS ON ORE SHIPMENTS FROM MINE.

DATE	DR Y WEIGHT	OUNCES GOLD	OUNCES SILVER	PER TON VALUE	SHIPMENT VALUE
1937.					
March 24.	79117	.448	6.00	\$20.01	\$795.12
Apr 11 19.	100437	.35	4.40	14.63	734.70
" 26	88572	.35	4.20	14.48	641.26
" 4	92648	.32	4.00	19.83	918.61
May 12	108677	.60	3.10	21.73	1180.77
" 17	92042	.41	3.10	15.99	717.93
" 18	105763	.168	3.60	24.53	1297.18
" 18	106070	.50	2.40	17.97	953.04
" 21	100558	.74	5.90	28.37	1426.00
" 26	93016	.43	4.70	17.45	812.03
June 10	71064	.34	2.80	12.44	499.78
" 30	107325	.46	2.50	16.76	899.38
July 2	98315	.47	3.10	17.53	861.24
" 2	118110	.28	2.20	10.71	631.88
" 7	104857	.33	3.70	13.46	705.69
" 7	106276	.46	7.40	20.46	1087.20
" 12	108526	.34	2.40	12.80	694.57
" 14	111128	.48	3.70	18.14	1007.93
" 15	90765	.28	1.40	10.11	458.36
" 21	101708	.30	2.96	11.95	606.18
" 21	103915	.58	4.33	22.01	1141.96
" 27	104549	.73	6.37	28.40	1484.60
" 31	103558	.51	4.54	19.91	1030.40
August 10	106909	.40	4.30	16.18	1448.94
" 10	93835	.33	3.60	13.30	628.69
" 16	104571	.29	3.46	11.98	627.43
" 23	102018	.41	4.70	16.90	842.98
Oct. 4	93338	.73	.76	24.95	1163.80
" 13	107824	.66	1.20	22.24	1198.99
" 15	110607	.67	1.35	22.67	1219.98
" 16	109297	.64	1.30	21.66	1183.68
" 22	113331	.64	1.50	21.81	1235.30
Nov. 1.	113824	.66	1.55	22.50	1280.51
" 5	113254	.66	1.65	22.58	1269.63
" 8	107388	.41	1.20	14.16	760.31
" 8	110882	.59	2.40	20.13	1115.47
" 12	109980	.50	1.50	17.29	950.23
" 16	107163	.66	1.55	22.50	1205.58
" 19	113920	.65	1.45	22.10	1258.82
" 26	111492	.60	1.62	20.60	1148.37
" 26	99786	.52	1.40	17.87	1091.09
" 26	111127	.55	1.35	18.80	1044.59
Dec. 3	226145	.42	.90	14.25	1610.15
" 6	337646	.42	.90	14.25	2404.04
" 10	340146	.50	1.10	16.99	2891.24
" 14	225258	.53	.85	17.77	2000.28
" 21	224110	.54	1.25	18.39	2061.81
" 21	325779	.55	1.30	18.76	3065.80
" 22	216272	.60	1.20	20.30	2195.16
" 27	211214	.82	1.60	27.71	2925.31
" 31	336892	.61	AVERAGE	20.92	3523.88
1937 TOTALS			AVERAGE	\$17.81	\$60,374.08
TONS	3390.477				

DATE	DRY WEIGHT	GOLD OZ.	SILVER OZ.	TON VALUE	TOTAL VALUE.
Nov. 14	91987	.21	2.46	\$ 8.49	\$ 392.18
" 1	(#128)	"	"	"	"
241	93377	.21	2.32	8.39	390.94
21	84849	1.05	4.72	38.45	1630.80
Dec. 1	86219	.57	5.95	22.51	969.96
19	98234	.22	2.18	8.61	422.41
23	72173	.56	5.21	21.67	781.63
23	100624	195	6.32	34.97	1758.91
TOTAL			Average	\$16.30	6 8289.02
1939					

4198.18 Tons

1940					
Jan. 9	81315	.25	3.51	\$10.51	\$ 426.90
22	113592	.37	5.09	15.47	878.07
22	86777	.94	4.23	33.18	1439.63
Feb. 5	94988	.54	4.68	20.65	800.28 980.28
6	103420	.35	5.45	15.09	779.86
13	105860	.46	5.14	18.40	973.91
13	89305	.48	8.22	21.23	947.53
26	103099	.47	3.56	17.61	907.27
Mar. 5	103695	.46	3.57	18.70	969.55
11	86810	.39	1.64	13.69	593.78
18	82519	.51	5.78	20.46	844.17
18	202725	.48	3.27	17.73	1796.14
26	105423	.51	4.29	19.41	1022.59
Apr. 8	212331	155	4.72	22.39	2378.10
13	108217	.50	7.46	21.33	1153.59
13	115492	.64	3.88	23.30	1345.48
23	81641	.94	8.45	36.16	1476.07
25	99265	.52	4.11	19.60	972.80
30	212644	.44	3.72	16.76	1781.96
May 7	219274	.91	6.44	33.78	3703.54
7	99655	.38	3.53	14.70	732.46
13	117620	.62	5.95	24.11	1417.32
20	107069	.63	4.68	23.55	1260.20
28	107360	.65	2.77	2.84	1226.05
Jun. 4	108722	.53	2.18	18.56	1008.94
11	100108	.46	1.90	16.11	806.37
11	104773	.41	3.39	15.66	820.37
17	111173	.82	8.50	32.83	1824.35
17	103772	.41	2.36	14.83	768.95
25	83780	.50	5.15	19.70	825.23
25	108900	.44	4.28	17.15	963.27
Jul. 2	117525	.63	7.75	25.71	1510.20
2	108780	.88	10.42	35.63	1937.27
8	109980	.50	5.90	20.23	1113.00
15	110009	.77	10.28	31.99	1759.45
15	105107	.52	4.54	19.91	1045.81
15	101433	.47	4.37	18.19	922.06
22	110401	.40	4.95	16.35	902.72
29	113446	.62	6.80	24.71	1401.06
29	109375	.57	7.31	23.90	1307.03
Aug. 5	107613	.52	3.65	19.28	1037.40
5	105289	.42	4.46	16.64	876.00
12	109828	.38	4.05	15.07	826.70
19	111610	.68	3.12	24.04	1341.55
25	227234	.49	6.17	20.10	2283.70
Sep. 3	108260	.44	2.38	15.81	855.25
3	116547	.45	5.67	18.45	1074.56
3	79889	.25	3.54	10.53	390.39
14	213704	.42	5.39	17.30	1848.50
17	1008557	.42	4.23	16.48	894.51
23	110321	.58	5.67	22.56	1244.19
Oct. 1	111030	.51	6.51	20.98	1154.21
9	115550	.48	3.77	18.08	1044.57

Date		DRY WEIGHT	GOLD OZ.	SILVER OZ.	TON VALUE	TOTAL VALUE
1940						
Oct.	22	103660	.49	5.33	19.50	1010.68
	22	103491	.55	5.17	21.32	1108.54
Nov.	1	205660	.59	7.57	24.30	2498.67
	3	198916	.75	8.08	29.80	2963.88
	11	107666	.33	3.00	12.78	687.98
	11	211819	.46	8.90	21.06	2230.45
	15	106919	.54	5.89	21.50	1149.38
	15	105105	.45	2.72	16.37	859.76
	18	108545	.57	7.25	25.63	1281.92
	24	217689	.63	6.32	24.70	2688.46
Dec.	2	231509	.77	7.58	30.22	3498.10
	9	346774	.81	6.65	30.72	5326.45
	15	226884	.78	5.62	29.02	3292.09
	21	196000	.82	7.07	31.33	3070.34
	30	112923	.51	7.98	22.02	1243.28
TOTALS						
1940		4278 + TONS		AVERAGE	\$ 2.52	TOTAL \$ 97585.75

1942.	DRY WEIGHT	GOLD OZ.	SILVER OZ.	Ton Value	TOTAL
Jan. 20.	111022	.52	4.99	20.22	\$1122.43
25	200004	.69	5.13	25.78	2578.10
18	216894	.88	9.35	34.56	3757.93
Feb. 3	99540	.85	9.45	33.99	1692.18
18	96120	.62	6.33	24.38	1171.70
Mar. 18	221363	.53	3.99	19.84	2195.92
16	94935	.61	3.28	21.91	1039.54
23	107016	.65	3.13	23.09	1234.96
30	199290	.64	3.41	22.97	2287.85
Apr. 7	107252	.47	2.16	16.63	891.23
14	208800	.71	5.60	26.75	2791.66
20	100780	.96	6.16	35.50	1788.85
26	113315	1.23	5.44	43.35	2455.54
May 6	435112	.78	6.28	29.99	6526.28
11	108572	1.10	7.90	40.91	2220.30
20	228333	.86	4.32	30.67	3500.34
26	227020	.67	5.08	25.11	2849.10
Jun. 1.	117413	.81	6.65	30.72	1803.46
6	102034	.46	5.23	18.46	941.77
8	229483	.42	2.44	15.21	1744.07
12	238068	.52	6.00	19.94	2373.54
19	229730	.50	6.89	20.91	2400.68
23	107584	.62	2.43	21.63	1162.98
25	117315	.50	2.34	17.85	1464.50
30	234338	.73	3.26	25.75	3015.93
Jul. 3	224420	.47	4.24	18.09	2028.76
6	233553	.80	3.37	28.08	3279.08
TOTAL					
1942 TONS	2054.4			Average. \$ 26.25	TOTAL \$ 61687.99

Total grade ore. 23,243 tons avg 19.26 gold-silver

Year	Tons	oz/Ton Au	oz/Ton Ag
1937	3390	0.519	2,301
1938	3605	0.500	4,68
1939	4199	0.461	4,785
1940	4378	0.590	5,487
1941	4467	0.554	5,671
1942	2354	0.682	5,024
1947	57	0.52	2,47
Total	22,450	0.543	4,725

GIROUX ASSAY OFFICE

This is to certify that the sample assayed for Mr. A. Bennett, Mayer, Arizona.....December 9, 1942.....
gave the following results per ton of 2000 pounds. Gladiator Mng. Co., Crown King, Arizona.
Mr. Rudy Sturm, Cordes, Az.

NO.	DESCRIPTION	GOLD OZ.	SILVER OZ.	COPPER %	LEAD %	ZINC %	IRON %	VALUE \$
37609	Gladiator, 12.7.42 Tails	0.04	0.46	--	0.50	0.50		
37610	" " Pb conc.	3.04	27.16	4.20	31.70	11.20	11.20	
37611	" " Zn "	0.16	2.24	0.75	0.20	49.20	11.53	

Gold @.....Per Oz.
Silver @.....Per Oz.
Copper @.....Per Unit
Lead @.....Per Unit
.....
Charges...\$17.00.....

Jonathan G.

Gen. Supt.

PHOENIX DODGE CORPORATION

UNITED VERDE BRANCH

REDUCTION WORKS, CLARKDALE, ARIZONA

MAR 3 1947

BOUGHT OF **Gladiator Mining Co., c/o E. M. Moores**
 ADDRESS **Crown King, Arizona**

Contract No. 681

Date Received	Initial CAR Number	WEIGHT			SHIPPED FROM	Blue Bell, Arizona
		Wet	Moisture	Dry		
2-6-47	AT&SP 172429	114,620	1.00 (Min)	113,474	Smelter Lot No.	4565
					Shipper's Lot No.	1
					Date Sampled	2-6-47
					E. & M. Journal Quotation	
					Average for Week Ending	2-5-47
					N. Y. Copper	19.342 c per lb
					London Copper	c per lb
					Deduction	2.50 c per lb
					N. Y. Silver	c per oz
					U. S. Silver	90.125 c per oz
					U. S. Gold Price	\$34.9125 per oz
					Deduction 8%	2.793 per oz

PER TON OF 2000 LBS.

Assay	Deduct	PAYMENTS		AMOUNTS	
		Pay For		Per Ton	Total
Gold .52 oz	%	.52	oz. @ \$ 32.1195	16.00	
Silver 2.47 oz	%	2.47	oz. @ 90.125	2.23	
Copper .16 %	lbs. less 10	lbs. =	lbs. @		
			Total Payments		18.93
Analysis	Deduct	Charge For	CHARGES		
	Plus 10% of excess over \$15.00		Treatment Base	3.87	
	Alumina x 10 less Silica @ 1 1/2%			.31	
	Silver - 10% of Payment			.22	
Copper Penalty 10 lbs.	3.2 lbs.	6.8 lbs. @	16.842 c per unit	1.15	
Zn..... 2.4 %	2.0 %	0.4 % @	15.000 c per unit	.06	
Fe..... 16.3 %		% @			
CaO..... 1.0 %		% @			
SiO ₂ 48.5 %			Total Treatment	5.61	
Al ₂ O ₃ 6.9 %		Pay For	LESS CREDITS		
S..... 9.9 %		% @			
		% @			
			Net Treatment		5.61
			Net Price per ton		
			f.o.b. Clarkdale		13.32

Gross Proceeds	56.737	Dry Tons	0 \$ 13.32 per ton	89.40	755.74
Less Freight From Blue Bell	On 57.31	Gross Tons	0 \$ 1.56 per ton	2.68	92.08
			3% Tax		

Balance Due **Gladiator Mining Co., c/o E. M. Moores**

Checked

Approved

Gen. Supt.

663.66

TELEPHONE 3-6272

**ANALYTICAL AND CONSULTING CHEMISTS
ASSAYERS, MINING ENGINEERS
623 EAST VAN BUREN STREET**

ASSAY CERTIFICATE

Gladiator Mining Company,
Mr. Anthony N. Bennett,
Crown King,
Arizona

PHOENIX, ARIZONA, October 17 1946

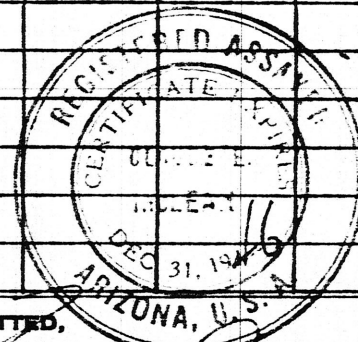
WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$ 35.00 PER OUNCE.

SILVER FIGURED AT \$ 0.90 PER OUNCE.

LAB. FORM 2[illegible]

Copy to: Mr. R. C. Strum, Bumble Bee, Arizona



RESPECTFULLY SUBMITTED,

ARIZONA TESTING LABORATORIES

BY Claude E. McLean
Claude E. McLean

ASSAYED

CHARGES \$ 18.00 Mail

TELEPHONE 3-6272

**ANALYTICAL AND CONSULTING CHEMISTS
ASSAYERS, MINING ENGINEERS**

823 EAST VAN BUREN STREET

ASSAY CERTIFICATE

Gladiator Mine,
Mr. Anthony N. Bennett,
Crown King,
Arizona

PHOENIX, ARIZONA, October 8 1946

WE HAVE ASSAYED THE SAMPLES RECEIVED FROM YOU AND FIND THE RESULTS AS FOLLOWS:

GOLD FIGURED AT \$ 35.00 PER OUNCE.

SILVER FIGURED AT \$ 0.90 PER OUNCE.

LAB. FORM 2[illegible]

RESPECTFULLY SUBMITTED.

ARIZONA TESTING LABORATORIES

BY

Claude E. McLean

ASSAYED

CHARGES \$ 23.00

GIROUX ASSAY OFFICE

This is to certify that the sample assayed for Mr. A. Bennett, Mayer, Arizona.....December 9, 1942.....
gave the following results per ton of 2000 pounds. Gladiator Mng. Co., Crown King, Arizona.
Mr. Rudy Sturm, Cordes, Az.

NO.	DESCRIPTION	GOLD OZ.	SILVER OZ.	COPPER %	LEAD %	ZINC %	IRON %	VALUE \$
37609	Gladiator, 12.7.42 Tails	0.04	0.46	--	0.50	0.50		
37610	" " Pb conc.	3.04	27.16	4.20	31.70	11.20	11.20	
37611	" " Zn "	0.16	2.24	0.75	0.20	49.20	11.53	

Gold @.....Per Oz.
Silver @.....Per Oz.
Copper @.....Per Unit
Lead @.....Per Unit

Charges...**\$17.00**.....

Jonathan G.

*Madroño Mine
Graham County*

PHELPS DODGE CORPORATION
UNITED VERDE BRANCH
LABORATORY

CLARKDALE, ARIZONA

February 18, 1947

18

David C. Ford

DESCRIPTION

2-4-47

Custom Lot No. 4568

R.L. Moore

0.5

Ag

Ounces

0.5

Ag

Ounces

51.0

Al

6.1

Pb

16.1

S

2.2

Sn

2.4

Cu

1.0

0.78

BECEIA

FEB 15 1947

ACCE

CHECKED BY

H.D. Crawford
CHIEF CHEMIST