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09/25/86

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: HUSTLER 1-16 CLAIMS

ALTERNATE NAMES:
LOUISE AND LORANE GROUP
SILVER GULCH

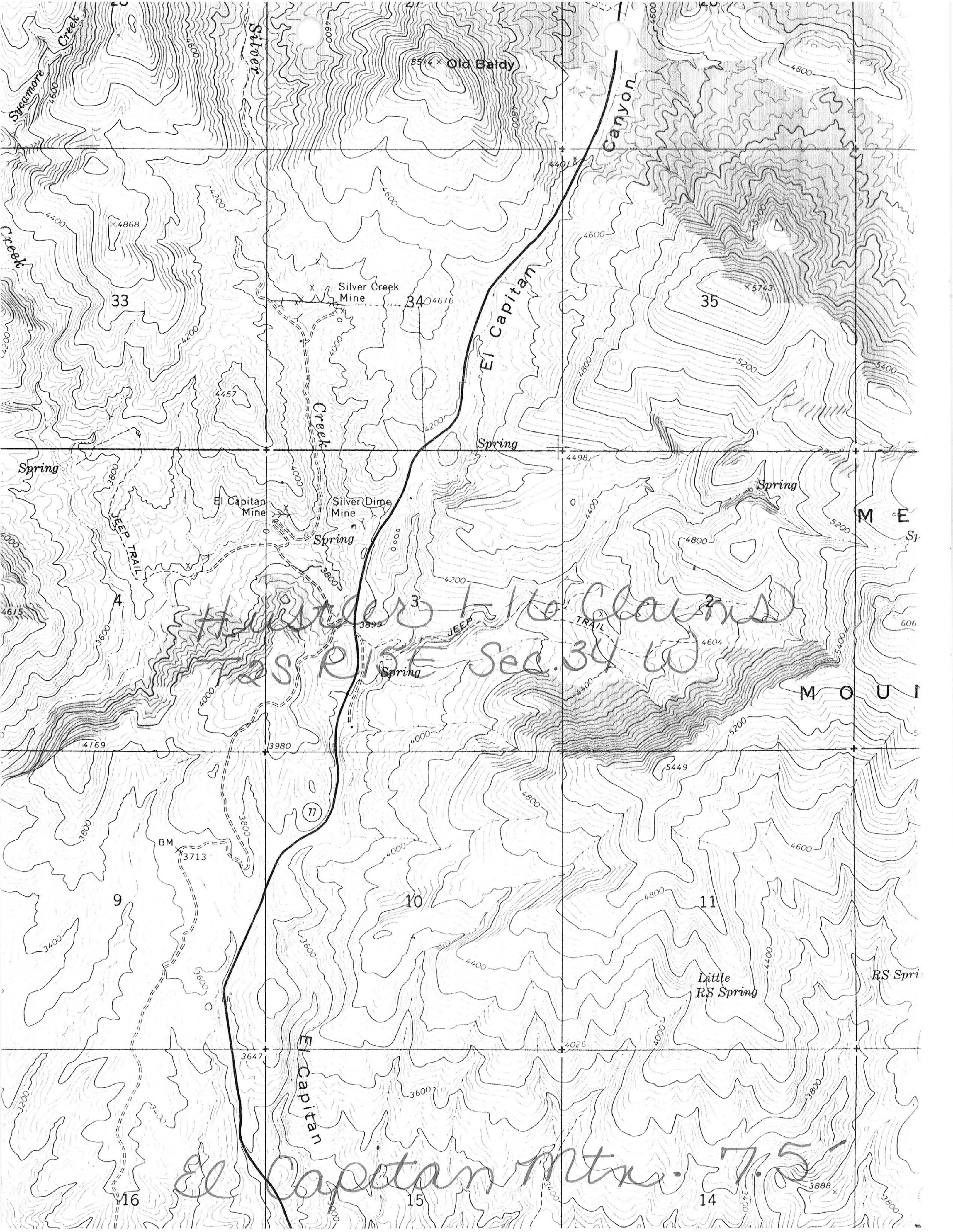
GILA COUNTY MILS NUMBER: 24B

LOCATION: TOWNSHIP 2 S RANGE 15 E SECTION 34 QUARTER W
LATITUDE: N 33DEG 10MIN 00SEC LONGITUDE: W 110DEG 48MIN 00SEC
TOPO MAP NAME: EL CAPITAN - 7.5 MIN

CURRENT STATUS: EXP PROSPECT

COMMODITY:
LEAD
SILVER
GOLD
COPPER

BIBLIOGRAPHY:
ADMMR HUSTLER 1-16 CLAIMS FILE
BLM AZ MINING CLAIMS LEAD FILE 28291
HUSTLER CLAIMS COVER THE SECTION
ADMMR "U" FILE, P9



Old Baldy
5514
Sycamore Creek
Silver Creek
Canyon
El Capitan
El Capitan
Silver Creek Mine
El Capitan Mine
Silver Dime Mine
Spring
Spring
Spring
Spring
Spring
JEEP TRAIL
JEEP TRAIL
Little RS Spring
RS Spri
M E
M O U
BM 3713
33
34
35
4
3
2
9
10
11
16
15
14
4868
4616
5743
4457
4401
4498
3899
4604
4169
3980
5449
3647
4026
3888
4615
77
Hustler 1-10 Claims
T2S R15E Sec. 34 W
El Capitan Mtn. 7.5'

HUSTLER 1-16 CLAIMS GILA

Accompanied Messrs. Young & Bienfang to 41 unpatented Hustler claims mostly in Sec. 34, T2S R15E, about 12½ miles SE of Globe. Here the Dripping Springs quartzite is intruded by a thick sill of diabase which dips about 25°SW. Near the top of the sill it is vertically sheared along which occurs lenticular quartz veins a few inches thick containing spar ce Cu & Pb oxides. The major shear is from a few feet (2 ft.) to several feet wide and can be discontinuously traced for about 2000 feet. It has been prospected in a number of places but near its west end, it trends near E-W, are 3 x-cut adits about 200 feet apart, all of which have water dammed up in them. These x-cuts apparently cut the shear zone as the material is on all the dumps. Mr. Young claims he has assays of several ounces of Ag & several percent of Cu; doubtless from selected samples. Certainly no exposures examined contained sufficient widths of mineralization to be encouraging. GW WR 5/13/76

KAP WR 4/3/80: John Phillips, 2202 East Monroe, Phoenix, Arizona 85034, phone 267-7902, reported that they are still working their Hustler Mine on Silver Creek, south of Globe and near El Capitan Mountain. They are attempting various cyanide leaching methods on their mixed oxide sulfide lead-silver-gold ore.

HUSTLER 1-16 CLAIMS GILA

A Mr. Hanna, 4605 East Jones Avenue, Phoenix, called for information on how to solve some problems regarding his Hustler mining claims in the Banner District of Gila County. Based on information from the Gila County Recorder's office, he entered and located 12 lode claims known as the Hustler 1-12 (16) in an area south of the El Capitan Mine. He was soon notified by a letter from a Mr. Ellsworth that the Hustler claims are overlying Ellsworth's Silver Creek 1-12. The letter also said that Ellsworth had been mining and shipping continually. The letter threatened a law suit because Hanna's claim posts have alarmed and kept a Canadian firm which had purchased the claims from making their down payment to Ellsworth. Mr. Hanna said he has not seen any claim posts or signs of activity on the property other than his own. He also said that the rancher whose property must be crossed to get to the claims said that there has been no one other than Hanna and his surveyor in the area. Mr. Hanna described his property as having a good fissure vein that assays 64 oz/ton Ag, 42% Pb, and 3.5% Cu. The vein runs from 4½" to 14" wide for a "few hundred feet." Mr. Hanna operates a Phoenix gas station. It was suggested that he contact his lawyer in regard to the letter from Ellsworth. KAP Report 6/22/73

Mr. Hanna was in to explain his problems with his Hustler 1-12 (16) claims which may overlap a Mr. Ellsworth's Silver Creek 1-16. Mr. Hanna had contacted a lawyer, Albert Mackenzie, who visited Hanna's claims. Since Hanna had not done his location work as yet, his claims were not as yet valid so Mackenzie recommended that he quit claim any portion of his claims that might conflict with Ellsworth's claims to Ellsworth. Mr. Hanna said that he does not have any idea of the location of Ellsworth's claims because there are no monuments in the area and copies of notices filed for the Silver Creek 1-16 do not spell out the location of the claims. Since Mr. Hanna has already spent over $4,000 having his claim posts surveyed in, he is going to try to talk with Ellsworth to determine the location of Ellsworth's claims. If such a meeting does not produce a description of the location of Ellsworth's claims then Hanna may continue his discovery work thereby forcing Ellsworth to take legal action, and in the process, force Ellsworth to display to a court the exact location of his claims. KAP Report 7/13/73

Mr. Pinnell wanted information on Globe mines claims or Hustlers claims in Silver Creek district. They are west of Highway 77 south of El Capitan, 31 claims in all located by Robert and the late Frank Hanna. Vein said to be 12' x 14' wide with galena and silver values. FTJ WR 6-18-74

Mike Pennell and Bob Holmes regarding the Hustler 16 claims in silver creek. Suggested they make sure that the Hustler claims did not locate over existing claims which appears to be the case. They were going to make a closer check on Silver Creek mine claims. FTJ WR 7/3/74

Silver Creek Mine (file) Gila

SILVER CREEK MINE FILE

GILA CO.

C. J. LOWERY
Registered Geologist

Mining Geology • Geophysics • Hydrology • Rights-of-way Acquisition on Indian Lands

P. O. Box 26441 • Phoenix, Arizona 85068 • Ans. Service (602) 258-5781

GEOLOGIC INVESTIGATION OF HUSTLER MINING CLAIMS

GILA COUNTY, ARIZONA

by

C. J. Lowery

BROUGHT IN 11-16-82

GEOLOGIC INVESTIGATION OF HUSTLER MINING CLAIMS
GILA COUNTY, ARIZONA

Location

Land Status

The Hustler mining claims are located in Sec. 34, T. 2 S., R. 15 E., Gila County, Arizona. All the minerals in the section are open to exploration and exploitation. Homestead Patent #1048449 was issued July 1931 to George W. Sebastian for the north half and the southeast quarter of section 34. Today these homesteads are owned by Mr. Jimmy W. Sanford, Box 2154, Globe, Arizona, 85501. Mr. Sanford inherited it upon the death of his mother. The surface of the southwest quarter section is open and available to patent if mineral and mill claims are patented.

Section 35, T. 2 S., R. 15 E., was patented in July 1931 by Mr. George W. Sebastian under patent #1048449. It is a homestead patent only. The minerals are open. The surface is now owned by Mr. Jimmy W. Sanford.

Section 28 was patented in August 1929 by Mr. Frank H. Sheppard. He received a homestead patent only, patent #1040724. The present owner is Mr. Lynn Sheppard. The minerals are open. Both the surface and minerals are open on section 33.

Homestead patent #1029587 was issued July 1929 to M. E. Earvan for section 3, T. 3 S., R. 15 E., The present owner is Mr. Jimmy Sanford.

Mr. Sanford should be contacted and a surface damage figure agreed upon before Hustler Mines Ltd. begins operation. The surface damages are usually paid annually. Mr. Travis Gant, registered surveyor, should be hired to survey in the boundary of south west quarter, section 34 so company will know the exact location of the boundary. The cost is minimal, but the work should be done by same surveyor as the one who will survey the claims later for patent because this will cut down patent survey costs.

New claims can be located later to cover the exact location of the larger ore body as it is mapped out by drilling. The mining company theoretically has to pay surface damages to the surface owner for all new exploration drill holes, adits, etc. Any new roads cannot be built without prior consent of land owner. He is also entitled to monetary compensation for these roads.

Water

Old mining and exploration tunnels #1, 2, 3, and 4 (Figure 1 & 2) contain water. The water comes from springs occurring in these tunnels. Estimated water available in storage in these tunnels is:

Tunnel #1 - - 25,000 gallons, plus water in muck in lower 3.5 feet of tunnel; one crosscut tunnel contains water but estimate approximately 10,000 gallons additional in it. Recovery rate unknown, estimate 5,000-10,000 gpd.

Tunnel #2 - - 35,000 ± gallons. The recovery rate is 10-12 inches (5,000-6,000 gallons) per 24 hours. How long this recovery rate can be sustained is unknown because the amount of moisture, seasons, and blasting done in area are some of the factors involved.

Tunnel #3 - - 25,000 + gallons in tunnel in front of berm. There is no way of estimating amount behind berm because we do not know the length of tunnel behind the berm. However, the water is up to the top of the berm and running over the top.

Tunnel #4 - - 15,000 gallons. This water is used by the rancher to help water his livestock. Its source of water is bank seepage from Silver Creek. Its recharge rate is much slower than in tunnels 1-3.

There are four other tunnels that have water in them but an estimate is unknown. Two, possibly three of these tunnels have small amounts of water in them at all times. The water percolates down faults that are nearby.

Estimated total water "in ready storage" 120,000 gallons, not including creek. Estimated total water in "reservoir storage" without recharge due to rain or snow 35-45 million gallons. The term "ready storage" is used to denote water that is now entrapped in the various tunnels that could be removed immediately. The term "reservoir storage" denotes the groundwater within this drainage basin that encompasses Hustler mining claims. This groundwater reservoir is recharged by two means: the snow and rainfall that falls on the

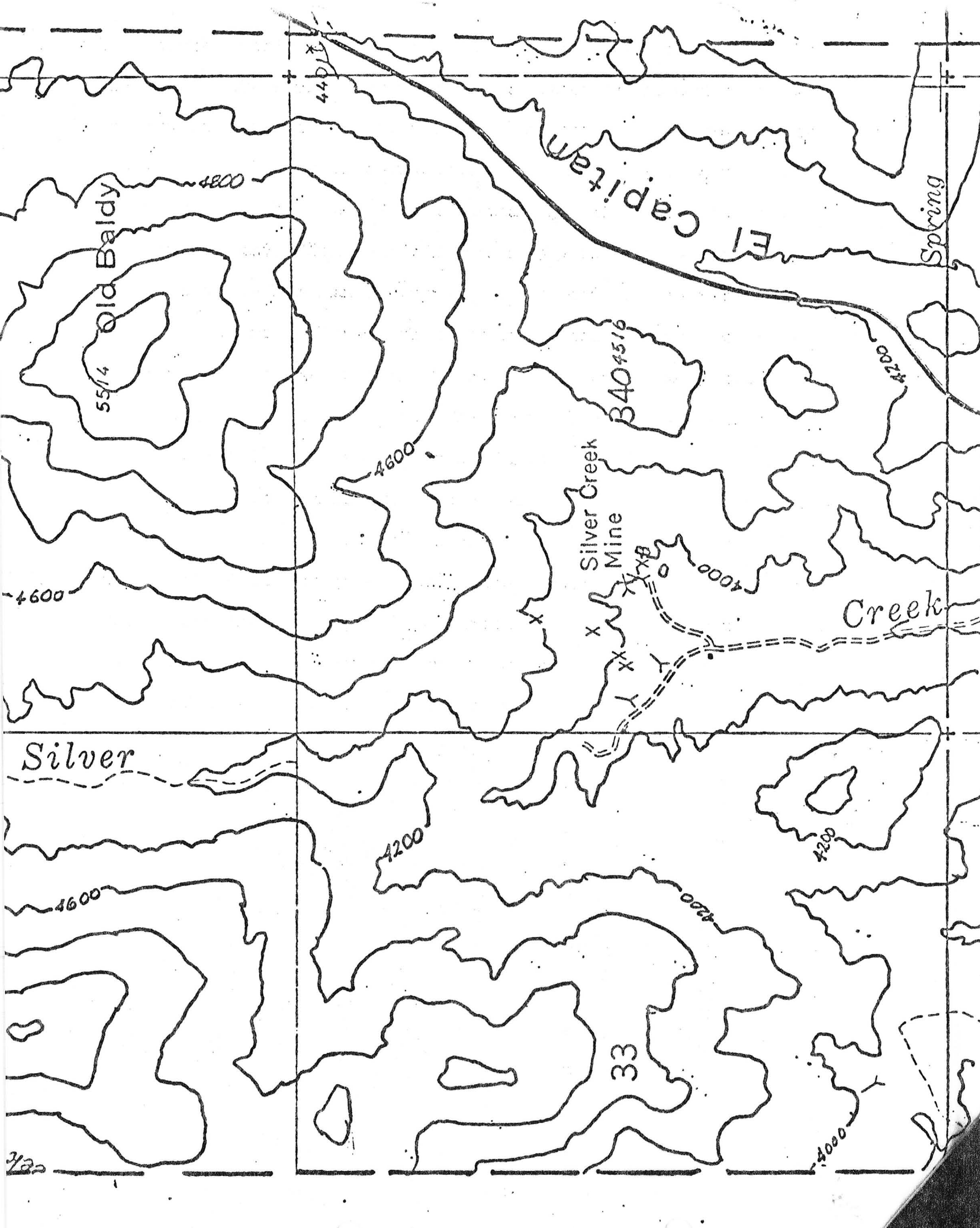


Figure 1 - - Map showing location of mine tunnels and bench

land surface within its drainage boundaries and by the stream that flows through it. The stream flow is in turn affected by the demands placed on it prior to its entering the basin. At the present time the users upstream may not be using all their allocated water. In the future they may decide to do so and thus end the stream flow, even that subsurface flow within the channel that exists today. This possibility is a very real one because the major mining companies have lands upstream, at the head of our drainage basin.

The subsurface flow within a stream channel is considered to be surface water rather than groundwater. The recharge of this flow is confined to rainfall and springs along its course that feed from the rocks it passes through. As the groundwater table drops the recharge will be diminished because the springs will cease to exist and finally its recharge will be solely dependent upon rainfall.

The subsurface flow in the stream channel is actually small due to the narrow channel and the rocks that it cuts through (figure 3). Dolomitic limestone, quartzite, gabbro, diabase, granite, and granite pigmatite dikes are poor reservior storage material due to their density and lack of pore space. Clays and shales act as impervious material.

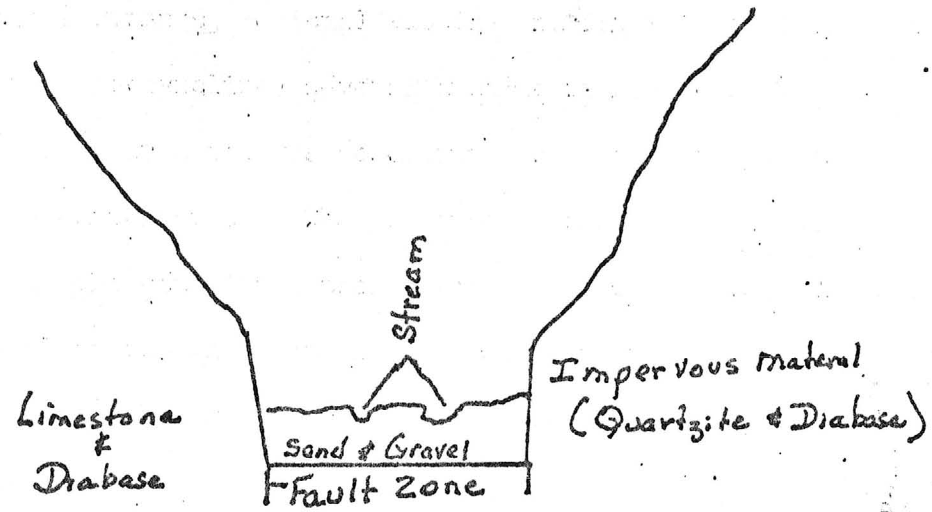


Figure 3-- Cross section of Stream Channel

Geology

The locale where the Hustler mining claims are located is a kleppe (an exposure of the older formations surrounded by younger material) exposing the Apache group of beds of younger Precambrian age. They consist of basalt flows, Mescal limestone, Dripping Spring quartzite, Barnes conglomerate, Pioneer shale and Scanlan conglomerate. Diabase has been intruded into these beds. The total maximum thickness is about 1,600 feet. At the time of deposition of these sediments, regional warping and faulting developed in the earth's crust a trough (geosyncline) several hundred miles wide. The long-continued sinking of the geosyncline was accompanied by alternate periods of volcanic activity and sedimentation. The presence of conglomerate, shales and quartzites indicate the deposition took place in a great delta. The delta gradually subsided until it too was part of the trough and the Mescal limestone was deposited. Mild folding and erosion affected the Apache group beds before more deposition occurred.

Extensive intrusions by diabasic sills and dikes caused structural deformation. This resulted in folds, normal faults and reverse faults of north, northeast, and eastward trends within the Apache beds. The volume of intrusive diabase is very large rivaling the invaded sedimentary beds. There is only local contact metamorphim occurring as evidenced by the "baked zones" along the contact between the diabase and the sediments. The diabase occurring in dikes and extensive sills wedged apart the strata. This wedging caused numerous faults.

The younger sediments deposited in this area have been displaced by faulting.

[illegible]neralization

The ore mineralization is associated with an intrusive calc-alkalic porphyritic rock of granodiorite. This is evidenced by diorite intrusions found on the claims and causing "contact" metamorphism within the Apache group of sediments. The age of this intrusion is probably late Mesozoic, much younger than the Precambrian Apache group. Structural movements fractured the doiritic fabrics and those of the intruded rocks preparing them for the later entrance of aqueous fluids. The rocks of this deposit are intensely shattered and contain stockworks and brecciated areas as a result of post-consolidation structural events. This shown by the exposures in the bench cut.

Waves of hot, aqueous hydrothermal fluids moved upward along fractures from a source thought to be genetically related to the origin of the igneous intrusives. These hydrothermal solutions chemically attacked and mineralogically altered the invaded rocks because the solutions were not in chemical equilibrium with the invaded rock material. The hydrothermal alteration process may have overlapped in time the late stages of cooling and consolidation of the porphyritic intrusive. Minerals formed during this phase in the developmental history of the deposit include biotite mica, calcite, kaolinite and montmorillonite, orthoclase feldspar, microcline and quartz. Introduced along with the silica and potassic solutions were large quantities of iron (found as grains of specularite hematite - "black sands" in cracked beds), abundant copper and lead, smaller amounts of silver, and gold. During hydrothermal alteration copper sulfides and other sulfide bearing minerals were introduced. These sulfides continued to form after the initial hydrothermal alteration. The major hypogene (primary) ore minerals chalcopyrite and bornite seem to have been deposited simultaneously as well as galena. The primary sulfide minerals occur as veinlets filling fractures in the host rocks.

Following the cessation of alteration and primary sulfide mineralization, deposits were quiescent through periods of geologic time during which their upper exposed portions were subjected to weathering. Erosion stripped away overlying rock, exposing the primary sulfides to further weathering. Oxygen contained in the atmosphere and in meteoric (rainfall) and underground waters chemically attacked and dissociated pyrite and other sulfides in the upper areas of the deposit. Sulfuric acid, iron and copper sulfates were formed. In the presence of acidic waters, copper and iron were in solution and percolated downward. The rate of percolation depended on the chemical nature and permeability of the rocks. Some were strongly reactive to the acid solution such as the Mescal limestone and then the copper and iron would precipitate as carbonate minerals such as azurite and malachite. The quartzites, conglomerates and porphyritic rocks such as diorite are chemically non-reactive in behavior thus allowing the metal-bearing solutions to migrate downward into the deep intrusive porphyry deposit.

The downward percolating solutions encounter neutralizing or chemically reducing environments that cause the copper and iron ions to precipitate as secondary (supergene) sulfides. Some of these secondary sulfides are chalcocite, covellite, bornite and acanthite (silver sulfide).

The complex process that removes copper from the upper portion of the deposit and transports it in solution into the unoxidized rock below depends primarily on the amount of pyrite that must be sufficient in quantity to provide the necessary acid. The reducing conditions encountered below the groundwater table in the vicinity of the deposit were an important factor in localizing precipitation of secondary sulfide minerals. If a chalcocite blanket develops between the upper oxidized zone and the lower primary ore zone, it is a result of an undulating surface of the groundwater table.

A distinctive feature of the surface outcrops is their coloration. A variety of tones and hues in reds, browns, yellows, and grays results from the abundance of secondary iron minerals. The greenish tinges are inparted in copper.

The particular coloration plus numerous local faults are indicative of a porphyry copper ore body. If mineralization is encountered on the surface or near surface it is worth investigating because it will be a good possibility that the ore body is enriched enough to be worth mining.

The Hustler mining claims are located along the transition zone between the Christmas deposit, which is a limestone replacement type of ore body, and the Globe-Miami deposit, which is a granodiorite stock (intrusive) porphyry deposit. Thus the geology and mineralogy are complex because of an interchanging of the two types of deposits. The mineralogy is very similar to the Old Dominion Mine at Globe which was primarily a silver mine.

Deposits formed in favorable limestone beds at the margins of stocks or not far from such intrusive masses are rich enough to be mined profitably. The source of the copper, iron, and sulfur in these deposits is probably related to hydrothermal solutions given off from crystallizing igneous intrusive masses, or, from deeper chambers that supplied the molten material to form these igneous rocks. The hydrothermal solutions are essentially the same kind that formed the porphyry copper deposits are considered to be the source of these replacement deposits.. Christmas and Copper Queen at Bisbee are classic examples of this type of copper deposit. Part of the Magma mine at Superior is a deposit of this type.

Found in Hustler are veins of ore minerals. Veins are tabular bodies of ore minerals and associated gangue that generally dip steeply. They are found in a variety of rocks. These veins were formed by hydrothermal solutions that arose along faults and fissures. These solutions deposited gangue and ore minerals along the walls and between rock fragments in fault zones. They also replaced rock fragments and favorable rocks adjacent to the faults or fissures. The wall rocks along faults are Apache group and masses of diabase. The longest and continuous ore bodies are along the faults or segments of faults having relatively large displacement. The hydrothermal solutions probably have the same source as the Globe-Miami, Superior & Christmas deposits as shown by the suite of minerals. The mineral consists of quartz and sulfide minerals in gouge and wall rock along the faults. The vein thickness ranges from less than a foot to about four feet. The chief ore minerals are argentiferous galena, covellite, chalcocite, azurite, malochite, some bornite and acanthite.

Mineralogy

A brief description of the minerals found at Hustler follows.

Acanthite - - Silver sulfide. A dimorphous with argentite. Argentite forms in hydrothermal veins at elevated temperatures and inverts upon cooling to acanthite. It is an important silver ore mineral and associated with galena and tetrahedrite. Also it occurs as a secondary mineral in the sulfide enrichment zone with chalcocite and others.

Azurite - - Copper carbonate hydroxide. A secondary mineral in the oxidized zones of copper deposits; frequently associated with malachite. A deep blue in color.

Bornite - - Copper iron sulfide. Metallic with a peacock tarnish to the metal. It is an important copper ore mineral. Usually of primary origin, small amounts of secondary bornite occur in secondarily enriched ores. Also found in contact metamorphic deposits. Associated with chalcocite and chalcopyrite.

Cerussite - - Lead carbonate. A common secondary mineral of oxidized lead deposits formed by reaction between carbonated waters and bad minerals or solutions containing lead. It is frequently found as concentric layers about anglesite, a lead sulfate.

Chalcocite - - Copper sulfide. Important ore mineral of copper. It is an important mineral in the secondary enrichment zone where it replaces other sulfides. It is locally associated with bornite and chalcopyrite.

Chrysocolla - - Copper acid silicate hydroxide. It is an abundant mineral found in many oxidized copper deposits. Usually associated with malachite. It is a blue-green color, sometimes mistaken for turquoise. Many times it is associated with kaolinite (a white clay gouge).

Copper - - Native copper found as threads or veinlets within ore. It is of secondary origin found in the oxidized zone.

Covellite - - Copper sulfide. Occurs in the zone of oxidation and secondary enrichment of copper deposits; with chalcocite and other sulfides. May also occur as a primary mineral. Usually occurs as a coating and iridescent tarnish on other sulfides. It is blue in color and metallic.

Fluorite - - Calcium fluoride. Occurs as a primary mineral in veins or in the gangue of lead, zinc, and silver ores.

Galena - - Lead sulfide. The most important ore mineral of lead; usually silver-bearing. A widely distributed primary mineral usually associated with copper sulfides and silver minerals.

Gold - - Usually occurs in hydrothermal quartz veins and in placer deposits derived from them. It is also associated with copper sulfide deposits where it may be most readily observed in the oxidized zones.

Hematite - - Iron oxide. A mineral found in igneous, metamorphic, and sedimentary racks. Also in hydrothermal veins and leached capping of base metal deposits. Found as specularite hematite in deposits with chest beds in the Mescal limestone.

Kaolinite - - Formed by hydrothermal processes during alteration accompanying mineral deposit formation and found as gouge along faults where it is formed in situ of feldspathic rocks.

Malachite - - Copper carbonate hydroxide. An alteration product in oxidized copper deposits. Associated with other copper minerals, especially azurite. Greenish in color, sometimes used as a gem stone.

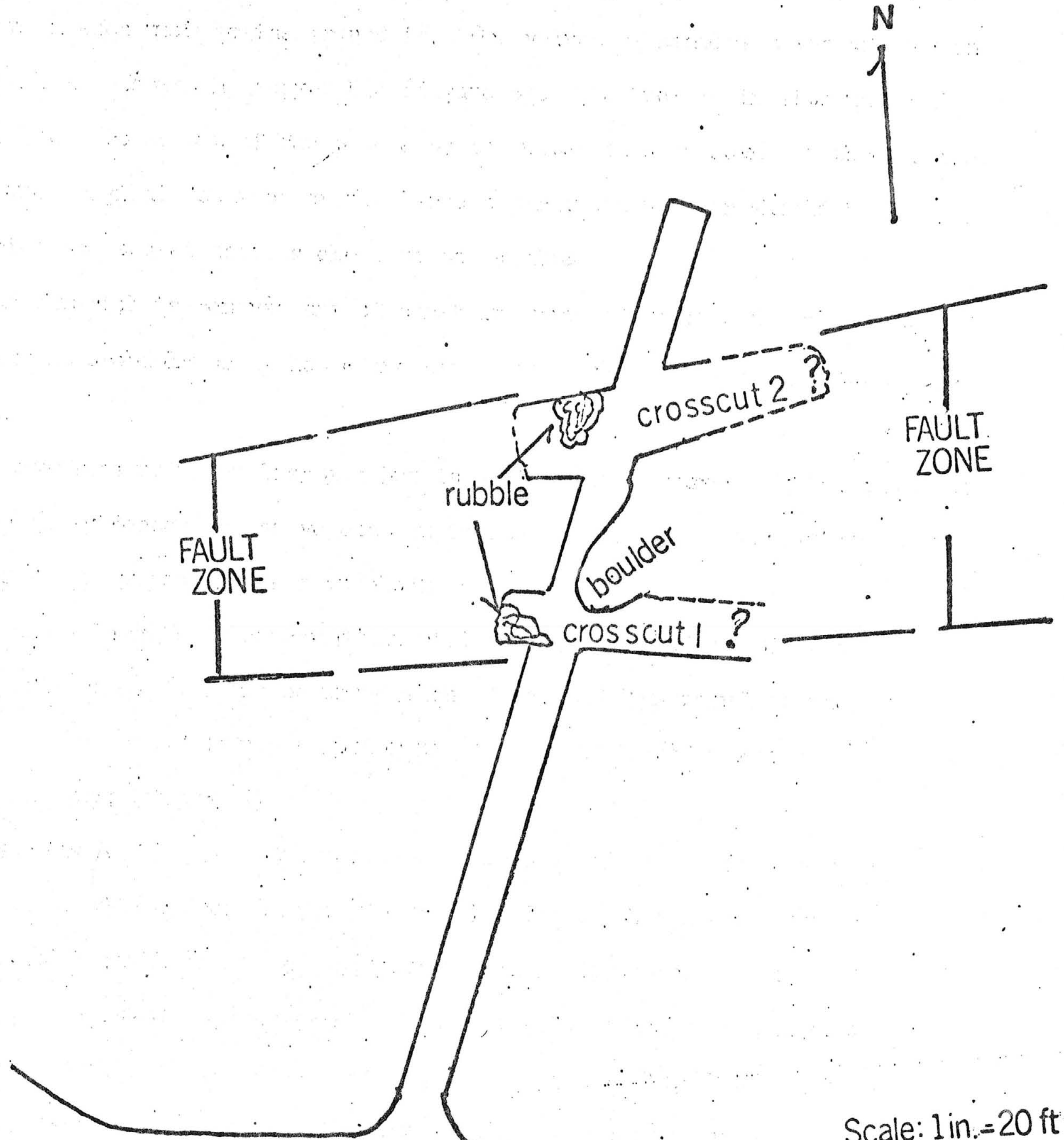
Molybdenite - - Molybdenum sulfide. Only common mineral of Molybdenum. A primary sulfide in granitic rocks or in quartz-orthoclase veins with chalcopyrite or with tungsten ores. Also on contact metamorphic deposits. An important associate of copper mineralization in "porphyry" copper deposits.

Montmorillonite - - Sodium calcium aluminum magnesium silicate hydroxide hydrate. The most common and widespread member of the clay minerals. The principal constituent of the bentonitic clays which result from the alteration of volcanic ash and tuff. Montmorillonites are characterized by high ion-exchange capacities and by ability to swell greatly when wet.

Structure and ore bodies

The investigation of ore-bearing veins exposed on the surface indicate the veins are extended for several hundred feet along faults with minor faulting locally causing minor displacements of veins. Examination of the tunnels indicate a long east-west fault cutting through tunnels 1 and 3. A fault zone about 17 feet wide is exposed in tunnel 1 (see figure 4). Original mining done in tunnel 1 was done along the fault zone. The mining was not done on the hanging walls but within the breccia material itself that comprises the fault breccia and the associated gouge. The breccia carries large boulders, some 20 feet in diameter. These "fragments" have been mineralized during an earlier period of hydrothermal activity indicating there have been at least two periods of mineralization. The veins, contained a large boulder about 20 feet diameter, indicate their placement occurred probably in early Paleozoic. The boulder was later transported along the fault within the fault zone. During this period of transportation, secondary mineralization occurred within the fault zone as an alteration feature of the hydrothermal activity that accompanied the faulting during late Mesozoic Era. Early mining was done along two crosscut tunnels on the east side of the main tunnel. Both crosscut tunnels are within the fault zone. A stope was found in crosscut #1 on the east side. It had been timbered, then drums with both top and bottoms removed, placed above the timbers. This was either an air vent or used to remove ore. It is possible that Mr. Dalmolin encountered these barrels at the upper end of the stope when he was digging in the hole to the right of vein in the bench cut above tunnel 1 (see figure 2(c)). Much water was encountered in the hole in the bench cut that is in the fault. The floor of east crosscut 1 was above water where it intersected the main tunnel. The exact length of crosscuts 1 and 2 is not known because more light and time would be needed and the water would need to be pumped from Crosscut 2.

Crosscut 1 on the west was about 6 ft. long and filled with rubble from a roof



TUNNEL 1

... zone encountered in tunnel.

cave in. Crosscut 2 on the west had a lot of rubble as well as remnants of an old pully system. The stability of the fault is very fragile. It will undoubtedly cave in when work begins around it. Ore values of samples taken of muck in main tunnel are shown in assay table (figure 5). The muck is in situ material that has been eroded out of fault zone by the water passing down and through the fault. The original location of the large mineralized boulder should have a large, rich ore pocket that is close to the surface.

When material is removed out of creek in front of tunnel, the slide face of Tunnel 1 will probably break loose and slide into creek without any drilling or shooting.

Tunnel 2 contains no mineralization but is a good water source. It has water at all times as evidenced by the vegetation in its mouth. It is part of an interconnected fault system within that block.

Tunnel 3 has a large berm of caved material from the roof about 80 feet from entrance (figure 6). It has occurred along a fault. The tunnel behind berm may have had ore removed from it prior to the cave in as evidenced by the assay of sample of muck (figure 5).

Silver Creek follows a fault that for purposes of identification in this report will be called Silver Creek Fault (figure 7). The creek that runs in front of tunnels 1 and 3 shall be designated Tunnel Creek. It too runs along a fault, which extends east-west for several miles. This fault shall be designated Tunnel Creek Fault. Silver Creek Fault has been cut by Tunnel Creek Fault causing a lateral displacement of approximately 150 feet to the east. Further study of the fault system in the area shows the north-south faults occurred first and the east-west faults occurred later cutting across the north-south fault system with lateral displacement along the north-south faults. The blocks faulted and moved, some in a rotational manner. There are numerous small "en echelon" faults associated with both large faults. Hydrothermal

ASSAY VALUES

SAMPLE NO.	LOCATION OF SAMPLE	DATA FROM	ASSAY GOLD OZ/T.	SILVER OZ/T.	COPPER %/T.	LEAD %/T.
Unknown	Exact location unknown on Hustler Mining Claims	Data obtained from Assay files in Mr. Jim Hall's office	?	43.9	1.99	10.9
				17.5	1.47	4.25
				16.8	0.93	12.6
				8.33	0.40	13.4
				25.1	1.08	13.4
				24.1	1.50	12.6
				15.4	1.85	9.75
				14.2	1.14	30.3
				9.8	0.51	4.15
B_1	West end of bench	Iron King Assay Ofs. Humboldt, Arizona	0.024	17.68	4.73	4.30
B_2	East end of bench	Iron King Assay Ofs. Humboldt, Arizona	0.041	21.47	6.13	4.89
T_{1-1}	Muck in Tunnel #1 -6' inside	Iron King Assay Ofs. Humboldt, Arizona	1.066	22.09	- -	6.28
T_{1-2}	Muck in Tunnel #1-60' inside	Iron King Assay Ofs. Humboldt, Arizona	2.13	20.81	- -	3.41
T_2	Muck in Tunnel #2-20' inside	Iron King Assay Ofs. Humboldt, Arizona	1.87	37.94	3.61	5.11

Figure 5 - - Table showing Assay values from samples of ore from Hustler Mining claims.

IRON KING ASSAY OFFICE

ASSAY CERTIFICATE

BOX 14 — PHONE 632-7410
HUMBOLDT, ARIZONA 86329

REGISTERED ASSAYER CERTIFICATE NO. 2978 WALTER G. STATLER Date Signed .... ARIZONA, U.S.A.

SSAY
ADE
OR

C J Lowery
P.O. Box 26441
Phoenix

DESCRIPTION	oz/ton Au	oz/ton Ag		% Fe	% Pb	% Zn	% Cu
Ore Sample B1	.024	17.68			4.30		4.78
B2	.041	21.47			4.89		6.13
t1-1	1.066	22.09			6.28		
t1-2	2.13	20.81			3.41		
t2	1.87	37.94			5.11		3.61

ARGES_________________ ASSAYER_________________

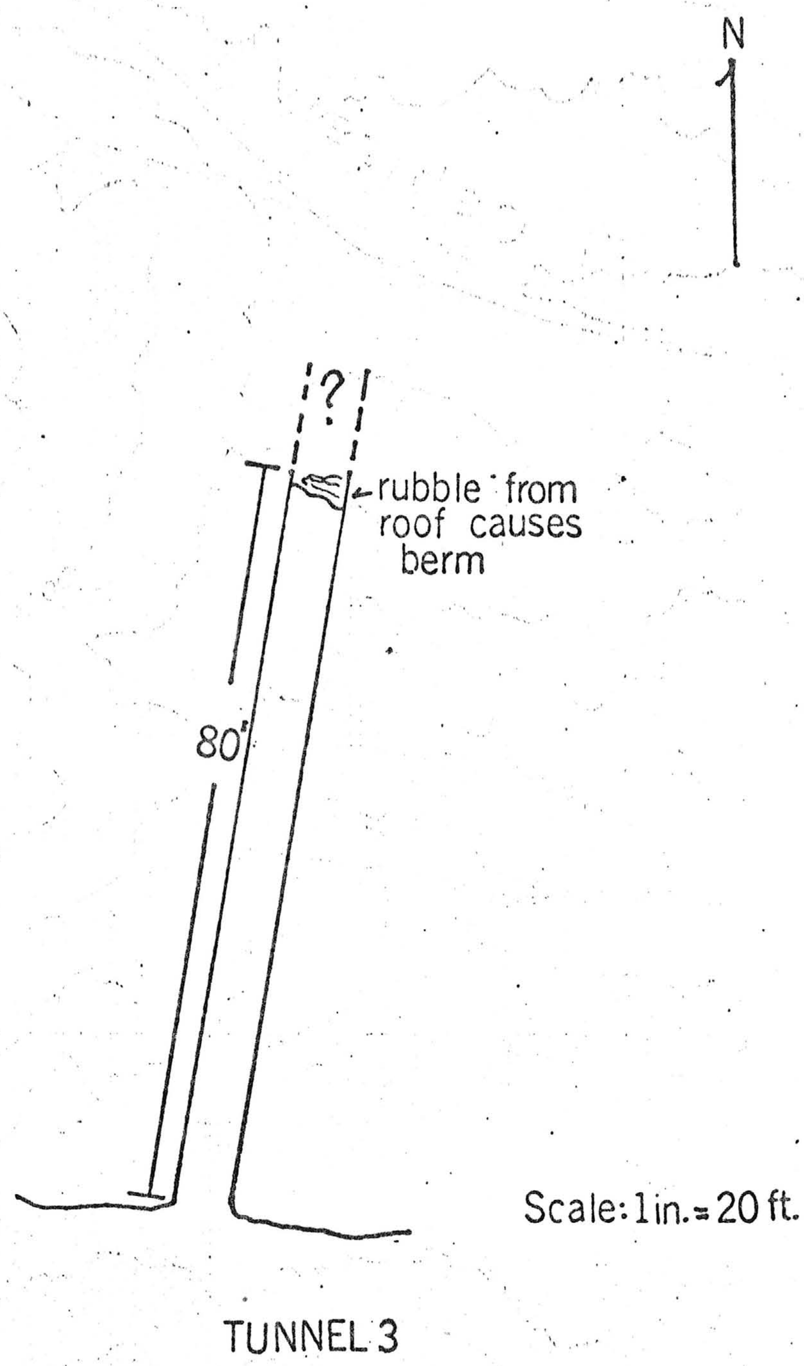


Figure 6 - - Map of tunnel 3 showing berm of caved material.

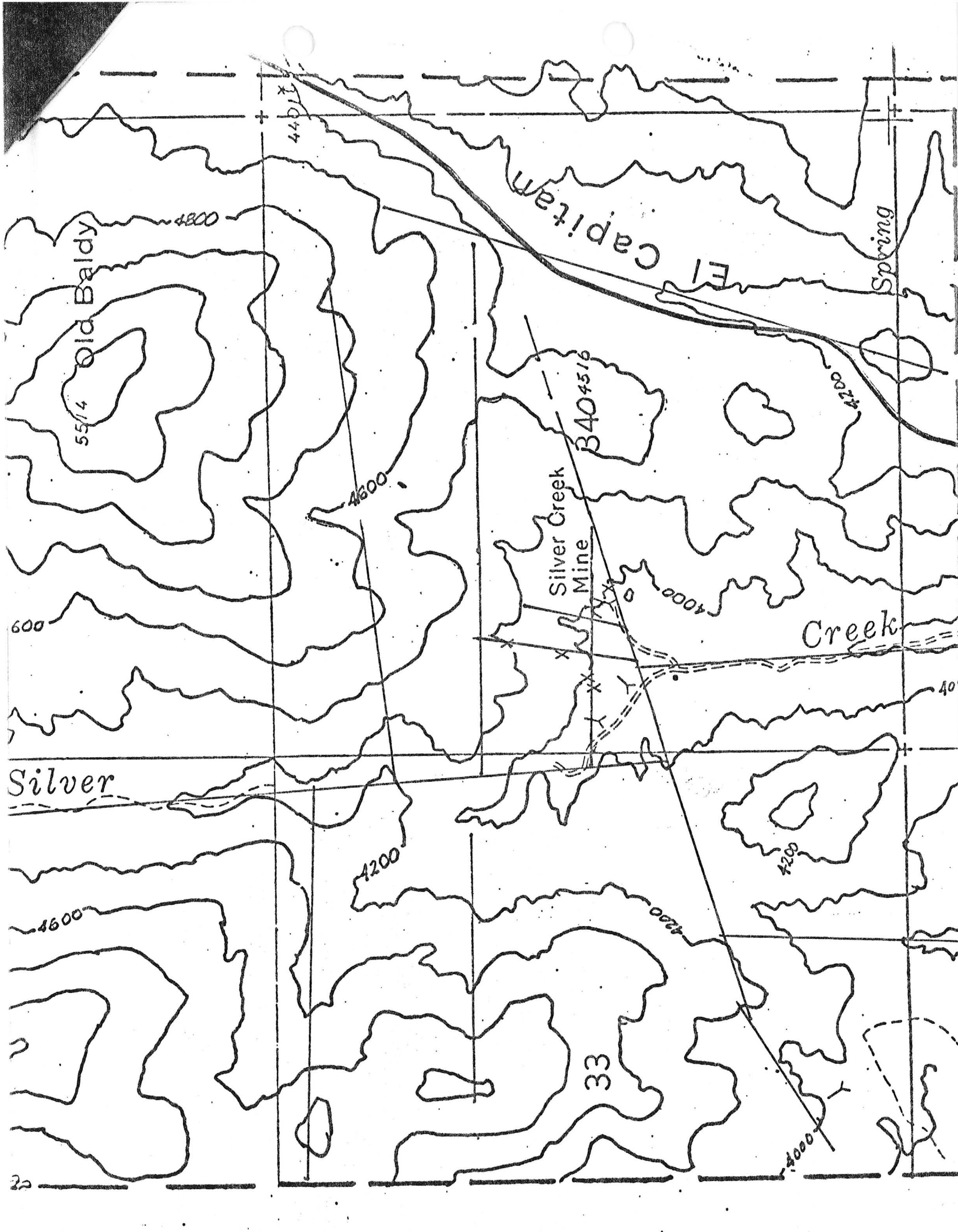


Figure 7 - - Map showing fault system. Figure 7(b) photographs of faults.

activity apparently accompanied both periods of faulting thus accounting for both hypogene and supergene mineralization occurring concordently. The block on the south side of Tunnel Creek and east side of Silver Creek has been shifted to the east. This block also was the hanging wall block of the Tunnel Creek fault. The mineralization in this instance is in the foot wall of the fault. The faulting occurring within the fault system of the area is extremely complex.

Mining

First ore to be placed in stockpile should be removed from Tunnel Creek. There is approximately 350-500 tons of ore in the creek along. This removal of ore will cause the creek bed to be about 3 feet - 6 feet lower than it is today. The old mine tunnels will continue to supply water for the mill operation until the tunnels become part of the open pits. Waste from mining will be placed in Tunnel Creek after the ore has been removed.

Water will have been removed from Tunnel 3 by the completion of Tunnel Creek ore removal and the muck in the tunnel will be pumped out so that it can go through mill concentrator. Water decanted from muck can also be used in water system for mill. The muck in Tunnel 3 is about 14 inches deep. There is about 100 cubic yards of material forward of the berm to be pumped out for mill. Tunnel #1 has about 3 feet of muck in tunnel to be pumped out and into mill for usage. When the water and muck is being removed it will weaken structure of Tunnel 1. When all ore is removed from Tunnel Creek it will cause the toe of the old slide above Tunnel #1 entrance to give way causing slide to come down blocking Tunnel #1. All work in tunnel must be completed before then. The muck in tunnels 1 & 3 should be pumped into a stock tank for storage until time to remove to mill. There is about 300 cubic yards of material to be pumped out of tunnel for the mill plus water.

The tunnel system in area should provide adequate mill water for at least 1 year. This excludes Tunnel 4 so that livestock can use its water. There is no mineralization in Tunnel 4. There is no muck. Plastic pipe should work the best and a few pieces of iron pipe for protection of the plastic.

The ore veins will be staked on the surface when work begins. Any staking prior to that time will be knocked down by livestock in area. The stakes shall be placed showing location to be drilled and blasted (figure 8). Extensive mapping of veins requires several months.

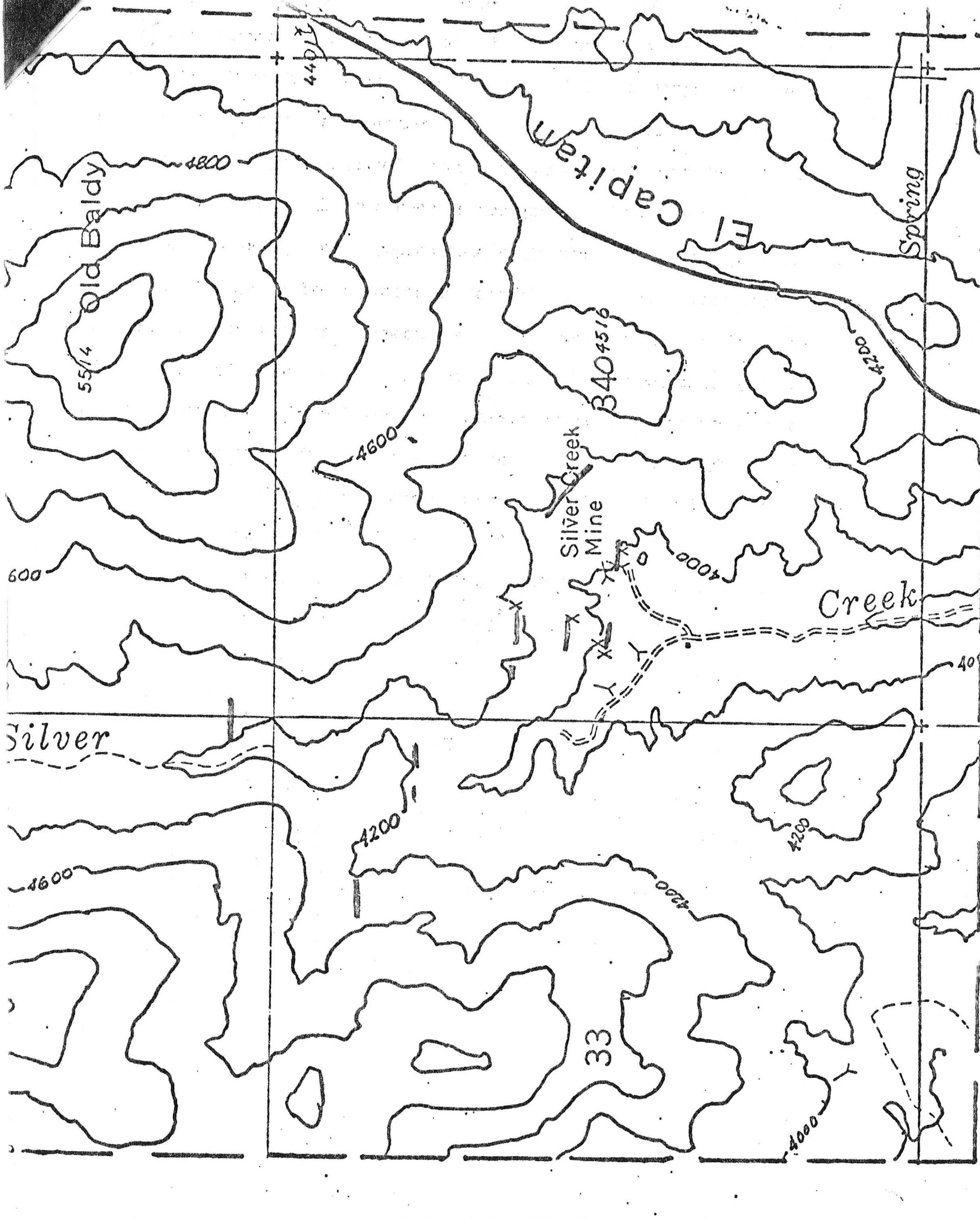


Figure 8 - - Map showing veins now located on Hustler mining claim.

Optimum location of the mill should be such that its waste can be placed downgrade from it within the side creek. None of the tailings can enter Silver Creek nor can its waste water enter Silver Creek. Any wells drilled in the flood plain will require approval through issuing of a permit from the Arizona State Land Department. If area becomes designated critical water area, no drilling will be allowed except to replace old wells that have dried up. The area is too heavily faulted to be economically feasible to be mined other than as an open pit. This will reduce some inspections as may occur by the Mine Inspector. Tailings dams will have to be constructed to avoid failures that would result in contamination of Silver Creek and property damage to lands owned by others.

The exposed veins in the block that tunnels 1 & 2, and bench cut are in contain enough ore that is rich enough to pay for the mill and loader and show a profit for the mine. When the fault zone that is cut by tunnel 1 is opened it should contain valuable ore in its 17 foot width and 70-90 foot length. It will take several months to work that vein along the fault in that block alone. Another vein to be worked is on the north side of the block and extends in depth for several feet. At present it is exposed on the surface approximately 3 feet wide. It is covered by talus along its strike for about 210 feet. Its depth is unknown. Its assay value is unknown but will approximate that of southern end of block. This vein should be the next to be opened up following that at the southern end of the block.

NAME OF MINE: LORANE
OWNER:

COUNTY: Gila
DISTRICT:
METALS: Ag,Cu,Pb,Au

OPERATOR AND ADDRESS		MINE STATUS	
Date:		Date:	
4/46	Bill Hanna & G. Roderiguez, Box 1323, Globe	4/46	Developing
		3/47	Shipping

NAME OF MINE: LOUISE
OWNER:

COUNTY: Gila
DISTRICT:
METALS: Ag,Cu,Pb,Au

OPERATOR AND ADDRESS		MINE STATUS	
Date:		Date:	
4/46	Bill Hanna & G. Roderiguez, Box 1323, Globe	4/46	Developing
		3/47	Shipping

Date: 2-6-47

Name of Mine Louise & Lorane Groups

Location Silver Creek

Operator George Rodriguez

Address Box 1323 Globe

Metals Produced Silver: Lead. copper

Developing [X] Shipping [ ]

Financing [ ] Planning Operations Soon [ ]

Idle [ ]

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine LOUISE — Date May 1, 1943

District Capitan, Gila Co., Arizona — Engineer A. Macfarlane

Subject: Applied for Loan.

MINE LOCATION: This property is situated about 1 mile westerly of Hwy. 77 near the foot of Capitan Mountain a shoulder of the Pinals, in Gila County, Arizona.

ROAD: From Globe the County Seat over Hwy. 77 a well maintained state route for about 30 miles, thence a spur narrow road turns abruptly to the right or westerly and down into a narrow draw and water course, thence up this draw for 1 mile on a northwest direction, when the Louise Camp is reached, a total distance of a little over 2 miles from the highway.

This 2 miles of stub road requires some new construction and repairing, in order to make a practical trucking road.

MINE WORKINGS: Are found mostly on a south slope of a higher series of hills forming the western toe of Capitan Mt., the main tunnel driven north 10 degrees east. The portal of this tunnel is about 10' vertically higher than the bed of the creek.

Following in this tunnel nearly 150 feet, a fissure was cut and the cross cut tunnel ended about 30' beyond or north of this fissure.

A drift on the vein having a strike of north 65 degrees east was advanced about 65' and some small amount of lead mineralization is noted, the vein being from 3' to 5' wide.

From the west side of the tunnel a drift has been driven about 25' and at this heading a winze has been sunk about 9' deep, this on vein matter, opened by this drift. The winze is now full of water.

In all about 300 lineal feet of mine development has been made underground which, with three small caved in surface cuts, constitutes the entire development.

The east end line of the Louise is about 250' east of the tunnel, the ground east therefrom being the Williams Sjofield Capitan lead silver mine.

PROPOSED MINE DEVELOPMENT: Of the Louise is shown on the accompanying sketch map, and in order to learn if ore exists below the present tunnel level, it is required to sink from the tunnel floor at least 100' following down the fissure, and drift about 300' from this lower point of said proposed winze.

FINANCE REQUIRED: To carry out this plan of development the sum of Ten Thousand Dollars is required. No commercial quantity of ore is visible at this time, but better mineralization may be found at more depth.

mf-41

January 18, 1943

Mr. William Hanna
Box 101
Globe, Arizona

Dear Mr. Hanna:

In compliance with your letter of January 17 I am enclosing Mine Owner's Report on the Louise Mine located in Gila County. We sincerely hope that this report will be of some assistance in obtaining your loan.

With best wishes, I am

Yours very truly,

J. S. Coupal, Director

JSC:LP
Enc.

Globe Arizona 1/17-1943

Mr Coupal
Department of Mineral Resources
State of Arizona

C

Would you please send me a copy of Owners Mine Report of "Louise" mine Located on Silver Creek T.2S. R15E G.S.W. SEC. 34 Gila Co. The copy I had I mailed to a Mr Ramsey at Houston Texas with the under Standing he would Return all Pappers but he has not returned them as I requested him to do So by mail As I am applying for a R.F.C. loan a Copy of The report your Office has would be much appreciated

Yours Very Truly
William Hanna
Box 101 Globe
Arizona

Louise mine

ASSAY CERTIFICATE Copy.

Globe. Ariz, May 8 1943

Mr. Wm. Hanna by order Mr. A. Macfarlane

Field. Engineer

Sample No.	Owner's Mark on Sample	GOLD		SILVER		TOTAL VALUE PER TON	PERCENTAGE OF			
		OZS. PER TON	VALUE PER TON	OZS. PER TON	VALUE PER TON		COP'R %	IRON	TIN	LEAD %
1	Louise Group #1 Tunnel			43.72						10.03
2	" " #2 Shaft.			3.80			0.87			Trace.
3	" " #3 Shaft.			1.44			8.78			

REGISTERED ASSAYER
CERTIFICATE EXPIRES
ROSS C. FINLEY
DEC. 31, 19..
ARIZ. N. U.S.A.

Ross C. Finley
Assayer

Charges. $5.00

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

Date July 26, 1940

1. Mine Louise No. 1
2. Mining District & County Pioneer
3. Former name
4. Location on Silver Creek T2S Rise - SW 1/4 Sec. 34
5. Owner William Hanna
6. Address (Owner) P.O. Box 101, Globe, Ariz.
7. Operator
8. Address (Operator)
9. President
10. Gen. Mgr.
11. Mine Supt.
12. Mill Supt.
13. Principal Metals Gold, silver, copper, lead and molybdenum
14. Men Employed
15. Production Rate
16. Mill: Type & Cap.
17. Power: Amt. & Type
18. Operations: Present Lessor working
19. Operations Planned
20. Number Claims, Title, etc. Six. Louise No. 1,2,3,4 and Laurence and Laurence #1.
21. Description: Topography & Geography Formation per cambrion quartzite and limestone intrusion of andesite dieorite. The mineral bearing vein striking east to west north, dip 10 degrees. Breciation is assciated in surface exposures of manganese, oxide, quartz, hematite, galena, silver, gold, azurite.
22. Mine Workings: Amt. & Condition Drift 185 ft. revealing sulphide ores of galena, antimony, assaying in silver and gold. Depth of 70 ft. A mammoth gossan of monzonite porphyry, showing to be tertiaru age and mestehermal.

(over)

23. **Geology & Mineralization** All upper features of formation point to secondary enrichment of lower depositions, say at a depth of 100 ft. by percents of carbonates SCU, Co_3, $_3U\ (OH)_2$, H_2O. Malachite $CUCO_3$, $CU(OH)_2$. Azurite $_2CUCO_3$. $CU(HO)_2$ $(HO)_2$.

24. **Ore: Positive & Probable, Ore Dumps, Tailings** Vein from 20 inches to 5 ft. in width

24-A **Vein Width, Length, Value, etc.**

25. **Mine, Mill Equipment & Flow Sheet**

26. **Road Conditions, Route** Good 25 miles, Hayden Smelter and 28 miles to Miami Smelter. Take Gl be-Winkleman road, we are about 1-1/2 miles in, off highway.

27. **Water Supply** Running spring mineralogical conditions.

28. **Brief History**

29. **Special Problems, Reports Filed**

30. **Remarks**

31. **If property for sale: Price, terms and address to negotiate.** For sale or will give interest for equipment. Price for sale is open. Address: William Hanna,
P.O. Box 101, Globe, Arizona.

32. **Signed** /sd/ William Hanna.

33. **Use additional sheets if necessary.**

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
MINE OWNER'S REPORT

Date Sept. 27, 1940

1. Mine Louise No. 1

2. Location 22 mi. south of Globe on the Winkleman highway in common section 33 and 34, Township 28. Range 15E

3. Mining District & County Pioneer, Gila County

4. Former name

5. Owner William & Louise C. Hanna

6. Address (Owner) P. O. Box 101, Globe, Ariz. (live on mine)

7. Operator

8. Address (Operator)

9. President, Owning Co.

9A. President, Operating Co.

0. Gen. Mgr.

14. Principal Minerals Gold, silver, copper, lead & molybdenum.

1. Mine Supt.

15. Production Rate

2. Mill Supt.

16. Mill: Type & Cap.

3. Men Employed

17. Power: Amt. & Type

8. Operations: Present We are sinking wenz to get under ore shoot are down 9 ft. from tunnel floor have about 250 ft. of tunnel about 70 ft. overburden.

9. Operations: Planned

0. Number Claims, Title, etc. Six. Louise 1-2-3-4 & Laurene & Laurene 1
They all join are not patented have Laurene claim surveyed.

1. Description: Topography & Geography Elevation about 3500 ft. high about 4500 ft. low about 3500 ft. the land is rugged. The property is on silver Creek one mile north of the old El Capitan mine in the Mescal Range about 5 miles northwest of the Gila River.

2. Mine Workings: Amt. & Condition

3. Geology & Mineralization All upper features of formation point to secondary enrichment of lower depositions, say at a depth of 100 ft. by per cents of carbonates. SCU Co_3 $3U$ $(OH)_2$ H_2O. Malachite $CUCO_3$, $CU(OH)_2$. Azurite $_2CUCO_3$. $Cu(HO)_2$ $(HO)_2$.

4. Ore: Positive & Probable, Ore Dumps, Tailings Vein from 20 inches to 5 ft. in width.

4A. Dimensions and Value of Ore body

5. Mine, Mill Equipment & Flow-Sheet

6. Road Conditions, Route Good 25 miles, Hayden Smelter and 28 miles to Miami Smelter. Take Gl be-Winkleman road, we are about $1\frac{1}{2}$ miles in, off highway.

7. Water Supply

Running spring mineralogical conditions.

3. Brief History

). Special Problems, Reports Filed

). Remarks

. If property for sale: Price, terms and address to negotiate.

For sale ore will give interest for equipment. Price for sale is open.
Address: William Hanna, P. O. Box 101, Globe, Arizona

32. Signature (Signed) William XXXXXXX
Hanna

. Use additional sheets if necessary.