



CONTACT INFORMATION

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

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Arizona Department of Mines and Mineral Resources Mining Collection

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08/30/85

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: KLONDYKE

ALTERNATE NAMES:

MONARCH
SCOUT GROUP
NORTHERN CONSOLIDATED MINES CO

MOHAVE COUNTY MILS NUMBER: 146A

LOCATION: TOWNSHIP 25 N RANGE 21 W SECTION 28 QTR. NW

LATITUDE: LONGITUDE:

TOPO MAP NAME: MT PERKINS - 15 MIN

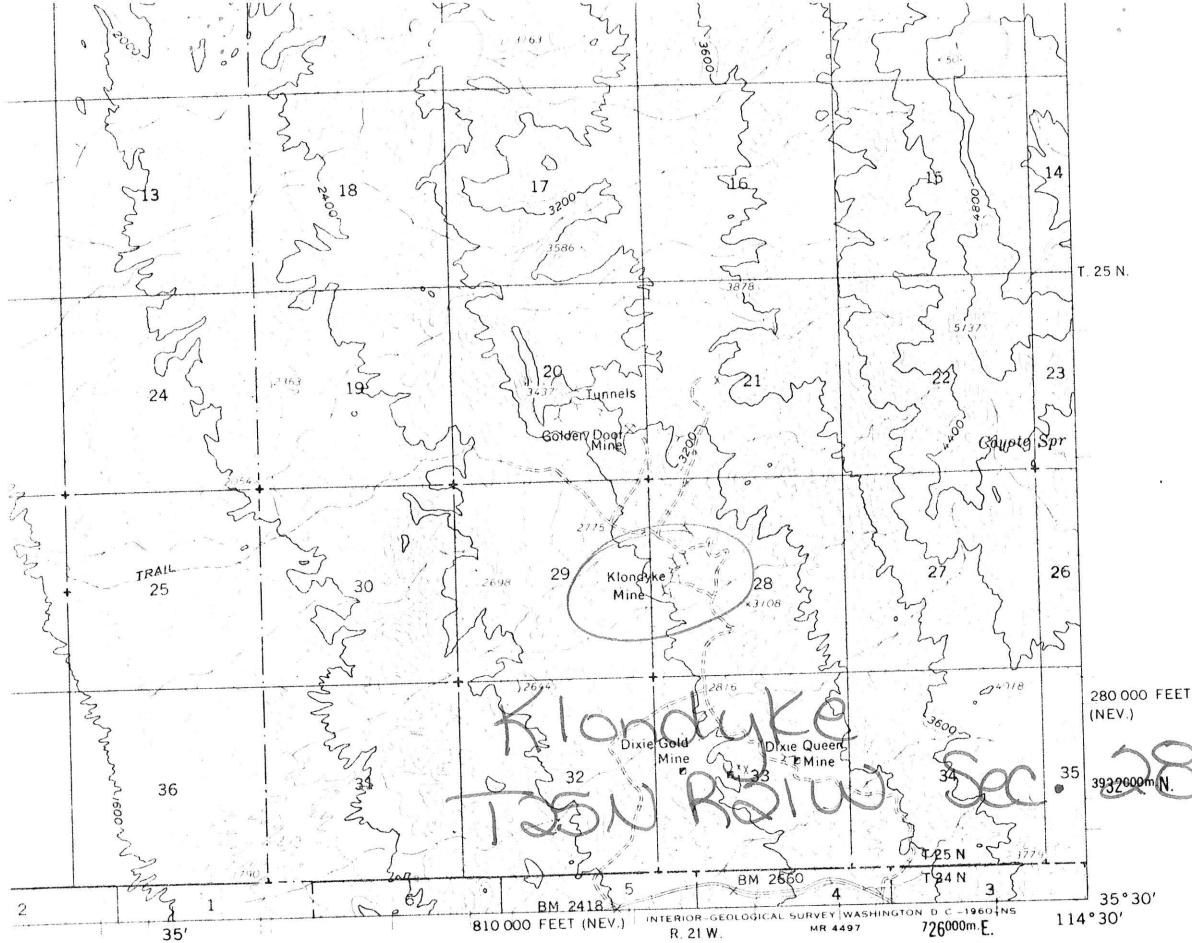
CURRENT STATUS: PAST PRODUCER

COMMODITY:

GOLD-PRIMARY

BIBLIOGRAPHY:

AZ. STATE LAND DEPT. MINERALS MAP
USGS KINGMAN QUAD
USGS MT PERKINS QUAD
WILSON, E.D., ETAL. AZ. LODE GOLD MINES AND
GOLD MINING AZBM BULL 137, P. 80
ADMR KLONDYKE MINE FILE
ADMR NORTHERN CONSOLIDATED MINES CO FILE
GARDNER, E.D., GOLD MINING AND MILLING IN THE
BLACK MT. WESTERN MOHAVE COUNTY AZ. USGS IC
6901, 1936, P. 54
ALSO IN SECTION 21
GREAT BASIN GEM JOINT VENTURE, VOL. 5 (ADMMR GEOLOGY FILE)
MALACH, ROMAN "CERBAT MTN. CTRY" P. 41
MALACH, ROMAN "MOHAVE CTY PLACE NAMES" P. 13
AZBM BULL. 129, p. 81



Klondike River
Sec. 28 NW



QUADRANGLE LOCATION

ROAD CLASSIFICATION
 Medium-duty ——— Light-duty ———
 Unimproved dirt ———

U. S. Route State Route

The west half of this area also covered by
 1:24 000 scale maps of Fire Mountain and Mt. Davis,
 7.5 minute quadrangles, surveyed 1959

MT. PERKINS, ARIZ. - NEV. 40
 N3530—W11430/15

1959

NGTON 25, D. C.
 REQUEST

MO







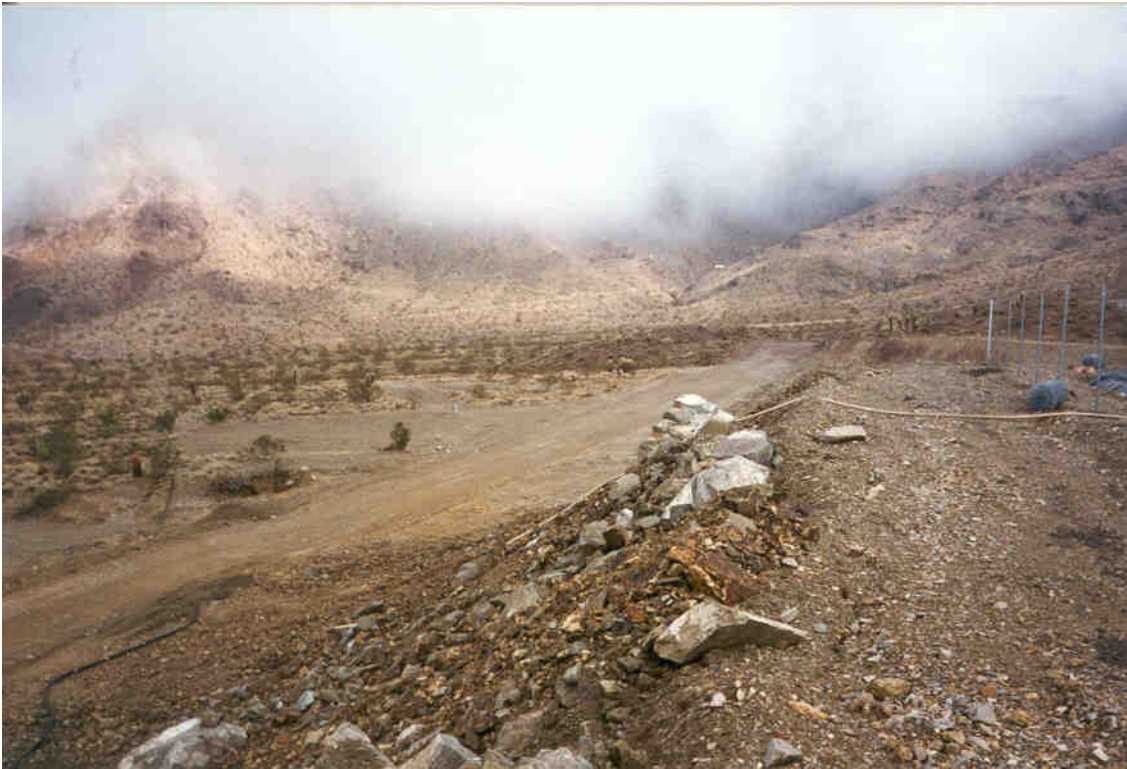
























Name of Mine or Project:	Township	Range	Section	Priority
Klondike (formerly Monarch)	25N	21W	28b	A
Principal Minerals:	1:250,000 Quad		7.5' - 15' Quad	
Gold, Silver	Kingman		Mt. Perkins	
Associated Minerals:	District		Principal Product	
Quartz, Malachite, Calcite	Weaver		Gold, Silver	
Type of Operation:	County	State	Type of Deposit	
Underground	Mohave	Ar.	Vein	
Ownership or Controlling Interest:				
J.S. Withers & Robert Brannack, Kingman, Ar. (1904) ¹				
Access: From the intersection of Cottonwood Road and U.S. 93 proceed west on Cottonwood Road for 14 miles. Turn right and proceed north on unimproved road for 2 miles. Mine is shown on topographic quadrangle.				
Structural Control or Geological Association:				
"The country rock is the Precambrian granite with the usual intrusive irregularly present. The shaft is sunk on a lode which seems to be a southward extension of a part of the Mammoth lode. Its upper 30 feet exposes a 10 foot vein composed mostly of quartz and light-colored clayey gouge with altered rock and calcite. It is stained in spots with malachite. The vein dips steeply to the east, with quartz forming the "foot wall" and granite forming the hanging wall. The ore is in streaks but a few inches in width, contained in the vein." ¹				
Age of Mineralization: Late Tertiary				
Production History		Geochemical Analyses		
		<u>Ore Average</u> ¹ \$40.00 gold/ton \$10.00 silver/ton <u>Assay</u> (1944) ² 32.0 oz/ton gold <u>Assay map</u> ³		
References				
1) Schrader (1909) p. 213. 2) ADMR file, Phoenix, Ar. 3) CETA map file Rack #12, underground assay map. 4) Mallach (1977) p. 24. 5) Gardner (1936) p. 54. 6) Liggett & Crutchfield (1979) field reconnaissance. 7) Exploration Research Associates Incorporated, 1981, Geologic Map of Santa Fe Pacific Railroad Company Mineral Holdings in Northwestern Arizona(scale 1:250,000)				

Arizona Department of Mines and Mineral Resources

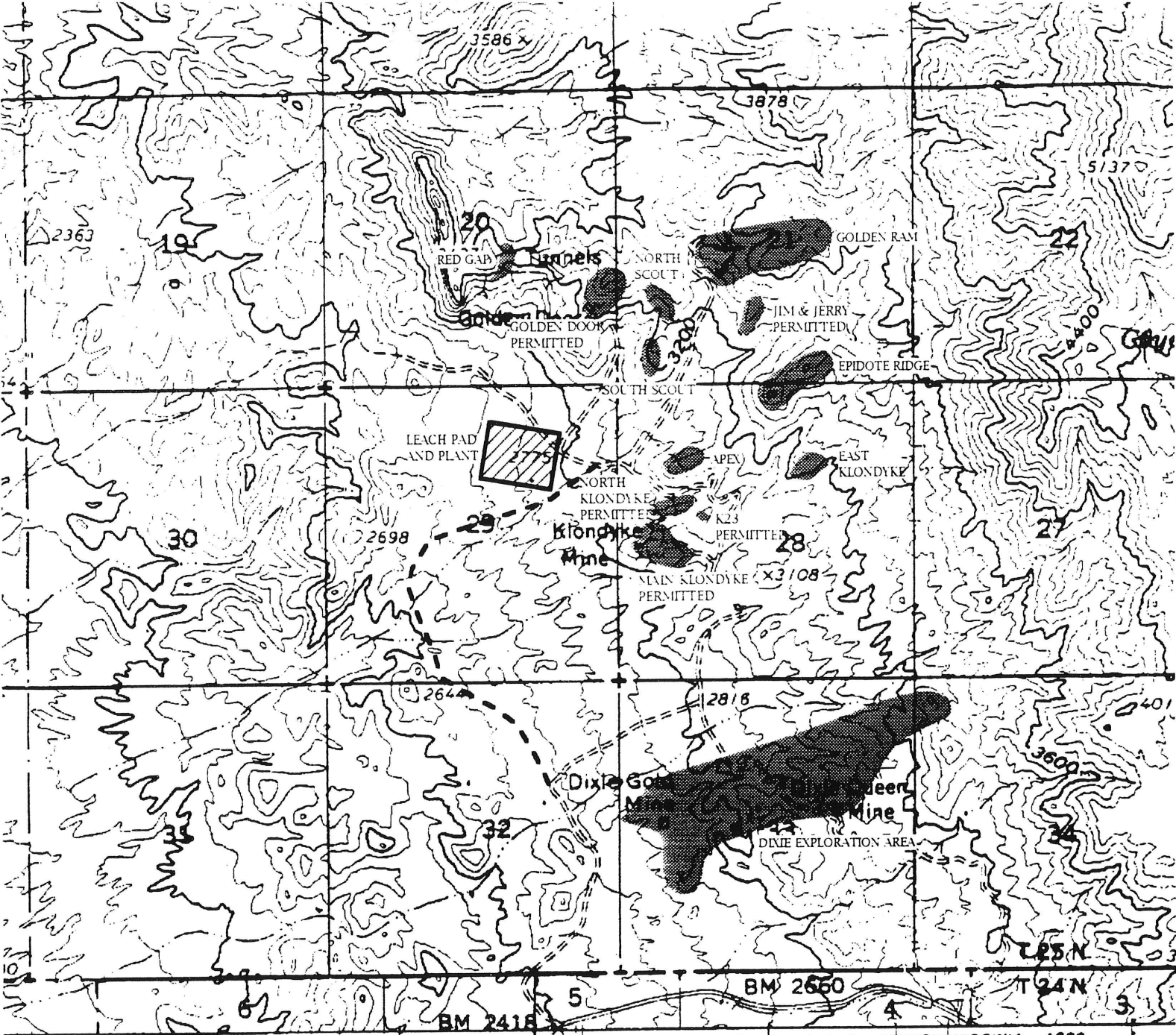
Verbal Information Summary

Mine: Golden Door, Klondyke, Dixie Queen
County: Mohave
Location: T25N, R21W, Sec. 20,21,29,28,33

Date: December 3, 1995
Engineer: Nyal Niemuth

Combined Metals Reduction reports that they have identified 44,000 to 50,000 ounces by close spaced drilling (40 feet centers) in three deposits Klondyke, Jim and Jerry, and the Golden Door. At an average grade of 0.06 opt this would be contained in about 750,000 tons. The gold mineralization occurs in the contact area of an andesite dike with a relatively flat fault. Higher grades of mineralization occur near base of the contact. Similar potential exists undrilled at the Dixie mine.

Permitting is reported as complete for the known resource. Earthwork for heaps and ponds have been completed. Liners were installed circa winter 1995-96. See photos of June 1996 in files and the site map attached to this report.



720 721 810 000 FEET (NEV.) 5 725 000m.E. INTERIOR- GEOLOGICAL SURVEY, RESTON, VIRGINIA- 1983

KLONDYKE

12/1996



QUADRANGLE LOCATION



NORTH

0

Medium-duty

ROAD CLASSIFICATION

Light-duty

Unimproved dirt =====



U. S. Route



State Route

The west half of this area also covered by 1:24 000-scale maps of Fire Mountain and 7.5 minute quadrangles, surveyed 1959

MT. PERKINS, ARIZ.-

N3530-W11430/15

1 MILE



KLODYKE (H) Mohave Co.
GOLDEN DOOR (F) Mohave Co.

Ron

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

Governor Jane Dee Hull

Jacqueline E. Schafer, Director

December 7, 1999

REF#: EU99-0716

Combined Metals Reduction Co., a revoked Arizona Corporation

Attention: John C. Lacy

2525 E. Broadway #200

Tucson, AZ 85716

RE: Mohave Project - NOV Closure
Inventory #102083

Dear Mr. Lacy:

The purpose of this letter is to inform you that the Water Quality Enforcement Unit of the Arizona Department of Environmental Quality has closed the Notice of Violation (NOV) issued to the Mohave Project (Permit #G-0067-08) on November 19, 1999. Closure of the non-reporting NOV is in no way indicative of the overall compliance status of the facility. This closure is the result of meeting the requirements of the November 19, 1999, NOV by submitting the delinquent Self-Monitoring Report Forms.

The Water Quality Enforcement Unit would like to thank you for resolving the past non-reporting violation(s). Please continue to submit all future Self-Monitoring Report Forms in a timely manner as required by the referenced permit.

If you have any questions, please feel free to contact Lynn Ott (602) 207-4816, or 1-800-234-5677 ext.4816 within Arizona.

Sincerely,

M. Reza Azizi

M. Reza Azizi, Manager
Water Quality Enforcement Unit

cc: Facility Operator/Engineer: Larry Atkinson 1508 E. Gentry Way Reno, NV 89502-4406
Combined Metals Reductoin CO. % Ian Watson, President/CEO
17 Peninusula Rd. Belvedere, CA 94920
Mohave County Health & Social Services
ADEQ Northern Regional Office

bc:

ADEQ Reading File

ADEQ Facility File

Eric Wilson, Manager, WPS Mining Unit

State Mine Inspector 1700 E. Washington, Ste. 400 Phoenix, AZ 85007

Dept. of Mines & Mineral Resources, Nyal Niemuth

1502 W. Washington Phoenix, AZ 85007

AZ State Land Dept, Steve Hildreth 1616 W. Adams Phoenix, AZ 85007

Ralph Costa, BLM -Mining Engineer 222 N. Central Ave., Phoenix, AZ 85004-2203

Mohave, Arizona

Recoverable Gold: 34,319
Drill holes: 300
Comments: 1994 Reserves. Another 650,000 tons of similar gold grade of drill-indicated resources. Approximately 29,514 recoverable ounces derived from this resource are included in the Company's cash flow projections (100% project basis).

Operations

Mining Method: Open Pit
Mining Rate: 425,000 TPY
Ore Tons: 830,964 ST
Waste Tons: 1,246,446 ST
Waste : Ore Ratio: 1.5
Processing Method: Heap Leach
Processing Rate: 1,500 TPD
Recovery Method: Electrolytic cells
Final Product: Dore
Employees: 26

Cash Costs: US\$ 206/Oz

Capital Costs: US\$ 2,525,000

Chronology

End 1982 Combined Metals acquires project under lease/option.
1989 Project receives permitting.
1992 Engineering and reserve model/mine plan completed.
October 1992 Purchase of option agreement.
1994 Permits reconfirmed.

In four of the nine pre-existing mine areas located within the Mohave claims (see map on the following page), geologic mapping, surface sampling, and over 300 drill holes have defined 850,000 tons of shallow ore with an average grade of 0.060 ounces of gold per ton with little stripping required for open pit mining. An additional 650,000 tons is expected to be mined from ore extensions to the existing mine areas. With the expenditure of approximately \$800,000, two to five million tons of additional ore may reasonably be projected from exploration over the next three years.

The geologic environment of this claim block and surrounding area is conducive to the presence of substantially greater resources than has been defined. The potential is excellent for discovering substantial new reserves contiguous with existing ore bodies and elsewhere within the boundaries of this property. There has not been sufficient drilling in the five other pre-existing mine areas on the Property (Mohave South) to project reserves at this time. Additional exploration, including deeper drilling in areas of the Property with defined near-surface mineralization, will commence in 1996. This business plan includes an allocation of \$800,000 for expansion of reserves into the Mohave South area.

Extensive metallurgical testing of the Mohave ores has been conducted over the past seven years, both by the Company and by independent labs. The test results and the Company's intended process parameters have also been reviewed by several independent consultants. The projections in this Business Plan reflect a conservative consensus among the Company's staff and third party reviewers respecting all significant process parameters, including cyanide consumption and rate/percentage of recovery.

To extract the gold, the ore will be crushed to five-eighths inch minus, deposited by conveyor on a 1,500,000 ton permanent leach pad at the rate of approximately 2,200 tons per day (22 days per month) and leached with dilute cyanide solution. The gold will be recovered from solution in electrolytic cells in an on-site facility. The recovered doré will be delivered to refineries for further refining and sale.

COMPANY MANAGEMENT: Combined Metals is led by Lawrence T. Atkinson, President and CEO, Fred J. Humphrey, Vice president of Exploration, Fred A. Merian, Vice President and CFO, Laura E. Skaer, Vice president and General Counsel, Wayne A. Goldman, Manager of Corporate Development and William Mayersohn, Treasurer. Mr. Atkinson has been president since 1977 and is responsible for focusing the company's growth strategy on gold production. Fred J. Humphrey joined Combined Metals in 1983, after 16 years at Exxon where he directed Exxon Minerals' U.S. exploration. Mr. Humphrey is one of the architects of the exploration models that have led to the dramatic expansion and low cost of U.S. gold production. Under Mr. Humphrey's direction Combined Metals has concentrated on acquiring mineral properties with the potential for at least 200,000 ounces of recoverable gold at a cost below \$200 per ounce. Mr. Merian, Ms. Skaer and Mr. Goldman joined the company in July, 1995. They have extensive experience and success in the management and financing of mineral companies, with a focus on efficient operations, the enhancement and acceleration of growth, and the maximization of shareholder value. Mr. Mayersohn joined the Company in early 1995, as Treasurer. He has extensive experience in precious metals marketing.

MANAGEMENT'S IMMEDIATE OBJECTIVES: Having completed the acquisition of its 36 square mile Gabbs Valley property in the Walker Lane of west central Nevada, and with the financing of its Mohave Mine in Northwestern Arizona concluded, the Company is now positioned to begin gold production, with projected operating income of \$4.5 million, \$5.7 million and \$21.4 million in years 1996, 1997 and 1998, respectively. The Company's current strategy is summarized below:

- Begin gold production from the Mohave Mine in the fourth quarter of 1995 at the initial rate of 15,500 ounces per year and a cash cost of \$200 per ounce. Construction of the Mohave Mine and recovery facilities is more than 95% complete, with stockpiling of ore in process.
- Establish a public market for the Company's securities at the earliest opportunity, now projected for the first half of 1996.
- Begin production from the first discovery on its Gabbs Valley property (GVV-1) during 1998.
- Continue exploration and development drilling on the Gabbs Valley property (GVV-2 and GVV-3) which is projected to produce an additional 3,500,000 ounces of gold.

The combination of the Company's extraordinary exploration potential, production, shareholder liquidity, and sustained earnings forms the basis for projected shareholder earning potential and exceptional stock appreciation.

V. DEVELOPMENT AND PRODUCTION PROJECTS

Combined Metals is presently concentrating its exploration and development efforts on two mineral properties, to which a substantial portion of the Company's resources are committed. Production of gold from the Company's Mohave project will begin in the fourth quarter of 1995, and from a portion of the Company's properties in Mineral County, Nevada, referred to herein as the GVV-1, during 1997. Permitting, mine planning and process development have been completed for the Mohave mine; construction of mining and processing facilities is more than 95% complete and ore is currently being stockpiled. Development tasks have not yet begun at the GVV-1 and will require approximately one year to complete, once begun.

THE MOHAVE PROPERTY: All permitting required for construction and operation of the Mohave mine is in place. Reviews of the Company's geologic analysis of the Property's ore deposits, metallurgical analyses, mining plan and project cost projections have been conducted by third party experts and are available for examination. The Mohave leach pad and ponds have been constructed and lined, water wells are drilled and connected, the haul road is completed, the Klondyke pit has begun mining, and all major items of equipment are on hand. Stockpiling of mined ore has begun and crushing and pad loading will begin soon. Gold should be poured in the fourth quarter 1995.

Initially, the Mohave project will employ twenty-six people, and will mine and process approximately 425,000 tons of ore per year. However, the project's design capacity for processing mined ore exceeds the projected production rate by approximately fifty percent. The mining rate will be increased and the ratio of mined ore to waste will constantly vary to comport with geologic conditions. It is projected that approximately 25,000 ounces of gold per year will be recovered from the initial reserves. Management believes that these reserves will be enlarged sufficiently to increase the rate of production and extend the life of the mine. Mine construction is very nearly concluded and production will begin in the fourth quarter of 1995.

The Property is located on eight square miles of mineral claims in Mohave County, northwestern Arizona. A claim map depicting the four mine areas appears on page 13. The Property is comprised of two claim groups held by Mohave Mines, Ltd., an Arizona Limited Partnership. Combined Metals presently owns seventy-three percent of the partnership interests. The remaining ownership is divided among twelve individuals. After the minority partners receive distributions equal to approximately 3,400 ounces of gold, Combined Metals' share of distributions will increase to eighty-six percent. Mr. Atkinson, the president of Combined Metals, is the general partner of the partnership, although his equity interest in the partnership is assigned to Combined Metals.

TO: NYAL T. UTH

K
HMC

FROM: GREG LEWICK

PHONE

SUBJECT: LET ME KNOW IF YOU THINK COMBINED METALS
CAN CARRY OUT WHAT
THEY SAY HERE. THANKS

(303) 629 9835

THE COMPANY: Combined Metals Reduction Company, organized in 1923, has long excelled as a mine operator and innovator of process technology. Present management acquired controlling interest in 1974 and refocused the Company's strategy on gold production. The Company's major gold properties are Mohave, a 150,000 Oz. (initially) gold mine in northwestern Arizona, and Gabbs Valley, a 36 square mile property located within the Walker Lane Trend in Mineral County, Nevada. This property contains a 400,000 Oz. gold discovery and 21 additional prospects identified by a number of years of mapping and geologic sampling, including extensive drilling.

Mohave is an open pit, heap leach gold mine that will begin production in the fourth quarter of 1995. All permitting has been completed, construction of the mine and recovery facilities are more than 95% complete with stockpiling of ore in progress. Mohave is projected to produce 150,000 Oz. of gold and \$30,000,000 of operating revenue at a cash cost of less than \$200 per ounce. There is additional potential in Mohave South. This business plan contains \$800,000 for exploration and development drilling in Mohave South.

Combined Metals' first major exploration success came in 1989, early in the drilling of its 36 square mile Gabbs Valley Property. This discovery provides an initial resource of approximately 400,000 ounces of gold, partially mineable by heap leach, bulk tonnage methods. Twenty-one additional exploration targets have been identified on the property. Production from this property is projected at the rate of 76,500 ounces per year in 1998, increasing to 260,000 ounces annually in 2000. FMC, Kennecott (RTZ), Santa Fe Pacific and Homestake (Corona) have major mines surrounding Combined Metals' Gabbs Valley Property. Knowledgeable industry professionals believe the Company has the potential for multiple large discoveries on this Property like those made by Newmont, American Barrick and others along the prolific Carlin Trend in northeastern Nevada. It is believed that this may be the most promising gold exploration prospect area in North America. There have been extensive joint venture negotiations with two major gold companies, Newmont and Kennecott. In one instance, it was proposed that sole risk expenditures of \$20,000,000 would earn a 50% interest in this land position.

Effective August 15, 1995, the Company's non-gold assets and liabilities are being disposed of on such terms as may be immediately obtained, including abandonment. Accordingly, this business plan focuses on Combined Metals' gold assets (Combined Metals Gold Company), which management intends to take public during the first half of 1996. All shares purchased subsequent to August 15, 1995, will not participate in any proceeds or securities generated by such disposal.

DEVELOPMENT AND PRODUCTION PROJECTS: The company is presently concentrating its production, development and exploration efforts on its Mohave and Gabbs Valley properties. Gold production from Mohave will begin in the fourth quarter of 1995, establishing it as one of the seventy-five largest North American producing gold mines based on reserves and annual production. Initially, Mohave is projected to produce 150,000 ounces in five years. In addition, there is potential to expand reserves to five pre-existing mine areas to the south (Mohave South). An allocation of \$800,000 is included for exploration and development drilling in Mohave South commencing in 1996. Third parties have estimated mine life production, including Mohave South, to be 250,000 ounces.

Gabbs Valley Venture (GVV) is a solely owned thirty-six square mile claim block located within the Walker Lane Trend in Mineral County, Nevada. This property contains a 400,000 Oz. gold discovery with high ore grades in excess of .08 Oz. per ton, and an additional 21 defined areas of gold mineralization. Other companies have established gold production on four sides of this claim block, with mines producing between 400,000 and 2.2 million ounces. Many experts consider this to be the most promising gold exploration prospect area in North America. An allocation of \$9,000,000 over five and one-half years for drilling is included in this business plan to delineate 4,400,000 recoverable ounces of gold from GVV-1, 2 and 3.

PROFORMA PROJECTION SUMMARY

for year ending	1996	1997	1998	1999	-- 2000
Net Operating Income * (\$000)	\$4,468	\$5,680	\$21,388	\$35,071	\$51,328
Net Production (Oz.)	22,342	28,401	106,941	175,358	256,640
Earnings (EBITDA) ** (\$000)	\$2,665	\$4,177	\$19,885	\$33,569	\$49,825

* Includes Exploration & Development Costs

** Earnings before interest, taxes, depreciation & amortization

CAPITAL REQUIREMENTS AND VALUATION: The projections in this business plan assume the private placement of 3,325,000 shares at an average of \$2.00 per share in the third and fourth quarters of 1995. Management intends to offer between three and four million additional shares in a public offering during the first half of 1996, at not less than \$4.00 per share. The Company's capital requirements for the development and expansion of Mohave and the development of Gabbs Valley 1, 2 and 3 are set forth in the Proforma section of this business plan.

The Company has little debt and carries a substantial portion of its assets at a zero book value. In 1994, two independent analysts valued the Company's Mohave and Gabbs Valley properties at \$19,000,000 and \$19,700,000 respectively. This was prior to the construction of the Mohave mine. Book value at December 31, 1994 (adjusted for the disposal of the Company's non-gold assets) was approximately \$8,000,000.

KLONDYKE

YAVAPAI COUNTY

NJN WR 3/14/86: Joe Langlois, Mining Engineer for the State Department of Revenue called and reported that a company called Combined Metals Reduction of Fish Lake, Nevada is doing mapping, geochem sampling and some drilling at the Klondyke Mine (f) Mohave County.

Hamm



STATE MINE INSPECTION

JAN 18 1985

Office of State Mine Inspector Klondyke (P) Mo. H. & Co.

705 West Wing, Capitol Building
Phoenix, Arizona 85007
602-255-5971

NOTICE TO ARIZONA STATE MINE INSPECTOR

In compliance with Arizona Revised Statute Section 27-303*, we are submitting this written notice to the Arizona State Mine Inspector (705 West Wing, Capitol Building, Phoenix, Arizona 85007) of our intent to start/stop (please circle one) a mining operation.

COMPANY NAME Western Mine Services

CHIEF OFFICER Lawrence T. Atkinson

COMPANY ADDRESS Route 264, Fish Lake Valley, via Tonopah, NV 89049

COMPANY TELEPHONE NUMBER (702) 572-3282

MINE OR PLANT NAME Klondyke Area

MINE OR PLANT LOCATION (including county and nearest town, as well as directions for locating by vehicle)

About 40 miles northwest of Kingman, Mohave County,
Arizona. Claims located North of Cottonwood Road, West
of Highway 93.

TYPE OF OPERATION Open pit PRINCIPAL PRODUCT Gold

STARTING DATE January 15, 1985 CLOSING DATE _____

DURATION OF OPERATION Unknown

PERSON SENDING THIS NOTICE Robert M. Hurst

TITLE OF PERSON SENDING THIS NOTICE Mine Engineer

DATE NOTICE SENT TO STATE MINE INSPECTOR January 15, 1985

*A.R.S. Section 27-303 NOTIFICATION TO INSPECTOR OF BEGINNING OR SUSPENDING OPERATIONS: When mining operations are commenced in any mine or when operations therein are permanently suspended, the operator shall give written notice to the inspector at his office prior to commencement or suspension of operations.

NAME: KLONDYKE (K)

COUNTY: MOHAVE

T25N R21 W SEC.28 E. 3200

DISTRICT: VIRGINIA

MT PERKINS

W. Center

(WEAVER)

Mineralization: Au

Geology:

Type Operation: UPPER & LOWER TUNNEL

Production:

References: Type Sheet

✓ ABM Bull 137
clipping

Mohave Cty. Card File

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA

OWNERS MINE REPORT

GOLD MINE SURVEY

27K-15

Date March 7, 1944.

1. Mine KLONDYKE
2. Mining District & County Weaver: Mohave County
3. Former name Same
4. Location
5. Owner Mrs. Sam Withers
6. Address (Owner)
7. Operator
8. Address (Operator)
9. President
10. Gen. Mgr.
11. Mine Supt.
12. Mill Supt.
13. Principal Metals gold
14. Men Employed
15. Production Rate
16. Mill: Type & Cap.
Cyanide
17. Power: Amt. & Type See Remarks
18. Operations: Present None

19. Operations Planned ?

20. Number Claims, Title, etc. About 15 which include the SCOUT Group which is connected and under the same title: The Owner has held this property for many years: Unpatented:

21. Description: Topography & Geography Rolling - hoisting proposition:

22. Mine Workings: Amt. & Condition On the Klondyke proper the workings are quite extensive: A shaft and tunnel besides some opencut work: The vein generally is quite flat over the Scout portion particular but covers an extensive area: Similar to the Golden Door and ore of like character.

23. Geology & Mineralization

The vein is in the andite and rhyolite: See Bulletin 397 (Schrader) - page 215 - under head "Virginia District":

24. Ore: Positive & Probable, Ore Dumps, Tailings

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

Some ore has been produced within the past few years running about 32.00 per ton in 100 ton lots: Generally speaking, the ore is low grade:

25. Mine, Mill Equipment & Flow Sheet

26. Road Conditions, Route

From Kingman, paved (US- 93) to Pleasant Valley Station and over good hauling road some 18 miles towards the River on Searchlight Ferry road: From the mine east the grade is very steep for about three miles, making it a problem to haul out of the district east: The mill

27. Water Supply Domestic on the claims but not for mill. should be west towards the River to accomodate the Klondyke, Golden Door and Portland Mines - with about a 6 mile down hill haul from each.

28. Brief History

The Producers operated this property for some time but perhaps through inexperience more than a long difficult haul to their mill they gave it up even before the Government shut down on gold mining.

29. Special Problems, Reports Filed

Water must be pumped up some 900 feet or the mill placed near the River: Extraction is no a problem if cyanide process is used - the same as the Tom Reed or Gold Standard: If the ore is hauled east, the road question or problem is a serious one for cheap hauling.

30. Remarks

The Portland, Golden Door, Klondyke, and other properties of the same character of ore should be milled near the River on a down-hill haul:

31. If property for sale: Price, terms and address to negotiate. Could probably be handler on low royalty rate with a monthly guaranteed royalty payment: Price probably too high to buy outright:

32. Signed

E A McVicar
Kingman, Ariz

33. Use additional sheets if necessary.

February 16, 1948

Mr. A. C. Nebeker
Box 1771
Prescott, Arizona

Dear Neb:

When you go to Oatman next week find out all you can about the Klondyke Mine.

As I understand from a mutual friend, a Mrs. Eaton has inherited the majority ownership of this property and will be responsible for the assessment work. Financing this work will be quite a burden to her and she is anxious to know whether she should do it or not.

It is entirely possible that Mrs. Eaton might be interested in taking on a partner who would assume the responsibility of performing the necessary work until the property can be sold.

Can you find anyone who might so be interested?

CHD:mah
cc: J. C. Hershey
506 North Citrus Ave.
Los Angeles 36, Calif.

Chas. H. Dunning

506 N. Citrus Ave.,
Los Angeles, 36, Calif.
Feb. 11, 1948.

Dear Chuck;

We had a good trip all the way to Los Angeles, and got into Banning in nice sunny weather, however, rain came on 2nd day after our arrival there. Leaving Banning on Friday morning we encountered two heavy shows east of Pomona, but had sunshine all the way thereafter.

Prescott was greatly changed to our eyes, but greatly improved,-- the Apache Lodge was highly satisfactory, very accommodating. I am glad we went to Hoover Dam,--it was well worth the trip,--a great job in construction.

Mrs. Eaton is trying to get funds together to do the assessment work on the Klondike group of claims which I believe should be done by July 1st. Mr. Eaton and Sam Withers were partners in the original set up--Eaton owning 1/3, and Withers 2/3rds. Both Mr. and Mrs. Withers have passed away,--and Eaton died in 1940. The Withers interest is now with a son, and a daughter. There are some 20 claims in the two groups of claims--The Klondike Group (formerly known as the Monarch), and the Scout Group. As it will take \$2000 for the work on the twenty claims, I am wondering if the property really warrants the outlay, especially when none of the owners are in the mining business,--or whether they would be justified in seeking some associate, or associates who do know the business. I would not want to see Mrs. Eaton waste any of her funds,--but she has great hopes of being able to sell or make some deal on the property with the hope of recovering the money her husband put in the property,--I believe some \$16,000.

I believe you said that one of your field men would visit the property on his next visit to Kingman District. Pete Vukoye of Kingman, knows the property, having worked in it,--your man might like to talk with him. I should like very much to know the outcome of his visit to the property.

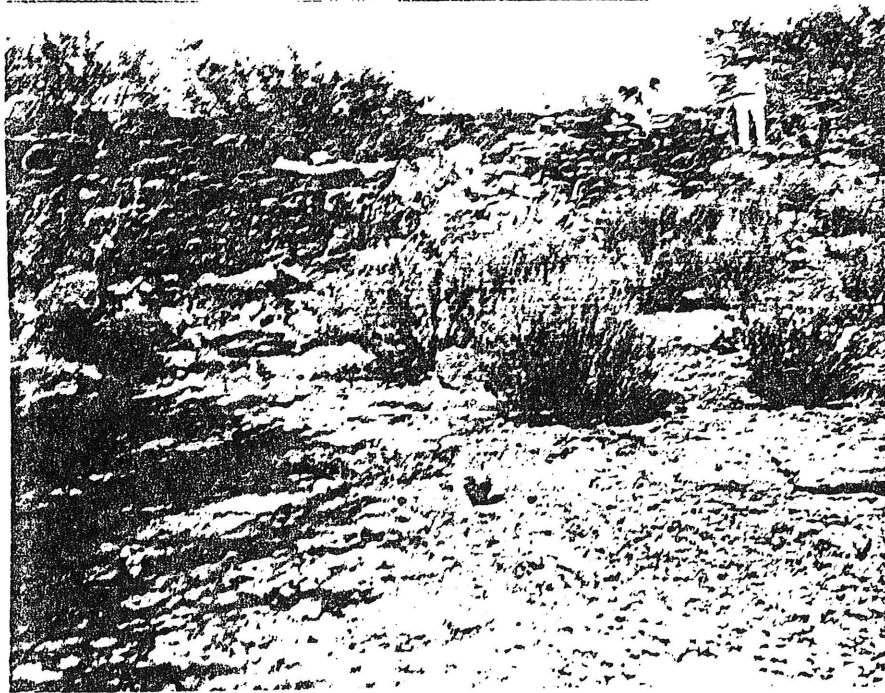
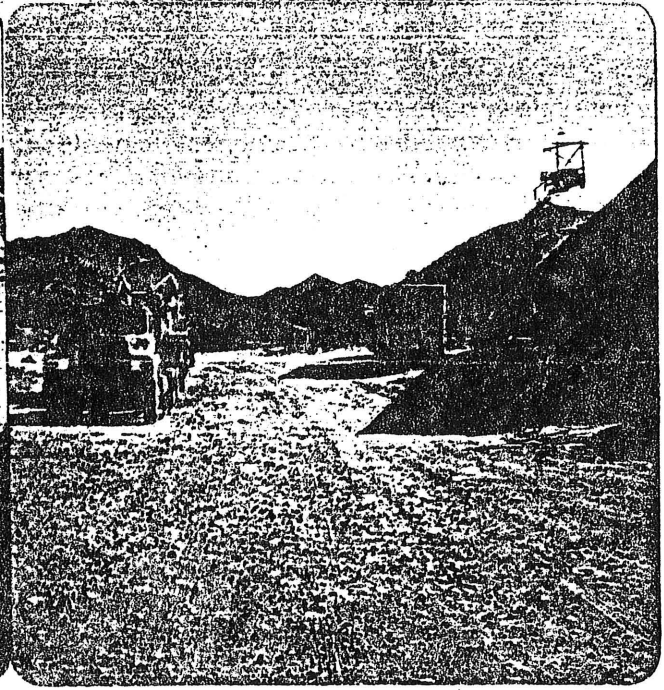
The property produced considerable tonnage during '35-'36-'37-'38-'39. Most of the ore produced from '35 to '38 averaged close to \$17-\$18. per ton,--some shipments considerably higher,--but the shipments during the latter part of '38 and on, ran from \$7 to \$8.--apparently from the edges of the lense. This ore was hauled to custom mills--the Pilgrim--the Tom Reed--and the Oatman. The property was operated by an eastern group under a lease and option, I believe called the Producers Co., and I am told did no development work, and quit when the ore was exhausted. I cannot believe the company made any money having to haul the ore such long distances to a mill. There is no worthwhile data available. I am wondering if Mrs. Eaton is warranted in hanging on to the extent of doing the necessary assessment work, and therefor would like very much to know what your man thinks of the prospects after seeing the property.

Again, I want to say that we enjoyed our stay in Phoenix in every way.

*Hope you had a
fine trip to Hoover*

With all good wishes,

Billie Lee



From Roman Malach photograph collection: Top left, pilot mill is under construction at the Klondyke mine in Black Mts. Top right, work on the renovation of the mill at the entrance to Cerbat Canyon continues. The photograph shows mill on the right and on the left, truck with loaded bulldozer. Lower photograph, rock wall in ruin of the quartermaster store at the site of Camp Date Creek, the only remnants of this at one time large military post with 175 men and five officers stationed in 1871.

Klondyke Mine

T 25 N, R 21 W

**NORTHERN CONSOLIDATED
MINES COMPANY.**
WEAVER MINING DISTRICT, MOHAVE CO ARIZONA.
SCALE 1 in = 300 FT. FEB. 1923
L. H. FOSTER U.S. MINERAL SURVEYOR

