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PRINTED: 11/19/2001

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: LAPOSA PLACER PROJECT

ALTERNATE NAMES:

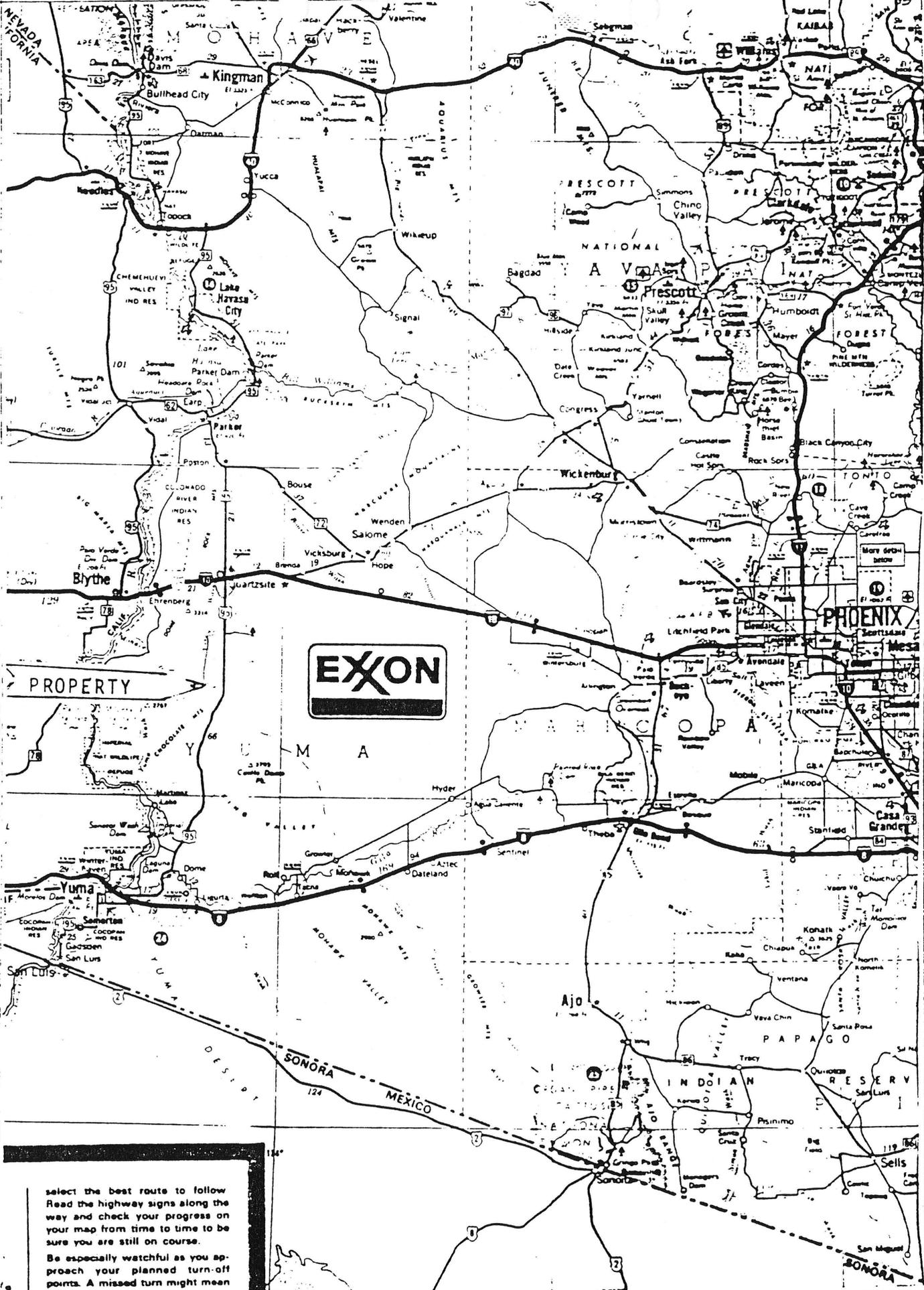
YUMA COUNTY MILS NUMBER: 792

LOCATION: TOWNSHIP 1 S RANGE 19 W SECTION 28 QUARTER --
LATITUDE: N 33DEG 18MIN 35SEC LONGITUDE: W 114DEG 13MIN 43SEC
TOPO MAP NAME: LIVINGSTON HILLS - 15 MIN

CURRENT STATUS: UNKNOWN

COMMODITY:
UNKNOWN

BIBLIOGRAPHY:
ADMMR LAPOSA PLACER PROJECT FILE
ALSO IN SEC 32

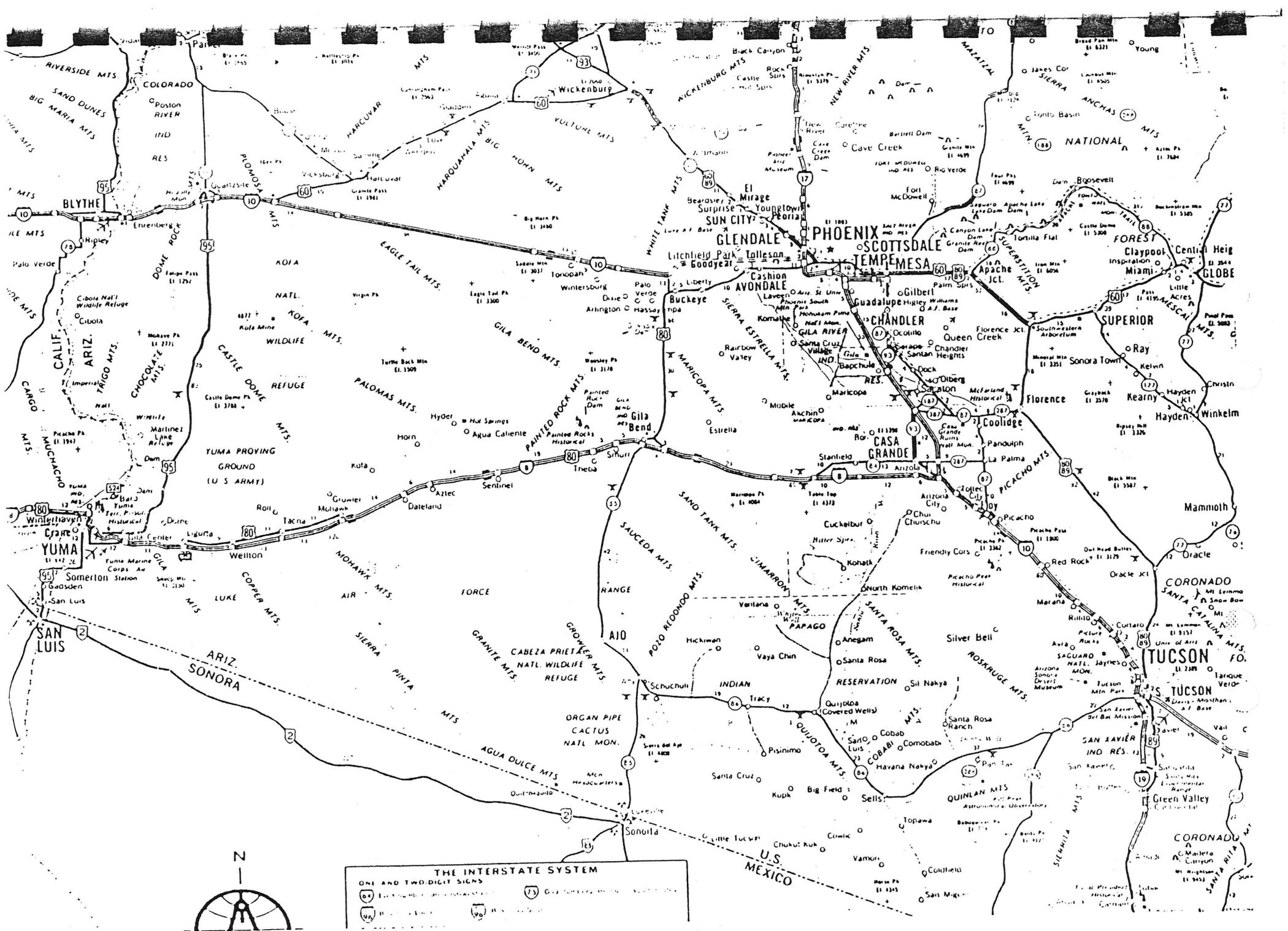


select the best route to follow
 Read the highway signs along the way and check your progress on your map from time to time to be sure you are still on course.
 Be especially watchful as you approach your planned turn-off points. A missed turn might mean



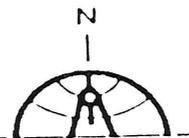
PROPERTY

69



THE INTERSTATE SYSTEM
 ONE AND TWO-DIGIT SIGNS

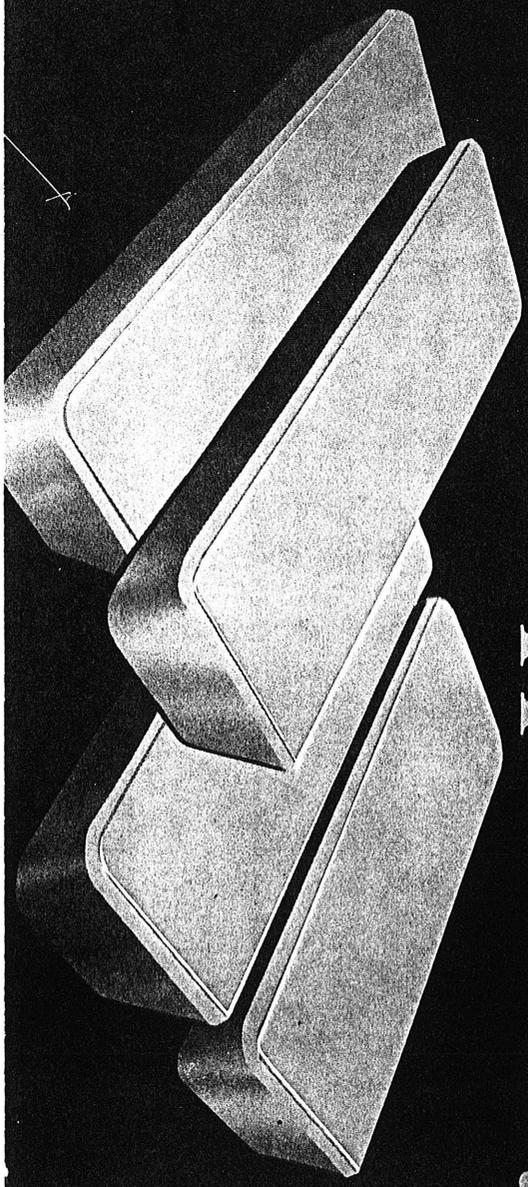
	One-Digit Interstate		One-Digit Interstate
	Two-Digit Interstate		One-Digit Interstate
	Two-Digit Interstate		One-Digit Interstate



LAPOSA PLACER PROJECT

YUMA COUNTY

RRB WR 3/8/85: Dale Runyon and Bill Marston report that the Laposa Placer Project of Unanco Gold, Inc is stalled for lack of financial backing.



A Golden Opportunity

“Risk Is The Price You Pay For Opportunity”

URANCO GOLD INC.
528 Fondulac Drive
East Peoria, IL 61611

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You Can Own A Refinery And Produce Your Own Gold With This Program Of Investment.

When you invest one million dollars . . .

Marston & Marston Inc. will Build you a refinery and Manage it at your request.

Uranco Gold Inc. will

Supply up to 200 tons of Gold Ore Concentrates per day for 20 years.

Uranco Gold Inc. controls

several large tracts of gold bearing ore in Southwestern Arizona. These tracts contain tonnage of:

5,000,000 Proven Ore

20,000,000 Inferred Ore

500,000,000 Possible Ore (surfaced tested only)

Contact:

Project Coordinator
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Dale L. Runyon
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East Peoria, IL 61611
(309) 699-8725

Engineers:

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Bill Marston
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St. Louis, Missouri 63131
(314) 822-2254

Mine Owners:

Three Mountains Corp.
1201 W. Windom
Peoria, IL 61606
Bosque Mining Co.
2214 N. University St.
Peoria, IL 61604
Uranco Energy Inc.
P.O. Box 1167
Peoria, IL 61653



Terms, conditions and supporting documentation available to financial qualified parties, upon request.

AUGER DRILL PROGRAM WITH ASSAY RESULTS

QUARTZITE AREA, ARIZONA

FOR

LAPOSA, INC.

Copy 2/15/85

PRESIDENT AND BOARD OF DIRECTORS,
LAPOSA, INC.,
1201 WEST WINDOM,
PEORIA, ILLINOIS 61606

INTRODUCTION:

DURING THE MONTH OF JANUARY, 1984, A VERTICAL AUGER DRILL PROGRAM WAS COMPLETED ON TWO AREAS OF THE LAPOSA PROPERTY WITH SAMPLES TAKEN FOR ASSAY PURPOSES. EACH OF THE TWO AREAS WAS DRILLED WITH NINE VERTICAL HOLES TOTALLING 400 FT. FOR EACH AREA.

ork
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REPORT ON VERTICAL DRILL PROGRAM WITH ASSAY RESULTS

QUARTZITE AREA, ARIZONA

FOR

LAPOSA, INC.

Add to MILS

NEW FILE: LAPOSA PLACER PROJECT

YUMA COUNTY

Sec 28432, T15, R19W

People: J.L. KIRWAN

Dale Runyon

THREE MOUNTAINS CORP
URANCO ENERGY INC

March 15, 1984

PURPOSE OF THE DRILL PROGRAM WAS TO OUTLINE TONNAGE AREAS WITH SPECIFIC PRECIOUS METALS GRADES WITH A VIEW TO MINING SUCH.

PROPERTY, LOCATION, ACCESS:

SUBJECT LAPOSA HOLDINGS DRILLED ARE THE SOUTHEAST QUADRANT OF SECTION #32, LAPOSA CLAIM #324, AND THE SOUTHWEST QUADRANT OF SECTION #28, LAPOSA CLAIM #283, ALL LOCATED IN TOWNSHIP ONE SOUTH, RANGE 19 WEST, YUMA COUNTY, ARIZONA, SOME 25 MILES DUE SOUTH OF THE SETTLEMENT OF QUARTZITE. DRILLED AREAS ARE ONE MILE APART.

ACCESS FROM QUARTZITE IS BY PAVED ROUTE #95 FOR 25 MILES, THENCE WESTWARD ON POOR SECONDARY AND JEEP-TYPE ROADS FOR TWO MILES DIRECTLY ONTO THE SUBJECT PROPERTY AT DRILL LOCATION. NORMALLY, CONVENTIONAL ROAD VEHICLE MAY BE EMPLOYED.

GEOLOGY:

THE ENTIRE REGION OF THE LAPOSA CLAIMS IS UNDERLAIN BY SURFICIAL, UNCONSOLIDATED, SANDS AND LIGHT GRAVEL OF UNKNOWN BUT CONSIDERABLE DEPTHS ABOVE BASIN ROCK. SEDIMENTS ARE LIKELY ALLUVIAL AS NOTED BY ROUNDED AND WATER-WASHED GRAVEL ROCK, SOURCE BEING FROM LONG TIME EROSION OF NEARBY MOUNTAIN RANGES INTO PLAYA BASINS.

RELIEF IS EXCEPTIONALLY FLAT OVER THE SEDIMENT AREA. TYPICAL DESERT ENVIRONMENT EXISTS IN PROPERTY REGION.

OF ECONOMIC INTEREST IS THAT THE SANDY SEDIMENTS CONTAIN GOLD, SILVER, AND ALSO SHOW CERTAIN MEMBERS OF THE PLATINATE GROUP FAMILY.

SOURCE OF PRECIOUS METALS IS CONTROVERSIAL. GOLD IS UNCHARACTERISTIC OF CONVENTIONAL PLACER LACKING FREE GOLD PARTICLES. SOME THOUGHT IS GIVEN TO HYDROGEO THERMAL OR RISING SUPERHEATED STEAM SOLUTIONS FROM DEPTH CARRYING PRECIOUS METALS PARTICLES THUS ENRICHING THE SANDS UPON COOLING, WHILE ANOTHER POSTULATION CONSIDERS NATURAL LEACH IN SEDIMENT WATER AREAS WITH CERTAIN BACTERIA AS AGENT.

RESEARCH TO DATE INDICATES THAT PRECIOUS METALS IN THE SEDIMENTS ARE NORMALLY COMBINED WITH OTHER ELEMENTS RESULTING GENERALLY IN COMPLEX COMPOUNDS. ONE OF THE CHIEF PROBLEMS, NOW ESSENTIALLY OVERCOME, HAS BEEN THE DETECTION OF PRECIOUS METALS THROUGH CONVENTIONAL ASSAY METHODS. (THE SANDS, THEREFORE, UP UNTIL RECENT DATE HAVE BEEN IGNORED AS A MINEABLE SOURCE OF GOLD-SILVER SIMPLY BECAUSE THESE METALS COULD NOT NORMALLY BE DETECTED. NEW TECHNOLOGY AND ADAPTATION OF CONVENTIONAL TECHNOLOGY IN DETERMINATIVE METHODS HAVE SUPPLIED A MOST USEFUL TOOL IN ASCERTAINING AMOUNTS OF EACH PRECIOUS METAL QUANTITATIVELY. NORMAL FIRE ASSAY USED EXTENSIVELY WORLDWIDE IS ESSENTIALLY

USELESS AS AN ASSAY TOOL. UNDER PROPER CONDITIONS, AQUAREGIA ABSORBS PRECIOUS METALS FROM THE SAND SEDIMENT SAMPLES WHICH THEN CAN BE PRECIPITATED TO SUPPLY THE GOLD AND SILVER IN HAND FROM THE SAMPLES. SIMILARLY, CONVENTIONAL LIGHT CYANIDE SOLUTIONS WITH CERTAIN CHEMICAL ADDITIVES HAS PROVEN AN EXCELLENT TOOL IN ASSAY DETERMINATIONS FOR GOLD-SILVER, AND LIKELY WOULD BE USED ON PRODUCTION TO CAPTURE THESE PRECIOUS METALS COMMERCIALY.

DRILLING:

TRUCK-MOUNTED ROTARY DRILL EQUIPMENT WAS EMPLOYED WITH A 6" DIAMETER FIVE FOOT LONG AUGER. ADDITIONALLY ADDED ON FIVE FOOT SECTIONS ALLOWED HOLES TO PENETRATE THE SEDIMENTS TO 50 FEET VERTICALLY FROM SURFACE, FURTHER IF DESIRED.

IN A SIMILAR MANNER THAT POST HOLE AUGERS ON ROTATION BRING UP SOIL TO SURFACE, SEDIMENTS FROM DEPTH ON THE LAPOSA PROPERTY WERE CONTINUOUSLY BROUGHT TO SURFACE. SUPERVISION AND SAMPLE TAKING WAS PERFORMED BY THIS WRITER. COMPOSITE SAMPLES WERE DERIVED OVER EACH TEN FOOT VERTICAL SECTION, AND ASSAYED FOR GOLD AND SILVER. ASSAYING WAS PERFORMED BY MR. GARY LINDROOS, A STATE REGISTERED ^{who?} -ASSAYER WHO CERTIFIED ALL ASSAY DETERMINATIONS. MR. LINDROOS USED AQUAREGIA AS THE ASSAY MEDIA WITH ATOMIC ABSORPTION READOUT.?

TWO SEPERATE AREAS ON THE LAPOSA PROPERTY WERE DRILL TESTED. AREA

WITH SAMPLES MARKED "LP", LOCATED IN THE SOUTHEAST QUADRANT OF SECTION 32, R19W, T1S, YUMA COUNTY, WAS DRILL-TESTED WITH NINE VERTICAL AUGER HOLES EACH TO 40 FT. DEPTH FROM SURFACE EXCEPT EACH CORNER HOLE WHICH WAS DRILLED TO 50 FT. DEPTH THUS TOTALLING 400 ACCUMULATIVE DRILL FEET IN ALL. 40 COMPOSITE DRILL SAMPLES EACH 10 FT. IN LENGTH REPRESENT THE "LP" AREA. DRILL HOLES WERE SPACED 200 FT. APART.

AREA WITH SAMPLES MARKED "LPB" IS LOCATED IN THE SOUTHWEST QUADRANT OF SECTION 28, SOME ONE MILE NORTH OF THE "LP" SAMPLES. DRILL CONFIGURATION, HOLE DEPTHS, AND SAMPLING PROCEDURES ARE IDENTICAL IN BOTH AREAS. SEE ENCLOSED DRILL HOLE CONFIGURATION MAPS FOR DETAILS.

DRILL AUGER-SAMPLING METHODS TO DETERMINE NATURE OF THE SEDIMENTS UNDERLYING THE LAPOSA HOLDINGS ARE AN EXCELLENT METHOD TO EVALUATE CONSIDERING COST FACTOR AND OTHER METHODS AVAILABLE. IT IS THIS WRITER'S OBSERVATION HOWEVER THAT WHEN DRILL AUGER CUTS THROUGH PEBBLE MATERIAL ONLY A PORTION OF THE SANDY FINE MATERIAL IS BROUGHT TO SURFACE. SINCE PRECIOUS METALS ARE ESSENTIALLY CONFINED TO FINE SANDY MATERIAL, ASSAYS THEN WOULD BE LOWER THAN WHAT WOULD BE REPRESENTATIVE IN THE ACTUAL SEDIMENTS. THUS IN SOME CASES THE LAPOSA ASSAYS ARE SOMEWHAT LOWER FOR GOLD-SILVER THAN SHOULD BE, THUS REPRESENTING A CONSERVATIVE EVALUATION OF GOLD-SILVER.

DRILL ASSAY RESULTS - TONNAGES

IN THE "LP" AREA, 80.39% OF ALL SAMPLE MATERIAL PASSED THROUGH A

1/8 INCH SCREEN BEFORE ASSAY. THE 40 SAMPLES ARITHMETICALLY AVERAGED 0.043 OUNCES SILVER PER TON AND 0.043 OUNCES GOLD PER TON. CURRENT MARKET VALUE OF SILVER IS \$9.50 PER OUNCE WHILE THAT OF GOLD IS \$390 THUS GROSS METAL VALUES RECOVERED BY MR. LINGROOS IN AQUAREGIA EQUATES TO \$17.17 PER TON.

IN THE "LPB" AREA, 85.09% OF ALL SAMPLE MATERIAL PASSED THROUGH A 1/8 INCH SCREEN. THESE 40 SAMPLES ARITHMETICALLY AVERAGED 0.08 OUNCES SILVER AND 0.047 OUNCES GOLD, PER TON FOR GROSS METAL VALUE OF \$19.09 PER TON.

THE "LP" AREA EQUATES TO THE FOLLOWING DRILL INDICATED TONNAGE:

$$\frac{600 \text{ FT.} \times 600 \text{ FT.} \times 45}{15} \times 80.39\% = 868,000 \text{ TONS THAT PASS}$$

1/8" SCREEN, WHILE THE "LPB" AREA WOULD HAVE 919,000 TONS OF SIMILAR MATERIAL EACH WITH THE ABOVE RESPECTIVE ASSAY VALUES.

ECONOMICS:

MR. LINDROOS FURTHER PERFORMED PELLETIZED BARREL TESTS ON THE LAPOSA SAND MATERIAL USING SODIUM CYANIDE LEACH, A MOST PROVEN AND INEXPENSIVE METHOD OF EXTRACTING GOLD-SILVER, AND IS IN OPERATION IN MANY AREAS OF THE WORLD TODAY. ON THE "LP" DRILL AREA, 50 POUNDS OF COMPOSITE MATERIAL RETURNED 0.12 OUNCES SILVER AND 0.048 OUNCES GOLD PER TON, WHILE ON THE "LPB" MATERIAL, 0.16 OUNCES SILVER AND 0.056 OUNCES GOLD PER TON WERE RECOVERED

FROM 100 POUNDS OF COMPOSITE SAND MATERIAL SCREENED TO PASS 1, 3 INCH. THESE VALUES EQUATE TO \$19.86 AND \$23.36 RESPECTIVELY PER TON FOR "LP" AND "LPB" MATERIAL, AN ENHANCEMENT ON A PRODUCTION METHOD.

IT IS ECONOMICALLY SIGNIFICANT THAT TOTAL OVERALL COSTS PER TON OF MINING-PROCESSING-OVERHEAD ON PRODUCTION EVEN AT ONLY 200 TONS PER DAY PRODUCTION SHOULD NOT EXCEED \$12.00 PER TON. IT IS NORMAL TO PROCESS UPWARDS OF 500 TONS DAILY OF HEAD SAND MATERIAL.

HEAD CRUDE SAND WAS SIEVED TO PASS 1/8" SCREEN. IT IS QUITE PROBABLE GOLD-SILVER VALUES CAN BE ENHANCED BY SCREENING MATERIAL TO PASS 30 MESH THUS REDUCING OVERALL HANDLING COSTS CREATING GREATER PROFIT ON PRODUCTION.

CONCLUSIONS AND RECOMMENDATIONS:

CERTIFIED ASSAYS PERFORMED BY A QUALIFIED REGISTERED ASSAYER USING AQUAREGIA PERFORMED ON 80 SAMPLES OF COMPOSITE DRILL HOLE MATERIAL ON THE "LP" AND "LPB" AREAS OF THE LAPOSA SEDIMENTARY SAND MATERIAL LOCATED NEAR QUARTZITE, ARIZONA, RESULTED IN APPROXIMATELY \$18.00 GOLD-SILVER VALUES BEING DETERMINED, ALL OF WHICH WAS FURTHER ENHANCED BY PELLETIZED CYANIDE BARREL TESTS TO OVER \$20.00 PER TON, A PRODUCTION METHOD, ALL ON SAME SAND MATERIAL. PELLETIZATION WITH CYANIDE IS EMPLOYED EXTENSIVELY WORLD WIDE TODAY ON GOLD-SILVER PRODUCTION.

SOME 868,000 TONS AND 919,000 TONS OF ABOVE NOTED SAND MATERIAL

PASSING -1/8" RESPECTIVELY ON THE "LP" AND "LPB" PORTIONS OF THE LAPQSA PROPERTY HAVE BEEN GEOLOGICALLY INDICATED THROUGH ROTARY AUGER DRILLING.

ON PRODUCTION, COSTS TO PROCESS SAND MATERIAL SHOULD NOT EXCEED \$12.00 PER TON, ALL-INCLUSIVE.

IT IS RECOMMENDED ASSAY DETERMINATIONS BE CONDUCTED ON THE SAME SAND MATERIAL SIEVING TO -35 MESH TO DETERMINE TO WHAT DEGREE GOLD-SILVER VALUES ARE ENHANCED.

IT IS FURTHER RECOMMENDED THAT A PRE-PRODUCTION TEST OF 100 TONS OF COMPOSITE SAND MATERIAL BE PELLETIZED IN CYANIDE SOLUTION TO DETERMINE RECOVERY, ALL PRIOR TO PRODUCTION.

RESPECTFULLY SUBMITTED

J. L. Kirwan

J.L. KIRWAN, GEOLOGIST, CONSULTANT
TO THE MINERAL INDUSTRY

supervise drilling

6/11/2000 signed

VERTICAL DRILL HOLE CONFIGURATION

LAPOSA, INC

QUARTZITE AREA, ARIZONA

LP9(50')

LP6(40')

LP1(50')

LP8(40')

LP5(40')

LP2(40')

LP7(50')

LP4(40')

LP3(50')

INDEX: Scale:

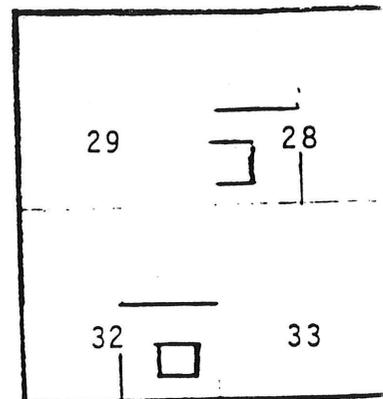


100'

● Drill Hole Location and Depth



sections



R10W, T1S

VERTICAL DRILL HOLE CONFIGURATION

LAPOSA, INC

QUARTZITE AREA, ARIZONA

('B' HOLES)

LPB9(50')

LPB6(40')

LPB1(50')

LPB8(40')

LPB5(40')

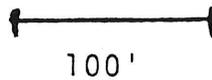
LPB2(40')

LPB7(50')

LPB4(40')

LPB3(50')

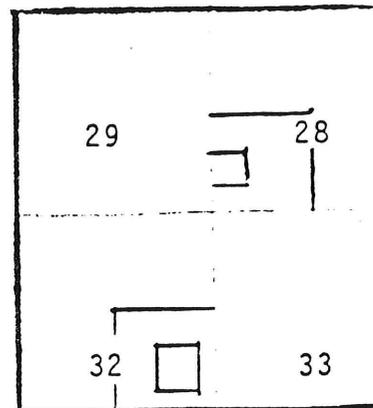
INDEX: Scale:



• Drill Hole Location and Depth



sections



R10W, T1S

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
P.O. BOX 672
TOMBSTONE, AZ 85638
Phone: 457-3132



March 3, 1984

Dale Runyan
Uranco Energy, Inc.
528 Fondulac Drive
East Peoria, Illinois 61611

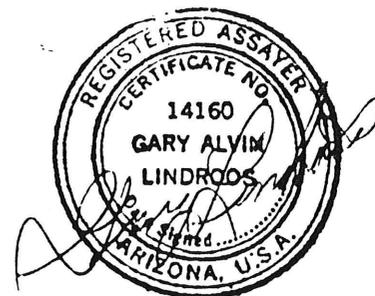
CERTIFICATE OF ANALYSIS

Ounces Leached

Sample Identification	Ag	Au	CN	PH	
LF (Mixer Agit) 15 m.	0.14	0.032	2.9	9.0	
30 minutes	0.16	0.036	3.2	9.5	
45 minutes	0.16	0.044	3.0	9.2	
1 Hour	0.16	0.048	3.0	8.8	Added Lime 2 lbs/Ton
1½ Hours	0.16	0.052	3.0	10.4	
2 Hours	0.16	0.052	3.0	10.4	
2½ Hours	0.16	0.052	2.9	10.2	
3 Hours	0.16	0.052	2.9	10.2	Added H ₂ O ₂ 2 lbs/Tc
3½ Hours	0.16	0.052	2.8	10.2	
4 Hours	0.16	0.052	2.8	10.1	
Head Assay	0.14	0.058			
Tailings Assay	Trace	0.005			
Percent Recovery	100.0	91.4			

Method of Analysis: Mixer Agitation (AA Analysis, LIBK Extraction)

1000 grams Ore
2000 grams Water
5 pounds per ton Lime
2 pounds per ton Hydrogen Peroxide
4 pounds per ton Sodium Cyanide
Sodium Cyanide consumed: 1.2 pounds per ton solution.
Amenability to cyanidation: Excellent



LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



Feb. 14, 1984
 Franco Energy, Inc.
 28 Pondulac Drive
 East Feoria, Illinois 61611

PROPERTY "A"

CERTIFICATE OF ANALYSIS

LF composite (-1/8" screened)

Sample Identification	Ag	Au	Cu	Pb	Flow rate	
24 hrs	.12	.032	0.9	9.5	0.2	
48 hrs	.12	.044	1.8	9.2	0.2 Add 1lb NaCN/ton	
72 hrs	.12	.046	1.5	9.0	0.2 Add 2lb H2O2/ton	
re-cure 72 hours	changed solution					
96 hrs	tr	.002	1.6	9.2	0.2	
120 hrs	tr	.002	1.4	9.2	0.2	
144 hrs	tr	.004	1.3	9.2	0.2	
head assay	.14	.060				
tailings assay	.03	.012				
% recovery	78.6	80.0				
Pelletizing info: 50 lbs ore, 20 lbs cement/ton ore, 3 lbs sodium cyanide per ton solution, 2 lbs caustic soda/ton ore. Curing time: 72 hrs						
Sample was spread out to dry after agglomeration. Dried between						

sprays (72 hrs and 96 hrs) Percolation poor; Solution: Increase cement
 Method of Analysis: from 20 to 40 lbs per ton ore. Amenability: Good. NaCN consumed: 2.8
 lbs per ton solution.



FEB 14 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



January 24, 1984

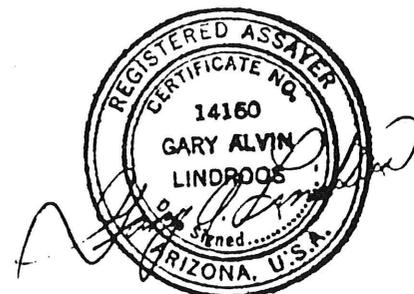
Dale Runyan
 Uranco Energy, Inc.
 528 Fondulac Drive
 East Peoria, Illinois 61611

CERTIFICATE OF ANALYSIS

Screen Analysis/ Assay -1/8"

Sample Identification	-1/8"	+1/8"	Ag	Au		
LF-1 0-10'	93.1%	6.9%	0.04	0.042		
10-20'	72.5	27.5	0.02	0.048		
20-30'	84.4	15.6	0.12	0.032		
30-40'	69.5	30.5	0.06	0.048		
40-50'	88.3	11.7	0.02	0.052		
LP-2 0-10'	89.1	10.9	0.04	0.036		
10-20'	75.3	24.7	0.04	0.040		
20-30'	79.8	20.2	tr	0.044		
30-40'	74.9	25.1	tr	0.044		
LP-3 0-10'	86.6	13.4	tr	0.072		
10-20'	73.0	27.0	tr	0.104		
20-30'	76.6	23.4	0.04	0.056		
30-40'	73.5	26.5	0.02	0.048		
40-50'	59.0	41.0	0.02	0.056		

Method of Analysis: Acid Digestion (MIBK Gold)



JAN 24 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



January 24, 1984

Uranco Energy (Page 2)

CERTIFICATE OF ANALYSIS

Screen Analysis / Assay -1/8"

Sample Identification	-1/8"	+1/8"	Ag	Au		
LF-4 0-10'	70.0	30.0	0.08	0.048		
10-20'	72.8	27.2	0.08	0.048		
20-30'	71.1	28.9	0.04	0.044		
30-40'	80.0	20.0	0.04	0.032		
LF-5 0-10'	81.8	18.2	0.04	0.056		
10-20'	80.7	19.3	tr	0.036		
20-30'	80.6	19.4	tr	0.032		
30-40'	74.4	25.6	0.02	0.044		
LF-6 0-10'	87.1	12.9	0.08	0.036		
10-20'	85.3	14.7	0.04	0.044		
20-30'	84.5	15.5	0.04	0.032		
30-40'	82.1	17.9	0.04	0.036		

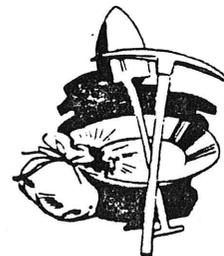
Method of Analysis: _____



JAN 24 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
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 TOMBSTONE, AZ 85638
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January 24, 1984

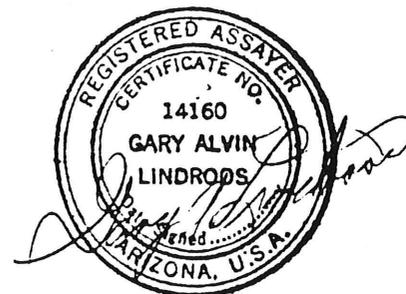
Uranco Energy (Page 3)

CERTIFICATE OF ANALYSIS

Screen Analysis / Assay -1/8"

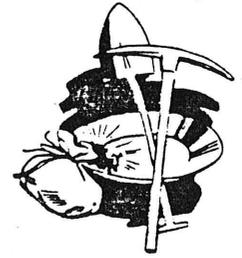
Sample Identification	-1/8"	+1/8"	Ag	Au		
LP-7 0-10'	63.2	36.8	0.04	0.064		
10-20'	82.4	17.6	0.04	0.032		
20-30'	86.8	13.2	tr	0.024		
30-40'	85.5	14.5	tr	0.040		
40-50'	90.6	9.4	tr	0.036		
LP-8 0-10'	79.8	20.2	0.12	0.060		
10-20'	86.9	13.1	0.12	0.044		
20-30'	86.6	13.4	0.12	0.032		
30-40'	83.6	16.4	0.08	0.028		
LP-9 0-10'	87.3	12.7	0.04	0.060		
10-20'	89.2	10.8	tr	0.048		
20-30'	84.9	15.1	tr	0.024		
30-40'	81.8	18.2	0.08	0.032		
40-50'	83.3	16.7	0.10	0.058		

Method of Analysis: _____



LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
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 Phone: 457-3132



February 26, 1984

Dale Runyan
 Uranco Energy, Inc.
 528 Fondulac Drive
 East Peoria, Illinois 61611

PROPERTY "B"

CERTIFICATE OF ANALYSIS

Ounces Per Ton

Sample Identification	Ag	Au	CN	PH	Flow Rate gpm	
LFB -1/8" 24 Hour	0.08	0.036	1.4	9.8	0.6	
48 Hour	0.10	0.042	1.2	9.8	0.6	
72 Hour	0.10	0.044	1.1	9.7	0.6	
72 Hours curing time between respray.			Respray	run with new solutions.		
96 Hour	0.04	0.006	2.3	9.5	0.5	
120 Hour	0.05	0.006	2.3	9.5	0.5	
144 Hour	0.05	0.006	2.2	9.5	0.5	
	Ag Oz/T	Au Oz/T				
Head Assay	0.18	0.064				
Tailings Assay	0.02	0.008				
Percent Recovery	88.9	87.5				
Total Ounces Leached	0.16	0.056				

Method of Analysis: Pelletized Barrel Test

Geochem. Heads and Tailings AA - Solutions.

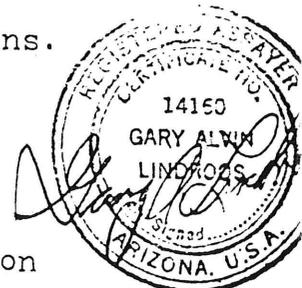
Pelletizing Information:

- 40 pounds Portland Cement/Ton Ore.
- 2 pounds Caustic Soda/ton Solution.
- 3 pounds Sodium Cyanide/ton Solution.

Curing Time 72 Hours

Sample was spread out to air dry after initial pelletization and after 72 hours spraying time.

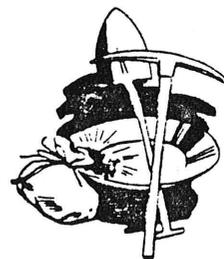
NaCN consumed: 2.7 pounds/ton solution.



2 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



February 4, 1984

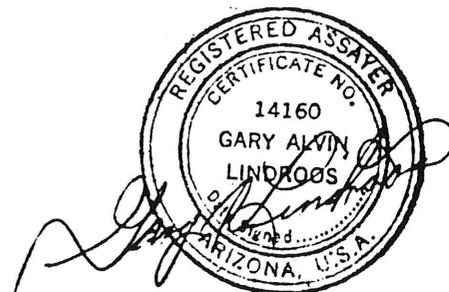
Dale Runyan
 Uranco Energy, Inc.
 528 Pondulac Drive
 East Peoria, ILLinois 61611

CERTIFICATE OF ANALYSIS

Screen Analysis / Assay -1/8"

Sample Identification	-1/8"	+1/8"	Ag	Au		
LPB-1 0-10	82.5	17.5	0.16	0.056		
10-20	65.3	34.7	0.28	0.056		
20-30	86.4	13.6	0.04	0.048		
30-40	90.4	9.6	tr	0.044		
40-50	67.6	32.4	tr	0.052		
LPB-2 0-10	72.7	27.3	tr	0.064		
10-20	85.4	14.6	tr	0.052		
20-30	92.5	7.5	tr	0.032		
30-40	90.6	9.4	tr	0.036		
LPB-3 0-10	64.5	35.59	0.04	0.070		
10-20	84.2	15.8	tr	0.029		
20=30	88.7	11.3	0.16	0.035		
30-40	87.9	12.1	0.16	0.035		
40-50	87.2	12.8	tr	0.032		

Method of Analysis: Acid Digestion (MIBK Gold)



FEB 5 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



February 5, 1984

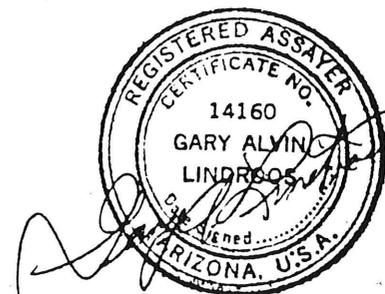
Uranco Energy (Page 2)

CERTIFICATE OF ANALYSIS

Screen Analysis/ Assay -1'8"

Sample Identification	-1/8"	+1/8"	Ag	Au		
LPE-4 0-10	89.1	10.9	0.06	0.070		
10-20	78.1	21.9	0.08	0.068		
20-30	95.6	4.4	0.32	0.072		
30-40	96.3	3.7	0.12	0.058		
LPE-5 0-10	78.1	21.9	0.10	0.060		
10-20	90.6	9.4	0.10	0.048		
20-30	91.1	8.9	0.12	0.056		
30-40	94.1	5.9	0.20	0.068		
LPE-6 0-10	77.5	22.5	0.28	0.048		
10-20	94.3	5.7	0.24	0.060		
20-30	93.4	6.6	0.16	0.048		
30-40	96.6	3.4	0.20	0.064		

Method of Analysis: _____



FEB 5 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



February 5, 1984

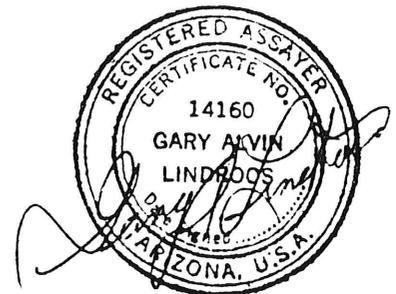
Uranco Energy (Page 3)

CERTIFICATE OF ANALYSIS

Screen Analysis / Assay -1/8"

Sample Identification	-1/8"	+1/8"	Ag	Au		
LFB-7 0-10	71.9	28.1	0.06	0.056		
10-20	89.0	11.0	0.04	0.064		
20-30	89.6	10.4	0.04	0.076		
30-40	94.8	5.2	0.02	0.036		
40-50	90.0	10.0	0.02	0.042		
LFB-8 0-10	64.5	35.5	tr	0.046		
10-20	83.2	16.8	tr	0.032		
20-30	92.8	7.2	tr	0.036		
30-40	96.5	3.5	tr	0.052		
LFB-9 0-10	71.0	29.0	tr	0.056		
10-20	69.3	30.7	0.02	0.052		
20-30	90.7	9.3	0.04	0.044		
30-40	78.8	21.2	0.04	0.044		
40-50	92.0	8.0	0.02	0.036		

Method of Analysis: _____



FEB 5 1984

LINDROOS LABORATORIES

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P.O. BOX 672
TOMBSTONE, AZ 85638
Phone: 457-3132



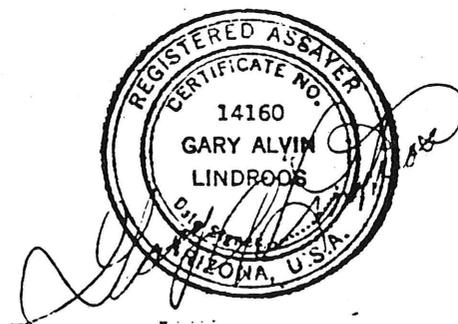
February 5, 1984

Uranco Energy, Inc.
528 Fondulac Drive
East Peoria, Illinois 61611

SHAKER TESTS (Cyanide Amenability)

LPB Composite

Reagents (in pounds per ton)	Ag Oz/T	Au Oz/T	CN	PH
Lime 4, Sodium Cyanide 3	Trace	0.008	2.8	11.5
Lime 4, Sodium Cyanide 3, H ₂ O ₂ (2)	Trace	0.010	2.8	11.5
Caustic Soda 2, NaCN 3,	0.04	0.052	2.7	10.8
Caustic Soda 2, NaCN 3, H ₂ O ₂ (2)	0.06	0.056	2.8	10.6
Caustic Soda 2, NaCN 3, H ₂ O ₂ (2), Pb Acetate	0.06	0.052	2.8	10.7



FEB 5 1984

MINING PROPERTY

FOR

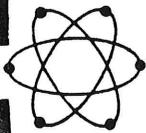
LEASE

GOLD

&

SILVER

ARIZONA, U. S. A.



URANCO ENERGY INC.

TELEPHONE: (309) 699-8725

(309) 699-1275

Gold Properties for Lease

Uranco Energy Inc. represents several clients who have developed placer mining properties for lease.

LOCATION: Southwestern Arizona

TERMS: Option period-60 days-no charge

Advance Royalty \$25,000

Monthly minimum royalty 2,000

Royalty 10%

Length of lease (renewable) 5 years

CONDITIONS: Lessee must agree to build a 1,000 ton per day plant within one year and increase it to 2,000 tpd within two years.--For each four placer claims under lease.

TONNAGE: Lessor will block out one million tons of ore. If the ore assays out at a minimum of .05 troy ounces of gold per ton, lessee is to refund the drilling and assay cost. The assay work is to be done by Lindroos Laboratory of Tombstone, Az.

Val L. Bunker

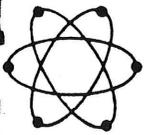
29.166 gram 100% Au/ton Regis

1 ton for 24 hrs. filtered & assayed.

Dry tails - five assays

	<u>Au</u>	<u>Au</u>
	oz/ton	oz/ton
	0.02	0.31

Filtrate to dryness-assay 0.05 1.00



PLACER MINING PROJECT

Southwestern Arizona

Phase		Completed
I	Locate, stake and record mining claims June, 1983--January, 1984	x
II	Examination of property and Sampling June 1983--January, 1984	x
III	Assay & Metallurgical Study of Samples September, 1983--February, 1984	On going
IV	a. Develop a Commercial Flow Sheet	x
	b. Continuous Research to Improve recovery. Sept., 1983 to Present	On going
V	Drill and block out tonnage 4 Blocks completed-Jan, 1984	x (1)
VI	Leach tests to determine amount of gold and silver that can be recovered in production. Sept., 1983 to Present	x (2)
VII	Pilot tests to prove Phase VI--100 ton pilot tests are planned for Mar. & Apr. '84	
VIII	Engineer and Design a 1,000 TPD Plant	May, 1984
IX	Lease Properties	Jan, 1984 to __?
X	Plant Building & Production Assist Leasee in developing a viable program for their particular property.	May, 1984 to __?

(1) Additional areas will be drilled as needed.

(2) Ore samples from several areas have been tested.
Others will be tested as needed.

La POSA PLACER PROJECT

Arizona, U. S. A.

OWNER:	Three Mountains Corp. Peoria, Illinois
PROJECT COORDINATOR:	URANCO Energy Inc. Peoria, Illinois
GEOLOGIST:	Jerry L. Kirwan Scottsdale, Arizona
ENGINEERS:	Marston & Marston Inc. St. Louis, Missouri

LA POSA PLACER
PROFORMA
12 Months

PRODUCTION:*	1,000 TPD	2,500 TPD
	\$5,422,500	\$13,556,250
COSTS: Milling Smelting and Refining (10%)	\$2,250,000	\$ 5,000,000
	<u>542,250</u>	<u>\$ 1,355,625</u>
OPERATING NET:	\$2,630,250	\$ 7,200,625
ROYALTY: 10%	\$ 542,250	\$ 1,355,625
COSTS of SALES: (5%)	271,125	\$ 677,812
NET PROFIT:	\$ 1,816,875	\$ 5,167,188
PROFIT PER TON:	\$ 7.267	\$ 8.267

* 250 days per year production

Assay per ton of ore (Blocked out tonnage.)

Gold .064 troy ounces X \$375	\$24.00
Silver .16 troy ounces X \$9.50	<u>1.52</u>
	\$25.52
Recoverable values 85%	\$21.69

Depletion allowance on gold and silver is 16%

Therefore 16% of the gross royalty is tax free.

La POSA PLACER

Summary

WHAT: Open Pit Placer Golds & Silver Mining Property.

WHERE: Southwestern, Arizona

SIZE: 4 Placer Claims (640 Acres) ¹

VALUE: Assay Au .064 Troy Ounce
Ag .16 Troy Ounce
Recoverable by Cyanide leach 85% plus.

TONNAGE: Proven -- 400' x 400' x 40' deep, 948,000 tons
Estimated on 640 acres to 50 feet, 185,000,000 tons.

PRODUCTION: Heapleach, Agglomerated 1/8" mining material.

PROFIT POTENTIAL: ²
1,000 TPD Plant \$7.267/ton
2,500 TPD Plant \$8.267/ton

DEPLETION: 16%

LEASE: 60 Days Examination -- no charge
Advance Royalty \$25,000 per 4 claims
Minimum Monthly Royalty - \$2,000
Minimum Production Capability Required:
1 year 1,000 TPD
2 year 2,000 TPD

CAPITAL REQUIRED: 1000 TPD -- \$1,000,000

1. More land is available to financially capable Lessees
2. Based on gold at \$375, Silver at \$8.40 and an operating expense of \$9.00 per ton at 1,000 TPD and \$8.00 per ton at 2,500 TPD (See Proforma)

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



PROPERTY "B"

February 26, 1984

Dale Runyan
 Uranco Energy, Inc.
 523 Pondulac Drive
 East Peoria, Illinois 61611

CERTIFICATE OF ANALYSIS

Ounces Per Ton

Sample Identification	Ag	Au	CN	PH	Flow Rate gpm
LFB -1/8" 24 Hour	0.08	0.036	1.4	9.8	0.6
48 Hour	0.10	0.042	1.2	9.8	0.6
72 Hour	0.10	0.044	1.1	9.7	0.6
72 Hours curing time between respray. Respray run with new solutions.					
96 Hour	0.04	0.006	2.3	9.5	0.5
120 Hour	0.05	0.006	2.3	9.5	0.5
144 Hour	0.05	0.006	2.2	9.5	0.5
	Ag Oz/T	Au Oz/T			
Head Assay	0.18	0.064			
Tailings Assay	0.02	0.008			
Percent Recovery	88.9	87.5			
Total Ounces Leached	0.16	0.056			

Method of Analysis: Pelletized Barrel Test

Geochem Heads and Tailings NA - Solutions.

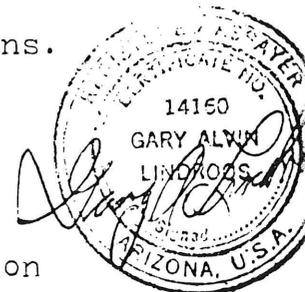
Pelletizing Information:

- 40 pounds Portland Cement/ton Ore.
- 2 pounds Caustic Soda/ton Solution.
- 3 pounds Sodium Cyanide/ton Solution.

Curing Time 72 Hours

Sample was spread out to air dry after initial pelletization and after 72 hours spraying time.

NaCN consumed: 2.7 pounds/ton solution.



FEB 26 1984

LINDROOS LABORATORIES

GARY A. & NAOMI R. LINDROOS
 P.O. BOX 672
 TOMBSTONE, AZ 85638
 Phone: 457-3132



March 3, 1964

Dale Runyan
 Uranco Energy, Inc.
 528 Fondulac Drive
 East Peoria, Illinois 61611

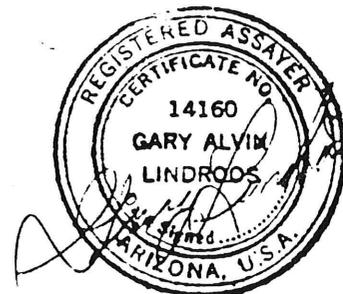
CERTIFICATE OF ANALYSIS

Ounces Leached

Sample Identification	Ag	Au	CN	PH	
LF (Mixer Agit) 15 m.	0.14	0.032	2.7	9.0	
30 minutes	0.16	0.036	3.2	9.5	
45 minutes	0.16	0.044	3.0	9.2	
1 Hour	0.16	0.048	3.0	8.8	Added Lime 2 lbs/Tc
1½ Hours	0.16	0.052	3.0	10.4	
2 Hours	0.16	0.052	3.0	10.4	
2½ Hours	0.16	0.052	2.9	10.2	
3 Hours	0.16	0.052	2.9	10.2	Added H ₂ O ₂ 2 lbs/
3½ Hours	0.16	0.052	2.8	10.2	
4 Hours	0.16	0.052	2.8	10.1	
Head Assay	0.14	0.058			
Tailings Assay	Trace	0.005			
Percent Recovery	100.0	91.4			

Method of Analysis: Mixer Agitation (AA Analysis, MIBK Extraction)

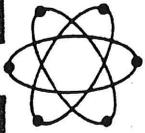
1000 grams Ore
 2000 grams Water
 5 pounds per ton Lime
 2 pounds per ton Hydrogen Peroxide
 4 pounds per ton Sodium Cyanide
 Sodium Cyanide consumed: 1.2 pounds per ton solution.
 Amenability to cyanidation: Excellent



La POSA PLACER PROJECT

Estimated Costs

		<u>\$ in (000)s</u>		<u>Tons</u>
	<u>Investiga-</u>	<u>Pilot</u>	<u>Produc-</u>	<u>Per Day</u>
	<u>tion Stage</u>	<u>Stage</u>	<u>tion Plant</u>	
<u>Process A (Vat Leach)</u>	\$ 5-8	\$ 10-20	\$ 150	50
Kirsher Ore & Re-	\$ 30 Days	\$ 30 days	\$ 90 days	
fining Co.				
4750 Andrews Road	Plus			
Medford, Oregon 97501	Drilling			
(503) 773-5775				
<u>Process B (Heap Leach)</u>	\$ 10	\$ 15	\$ 1,000	1,000
Escapule Milling	30-60 days	30 days	120 days	
and Consulting				
5021 Alta	Plus			
Las Vegas, Nevada	Drilling			
89107				
(702) 870-9673				
<u>Process C (Heap Leach)</u>	\$ 20	\$ 15	\$ 2,500	2,500
Marston & Marston	60 days	30 days	18 months	
1655 Des Peres Road				
St. Louis, MO 63131	Plus			
(314) 822-2254	Drilling			



URANCO ENERGY INC.

TELEPHONE: (309) 699-8725

(309) 699-1275

PLACER MINING PROJECT

Southwestern Arizona

CONSULTANTS	ORGANIZATION	CONTACT
Project Coordinator & Partner	Uranco Energy Inc. 528 Fon du Lac Drive East Peoria, Il 61611	Dale L. Runyon 309/699-8725
Registered Assayer	Lindroos Laboratories P. O. Box 672 Tombstone, Az. 85638	Gary Lindroos 602/457-3132
Ore Analysis & Refining	Kircher Ore & Refining Co. 4750 Andrews Rd. Medford, Oregon 97501	Fred Kircher 503/773-5775
Geologist	Assays, Ore Analysis, Flow Sheets Plant Design, Refining & Metal Buyer Jerry L. Kirwan B. Sc., P. E. 12640 N. 70th St. Scottsdale, Az. 85254	Jerry Kirwan 602/991-0856
Plant Design	Consulting, Exploration & Engineering Escapule Milling & Consulting 5021 Alta Las Vegas, Nevada 89107	Barton A. Giles 702/870-9673
Engineering Management	Flow Sheets, Blue Prints & Construction Marston & Marston Engineers 1655 Des Peres Rd. St Louis, Mo. 63131	Bill Marston 314/822-2254
	Reserve Determination, Plant Design Construction, Contract Management	

BUSINESS REFERENCES
URANCO ENERGY INC.
DALE L. RUNYON, PRESIDENT
528 Fon du Lac Drive
East Peoria, IL. 61611

Dr. Frank Westervelt
(313) 995-0606

S&T Theoretic Information Systems
3135 South State Street
Ann Arbor, Michigan 48104

Mr. John Murphy
(714) 730-6103

Gila Mining Co.
19211 Doe Run
Santa Ana, California 92705

Mr. Hank McRoberts
Business: (309) 682-3323

Summit Products Co.
2214 North University
Peoria, Illinois 61604

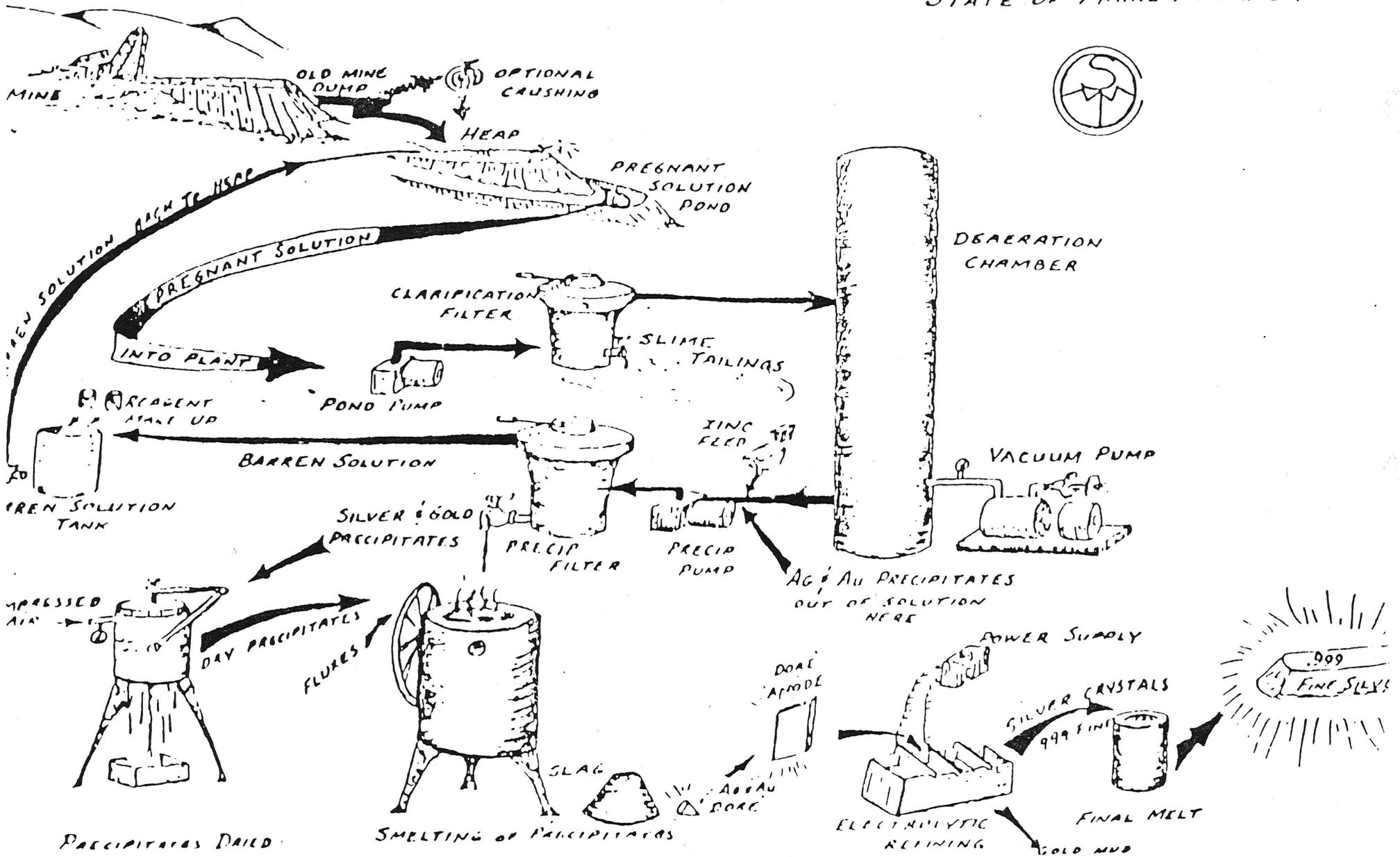
Mr. Gary Kailey
Business: (309) 688-9064

Dove Communications
4617 N. Prospect Road
Peoria Heights, Illinois 61614

W. T. Marston, P.E.
Business (314) 822-2254
Telex: 706976
Cable: MARSTONSTL

Marston & Marston, Inc.
Suite 150, 1655 Des Peres Road
P.O. Box 31338
Saint Louis, Missouri 63131

FLOW SHEET OF HEADLEACH OPERATION
 FROM MINE TO 999 FINE SILVER
 STATE OF MAINE MINING CO.



ORE TONNAGE
CALCULATION

	TONS
One acre foot at 15 cubic feet per ton	2,900
One Acre foot over 1 placer claim (160 acres)	464,000
One acre foot over 4 placer claims (640 acres, 1 sq mile)	1,856,000
100 feet deep on 1 square mile	185,600,000
300 feet deep on 1 square mile	556,800,000

PROJECTED LIFE OF A DEPOSIT

10,000 tons per day -- 250 days per year

1 square mile (4 claims)	222 years
1 placer claim (160 acres)	55 years
100 feet of depth on one claim	18 years
50 feet of depth on one claim	9 years
2,000 T P D to 50 feet on one claim	45 years *

* If the ore to be processed is 80% 1/8 inch minus--reduce the property life 20% to 36 years.

Tonnage must be further reduced by the area of the plant site and the slope of the sides of the pit.