



CONTACT INFORMATION

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

The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

ACCESS STATEMENT

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

CONSTRAINTS STATEMENT

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of "fair use."

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

QUALITY STATEMENT

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

PRINTED: 11/19/2001

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: LINCOLN

ALTERNATE NAMES:

PATENTED CLAIMS MS 1599A
PATENTED CLAIMS MS 1599B
ROUGH RIDER, PAT. CLAIM 1599A

YAVAPAI COUNTY MILS NUMBER: 796B

LOCATION: TOWNSHIP 10 N RANGE 1 W SECTION 1 QUARTER SW
LATITUDE: N 34DEG 13MIN 57SEC LONGITUDE: W 112DEG 19MIN 22SEC
TOPO MAP NAME: CROWN KING - 7.5 MIN

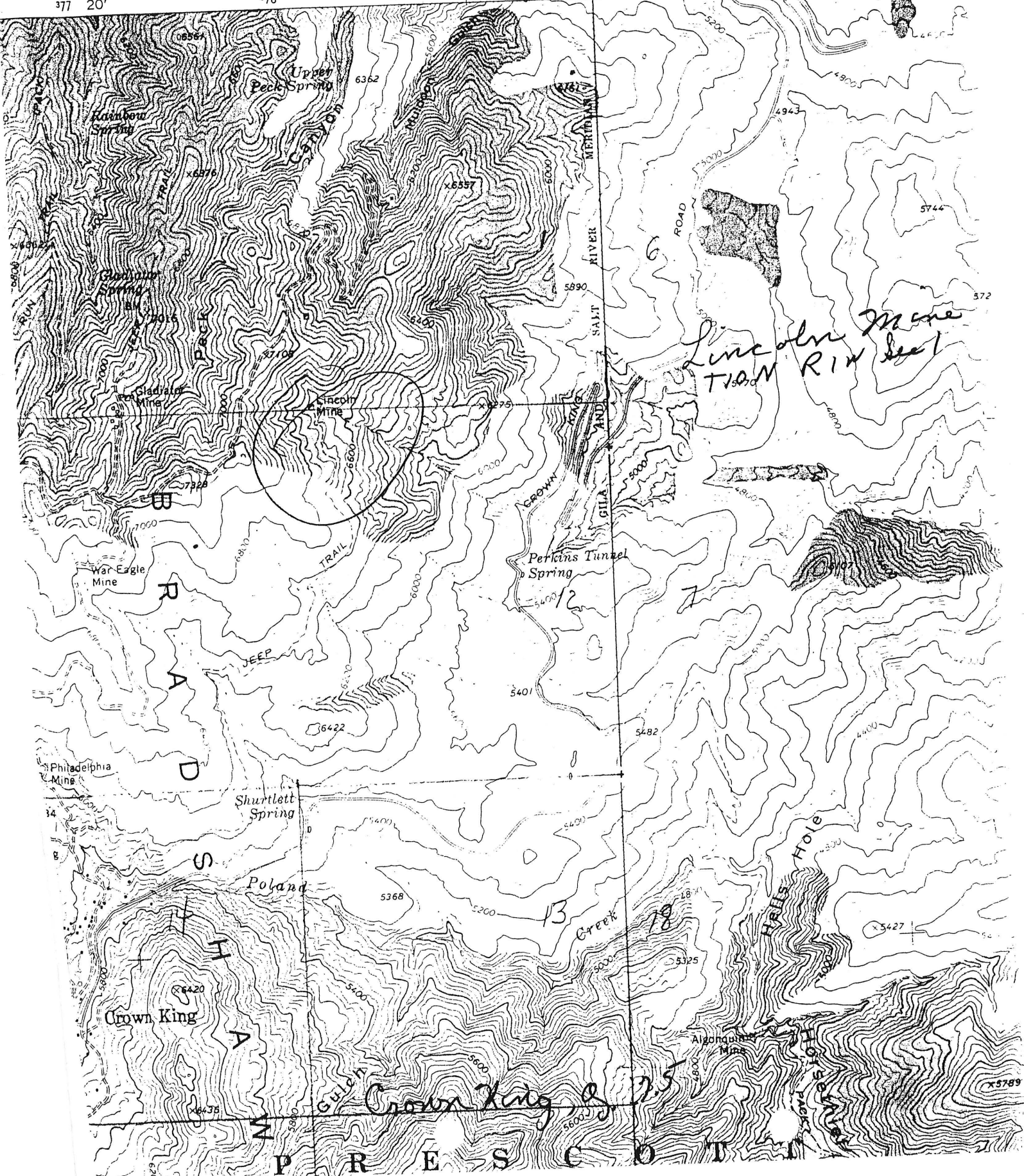
CURRENT STATUS: PAST PRODUCER

COMMODITY:

GOLD
SILVER
COPPER SULFIDE

BIBLIOGRAPHY:

USGS CROWN KING QUAD
BLM MINING DISTRICT SHEET 210
YAVAPAI MAGAZINE JUN. 1918 P 3 SHARLOT HALL
MUSEUM PRESCOTT, AZ (*IN FILE*)
ADMMR LINCOLN FILE
WILSON, E.D. ETAL. AZ LODGE GOLD MINES AZBM
BULL 137 1967 P 58
CLAIMS EXTEND INTO SEC. 1, 11 & 12
GUITERAS, J.R. GOLD MINING ANDMILLING IN THE
BLACK CANYON AREA USBM IC 6905 1936 P 41
LINDGREN, W. ORE DEPTS JEROME & BRADSHAW MTNS
QUADS USGS BULL 782 1926 P 170



LINCOLN MINE

YAVAPAI COUNTY

TION RIW Sec 1

ABM Bull. 137 p. 58
ABM Bull. 140 p. 101

USGS BULL. 782 p. 170

SEE: IC 6905 p. 41

Arizona Mining Journal July, 1918, p. 26

Bradshaw Lumber Mining Co (file)

MILS Yavapai print out p. 8990

NAME OF MINE: LINCOLN

COUNTY: Yavapai

OWNER: Chas. C. Miller, Jr., 3018 N. 7th

DISTRICT:

5th Ave., Phx., trustee

METALS: Cu

OPERATOR AND ADDRESS		MINE STATUS	
Date:	E.M. Moores, Jr., Crown King	Date:	
6/45	& Chas. C. Miller, Jr.	6/45	Developing
		11/46	Idle

YAVAPAI COUNTY

LINCOLN

NJN WR 4/11/86: It was reported that Norquest Inc. (c) or a related company has dewatered the Lincoln (f) Yavapai County and is sampling the underground workings. The preliminary results are positive enough that a drilling program is being planned.

NJN WR 2/6/87: Clayton Varnhue and George Ambarianty with Imco/Golden Eagle, Box 249, Mayer, Arizona 86333, visited and reviewed the file and geology on the Lincoln Mine (file) Pine Grove District, Yavapai County. They are doing a surface drilling project to identify an ore shoot and are trying to compile an underground plan and section map of the mine.

LINCOLN MINE

YAVAPAI COUNTY

Property inactive. Mark Gemmill
5-27-57

Learned that the Hagerty Research and Development Co., John P. Hagerty, 8715 E. 21st Street, Tucson. Pres. is building a road from the Lincoln mine to come down by the Swastika to the main road to Cleator. 4 men working. EGW WR 1-22-65

Learned the Hagerty Research and Development Co. had quit work on the road to the Lincoln mine. EGW WR 3-19-65

John Hagerty is sorting high grade from Lincoln mine dump. FTJ WR 7-23-65

In company of Ken Phillips went to Crown King where we enjoyed a lengthy conversation with Everett Yount. He said that last fall a geologist by the name of Marsh who he thought was from L.A. drilled 5 core holes from 150-500 feet deep on the old Lincoln property near the Crown King mine. GW WR - 5-25-73

NJN WR 9/16/83: Doug Madden, geologist representing a Texas interest, reported that he had completed an underground sampling project at the Lincoln Mine, Yavapai County. Over 700' on one level and 350' on another were sampled.

MG WR 3/2/84: The owner of the Rough Rider and Yellow Jacket patented claims in Sec. 1 T10N R1W of Yavapai Co. (Lincoln Mine file) is Dorothy George, Lincoln Mines Inc., 400 S. Burnside Ave., Los Angeles, CA 90036.

NJN WR 6/14/85: Tom Boyden (c) visited and reported that he is representing Dorothy George, owner of the Lincoln Mine (f) Yavapai County. He has tried without success to interest U.S. Borax in the property since they are drilling nearby. He believes he can interest some other majors in the property.

NJN WR 11/15/85: A U.S. Borax geologist reported that Texas-Gulf/U.S. Borax have drilled and left Haggerty's claims covering parts of the Pelican (f) and Lincoln (f) Yavapai County, properties. A major anticline shown on Ed Dewitt's Master thesis map in the area of the Gold King Spring near the Pelican was drilled with the hope that it would make a structural trap. Only several minor folds (and no mineralization?) were found.

JAMES A. MARSH
CONSULTING MINING GEOLOGIST
11005 WRIGHTWOOD PLACE
NORTH HOLLYWOOD, CALIFORNIA 91604
(213) 877-4777

REPORT ON THE LINCOLN MINE

Yavapai County, Arizona

by

James A. Marsh, Consulting Mining Geologist

LOCATION

The property known as the Lincoln Mine is situated in the Pine Grove Mining District, better known as the Crown King District, Yavapai County, Arizona, lying in portions of Sections 1, 2, 11, and 12, Township 10 North, Range 1 West. The mine is about 6,900 feet above sea level and 1,000 feet above Crown King. It is approximately three (3) miles north of Crown King over an unimproved road with an average grade of about 7%. This road must be improved before mining operations can be commenced at the mine. See attached map for location of mine.

MINING CLAIMS

The Lincoln property consists of six (6) patented lode mining claims, two (2) patented mill sites, and one (1) unpatented mining claim. They are as follows:

<u>Number</u>	<u>Claim</u>	<u>Date of Location</u>
1	Rough Rider	May 12, 1899 - Patented
2	Yellow Jacket	January 1, 1896 - Patented
3	Norma	June 1, 1895 - Patented
4	Quien Sabe	January 1, 1895 - Patented
5	S.P. Carlin	January 1, 1896 - Patented
6	Alene	July 15, 1899 - Patented
7	Admiral Millsite	June 15, 1899 - Patented
8	Valley Millsite	June 15, 1899 - Patented
9	American Girl	October 30, 1979 - Unpatented

The claims cover an area of 112.56 acres parallel with the main Lincoln vein. See attached map.

TITLE

The title to the Lincoln Mine property is held by Lincoln Mines, Inc., an Arizona corporation. The title is clear, and no claims are on record against it. As of this date, there is a Lease Agreement between Gordon Neaves and Lincoln Mines, Inc.

HISTORICAL DEVELOPMENT, METALS, AND PRODUCTION

Exploration, development, and mining operation at the Lincoln Mine commenced in 1905. During the first few years of operation, ore was treated in a two (2) stamp mill and later in a five (5) stamp mill. The ore was oxidized, running entirely in gold, having a grade in excess of one (1) ounce per ton. Recoveries are reported to have been poor. During 1906, the five (5) stamp mill was replaced by a fifteen (15) mill, two Wilfrey tables, and three (3) Freuranners, which resulted in better concentration. The tailings from this mill contained values from \$1.20 to \$1.80 per ton. Under a gold price of \$400 per ounce, these tailings would have a gross value of \$24.00 to \$36.00 per ton.

The main workings of the mine were closed down November 1, 1907, due to the closing down of the Humbolt Smelter, which owed the company for all of the October shipments.

A limited amount of mining was conducted during 1910, 1911, 1912, 1918, and 1931 from the main workings and the south end of the property.

GEOLOGY

The country rock is essentially the Bradshaw granite and Yavapai schist with intrusive dykes of diorite, porphyry, dolomite, and greenstone. The region is very highly mineralized along the contacts and fractures.

VEINS AND ORES

The main Lincoln vein strikes N-25°-30° E and dips 65°-70° N.W. It is on contact between granite foot wall and dolomite hanging wall. It has an average width of two (2) feet along the surface outcrop. Where exposed by various underground workings, the vein widens and at the deepest point reached, 350 feet below the surface, it has a width of 40 feet from wall to wall. The vein is continuous and has been worked on four (4) consecutive claims from north to south.

The main tunnel driven on the Lincoln vein shows the ore to have a width of five to 26 feet, with assay values varying from \$3.75 to \$40.00 in gold per ton (1910). Based on the present price of gold, \$400 per ounce, the values would be \$75.00 to \$800 per ton. The Iron Dyke vein, 300 feet westerly and parallel to the Lincoln vein at the north end of the property, has an average width of 100 feet. Samples taken along the surface show values in gold from \$3.00 to \$6.00 per ton (1910). Based on the present price of gold, \$400 per ounce, the values would be \$60.00 to \$120.00.

CHARACTER OF VEIN

The vein throughout the length of the main level (1800') and other levels below is well defined between hard walls. The vein filling is composed of talcy, ground-up schist, highly silicified, with bands of quartz and heavily iron stained.

CHARACTER OF THE ORE

The sulphide ore is primarily gold ore consisting of the following minerals: free gold, pyrite, chalcopryrite, tetrahedrite. The value of the ore is shown in the attached tables from the original smelter sheets and mint returns. They cover all shipments made from the mine. A considerable tonnage of ore was milled and shipped in 1910 over a period of five (5) months by parties who had the mine under lease. Authentic records of this work are not available.

ORE BODIES DEVELOPED

The main ore body at the north end of the property has been developed by about 2100 feet of drifting and 300 feet of shaft sinking. It has a strike length of 400 feet, a width of five to 42 feet, and extends to a maximum of 200 feet above the main tunnel and downward 100 feet to the 100 foot level. The ore body was further developed by sinking the Bradley winze to a depth of 170 feet below the main level. From the bottom of the winze, a drift was extended 400 feet south along the vein. At 150 feet from the winze, a cross cut from wall to wall showed the vein to have a total width of 42 feet. With a value of \$4.00 per ton (1910), based on gold having a price of \$400 per ounce, this would have a gross value of \$80 per ton. The lowest assay in the drift was \$8.00 per ton with values running as high as \$136 per ton (1910). Results of sampling along the 370 feet of the drift showed an average width of 42 feet with an average value of \$4.00 per ton. Based on the present price of gold, \$400 per ounce, this would have a gross value of \$80 per ton.

During 1932, the Bradley winze was rehabilitated and sunk for an additional 70 feet, making a total depth of 200 feet below the main level. From the bottom of the winze, a drift was extended 160 feet south along the vein. At the face of this drift, a cross cut from wall to wall showed the vein to have a width of 15 feet, with high-grade gold, silver, and copper ore. A drift was also extended

100 feet north along the vein. A cross cut at the face showed 10 feet of high-grade ore.

Results of the above development work has proven the downward extension of the high-grade ore mined in 1905-1910 for a depth of 140 feet to 200 feet.

The Matheney Stope, adjoining the Bradley winze to the north, is 200 feet in length. During 1932, two (2) carloads of ore were mined from this stope and shipped to the A.S. & R. Smelter at Hayden, Arizona, showing net smelter returns of \$22.50 per ton. With values mostly in gold, based on gold value of \$400 per ounce, this would have a gross value of \$450 per ton. During 1980, 70 feet at the south end of this stope was sampled. The other 130 feet to the north was caved. These samples taken at 10-foot intervals along the foot-wall of the vein with widths of two to six feet had the following assay values:

Gold	- 0.627 oz. per ton - gross value per ton	\$250.80
Silver	- 4.930 oz. per ton - gross value per ton	<u>34.51</u>
(Based on price Au \$400 oz. and Ag \$7.00 oz.)		
Total		\$284.51

Preliminary examination of the caved area at the Matheney Stope indicates that the vein may have a maximum width of 20 feet.

During 1980, Neaves Petroleum Developments drilled four (4) diamond drill holes for the purpose of exploring for the downward continuation of the high-grade ore body mined from 1905 to 1910. These holes were located by a registered civil engineer and calculated to encounter the ore body at a depth of about 100 feet below the terminus of previous mining operations. Three of these holes cut through open stopes showing ore on the foot-wall of the vein, assay values of which are:

HOLE NO. 1

400-410'		
Cu	0.15%	
Au	0.120 oz. per ton - gross value per ton	\$48.00
Ag	0.70 oz. per ton - gross value per ton	<u>4.90</u>
Total gross value per ton		\$52.90

HOLE NO. 2

373-475'	
Cu 0.73%	
Au 0.27 oz. per ton - gross value per ton	\$108.00
Ag 2.00 oz. per ton - gross value per ton	<u>14.00</u>
Total gross value per ton	\$122.00

HOLE NO. 3

475-482'	
Cu 0.97%	
Au 0.35 oz. per ton - gross value per ton	\$ 140.00
Ag 2.80 oz. per ton - gross value per ton	<u>19.60</u>
Total gross value per ton	\$159.60

HOLE NO. 4

550-560'	
Cu 0.18%	
Au 0.31 oz. per ton - gross value per ton	\$124.00
Ag 1.10 oz. per ton - gross value per ton	<u>7.70</u>
Total gross value per ton	\$131.70

While making an examination of the main level in 1980, two diamond drill holes were found, one of which cut the back of the drift at the north end of the old stope. The other cut the foot-wall of the vein in the Matheney Stope.

There is no record of any previous drilling within this area, and it appears that these are holes two and three drilled in 1980.

In view of the above, it is probable that the engineers made an error in elevations, and if so, the downward extension of the high-grade ore body has not been tested below the 100 foot level.

DEVELOPMENT AND ORE PRODUCTION AT THE SOUTH END OF THE PROPERTY

Development within this area consists of approximately 810 feet of drifting and 120 feet of shafts.

In 1931, Lincoln Mines formulated a program by driving the South Camp Tunnel along the main Lincoln vein for the purpose of exploring for the downward continuation of the high-grade ore body to the north and also to test for other ore zones indicated by surface showings. This tunnel was driven for a distance

of approximately 500 feet encountering three (3) ore shoots.

In 1978, Neaves Petroleum Developments rehabilitated the South Camp Tunnel and sampled the three ore shoots previously developed. Results of this are as follows:

ORESHOOT NO. 1

Strike length - 78 feet	
Average width - 5 feet	
Average assay: Gold 0.262 oz. per ton - gross value per ton	\$104.80
Silver 2.52 oz. per ton - gross value per ton	<u>17.64</u>
Total gross value per ton	\$122.44

ORESHOOT NO. 2

Strike length - 122 feet	
Average width - 5 feet	
Average assay: Gold 0.234 oz. per ton - gross value per ton	\$ 93.60
Silver 0.60 oz. per ton - gross value per ton	<u>4.20</u>
Total gross value per ton	\$ 97.80

ORESHOOT NO. 3

Strike length - 60 feet	
Average width - 4 feet	
Average assay: Gold - 0.415 oz. per ton - gross value per ton	\$166.00
Silver 0.82 oz. per ton - gross value per ton	<u>4.90</u>
Total gross value per ton	\$170.90

WINZE FROM THE SOUTH CAMP TUNNEL

Depth of winze - 20 feet	
Width of vein - 4 to 6 feet	
Average grade of ore:	
Gold - 0.481 oz. per ton - gross value per ton	\$ 192.40
Silver - 0.82 oz. per ton - gross value per ton	<u>5.74</u>
Total gross value per ton	\$198.14

During 1931, 51.25 dry tons of ore were shipped from this winze and shipped to the A.S. & R. Smelter at Hayden, Arizona. This ore had a net assay value of: Gold - 0.48 oz. per ton and Silver - 1.85 oz. per ton. Based on metal prices of Gold - \$400 per oz. and Silver - \$7.00 per oz., a gross value of \$205 per ton or 51.25 tons would have a gross value of \$10,506.00.

DISCOVERY TUNNEL

This tunnel, about 160 feet vertical above the South Camp Tunnel, was driven 100 feet along the main Lincoln vein, all in high-grade gold and silver ore. During 1931, two carloads of ore were mined from this tunnel and shipped to the A.S. & R. Smelter at Hayden, Arizona, having the following values:

CAR NO. 1

47.322 dry tons	
Net assay value:	Gold - 0.89 oz. per ton - gross value per ton \$356.00
	Silver 3.62 oz. per ton - gross value per ton 25.34
	Gross value per ton \$381.34
Total gross value	\$ 18,046.00

CAR NO. 2

47.371 dry tons	
Net assay value:	Gold - 0.515 oz. per ton - gross value per ton \$206.00
	Silver 1.62 oz. per ton - gross value per ton 11.34
	Gross value per ton \$217.34
Total gross value	\$ 10,696.00

**All of the above calculations are based on metal prices
of: Gold - \$400 per oz. and Silver - \$7.00 per oz.

During 1979 to 1980, Neaves Petroleum Developments rehabilitated the American Girl Tunnel 80 feet vertical below the South Camp Tunnel and extended this for a distance of about 150 feet along the Lincoln vein for the purpose of testing the downward continuation of the three (3) oreshoots developed in the South Camp Tunnel. Further extension of this tunnel was discontinued due to extremely wet and caving ground, which would require spilling and timbering considered to be too expensive at that time.

ORE RESERVES NORTH END OF PROPERTY
DOWNWARD CONTINUATION OF THE HIGH-GRADE ORE BODY MINED 1905 - 1910

Positive Ore: 94,000 Tons :

70% Recovery - 66,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 4.00 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 66,000 tons	=	\$7,920,000
Ag 4.00 oz. per ton X \$28 per ton X 66,000 tons	=	<u>\$1,848,000</u>
Total Gross Value		\$9,768,000

Probable Ore: 38,000 Tons

70% Recovery - 27,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 4.00 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 27,000 tons	=	\$3,240,000
Ag 4.00 oz. per ton X \$28 per ton X 27,000 tons	=	<u>\$ 756,000</u>
Total Gross Value		\$3,996,000

Possible Ore: 19,000 Tons

70% Recovery - 13,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 4.00 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 13,000 tons	=	\$1,560,000
Ag 4.00 oz. per ton X \$28 per ton X 13,000 tons	=	<u>364,000</u>
Total Gross Value		\$1,924,000

ORE RESERVES ABOVE MATHENEY STOPE

Probable Ore: 15,625 Tons

70% Recovery - 11,000 Tons

Average Grade: Au 0.621 oz. per ton
Ag 4.930 oz. per ton

Gross Value Per Ton:

Au 0.621 oz. per ton X \$248 per ton X 11,000 Tons	=	\$2,728,000
Ag 4.930 oz. per ton X \$35 per ton X 11,000 Tons	=	<u>385,000</u>
Total Gross Value		\$3,113,000

RECAPITULATION - NORTH END

<u>CLASS</u>	<u>TONS</u>	<u>GROSS VALUE</u>
Positive	66,000	\$ 9,768,000
Probable	38,000	7,485,000
Possible	<u>24,000</u>	<u>5,037,000</u>
Total	128,000	\$22,290,000
Total Operating Cost		<u>\$14,080,000</u>
Approximate Net Profit		\$ 8,210,000

<u>Operating Cost:</u>	Mining	-	\$50.00 per ton
	Crushing	-	5.00 per ton
	Trucking	-	25.00 per ton
	Treatment	-	25.00 per ton
	Overhead	-	3.00 per ton
	Royalty	-	<u>2.00 per ton</u>
Total			\$110.00 per ton

ORE RESERVES SOUTH END OF PROPERTY

SOUTH CAMP TUNNEL

Positive Ore: 14,000 Tons

70% Recovery - 9,800 Tons

Average Grade: Au 0.30 oz. per ton
Ag 0.60 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 9,800 tons =	\$1,176,000
Ag 0.60 oz. per ton X \$4.20 per ton X 9,800 tons =	<u>41,160</u>
Total Gross Value	\$1,217,160

Probable Ore: 18,000 Tons

70% Recovery - 13,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 0.60 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 13,000 tons =	\$1,560,000
Ag 0.60 oz. per ton X \$4.20 per ton X 13,000 tons =	<u>54,600</u>
Total Gross Value	\$1,614,600

Possible Ore: 60,000 Tons

70% Recovery - 42,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 0.60 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 42,000 tons =	\$5,040,000
Ag 0.60 oz. per ton X \$4.20 per ton X 42,000 tons =	<u>176,400</u>
Total Gross Value	\$5,216,400

DISCOVERY TUNNEL

Probable Ore: 30,000 Tons

70% Recovery - 21,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 2.00 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 21,000 Tons	=	\$2,520,000
Ag 2.00 oz. per ton X \$14 per ton X 21,000 Tons	=	<u>294,000</u>
Total Gross Value		\$2,814,000

Possible Ore: 40,000 Tons

70% Recovery - 28,000 Tons

Average Grade: Au 0.30 oz. per ton
Ag 2.00 oz. per ton

Gross Values Per Ton:

Au 0.30 oz. per ton X \$120 per ton X 28,000 tons	=	\$3,360,000
Ag 2.00 oz. per ton X \$14 per ton X 28,000 tons	=	<u>392,000</u>
Total Gross Value		\$3,752,000

RECAPITULATION - SOUTH END

<u>CLASS</u>	<u>TONS</u>	<u>GROSS VALUE</u>
Positive	9,800	\$1,217,160
Probable	34,000	\$4,428,600
Possible	<u>70,000</u>	<u>\$8,929,400</u>
Total	113,800	\$14,574,160
Total Operating Cost		<u>\$12,518,000</u>
Approximate Net Profit		\$ 2,056,160

Production Cost:	Mining	-	\$50.00 per ton
	Crushing	-	5.00 per ton
	Trucking	-	25.00 per ton
	Treatment	-	25.00 per ton
	Overhead	-	3.00 per ton
	Royalty	-	<u>2.00 per ton</u>
	Total		\$110.00 per ton

SUMMARY OF ALL ORE RESERVES

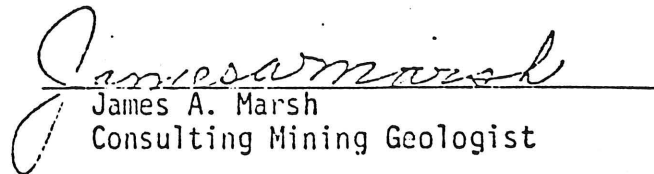
<u>CLASS</u>	<u>TONS</u>	<u>GROSS VALUE</u>
Positive	76,000	\$10,985,000
Probable	72,000	\$11,913,000
Possible	<u>94,000</u>	<u>\$13,963,000</u>
Total	242,000	\$36,863,000
Total Operating Cost		<u>\$26,620,000</u>
Approximate Net Value		\$10,243,000

<u>Operating Cost:</u>	Mining	-	\$50.00 per ton
	Crushing	-	5.00 per ton
	Trucking	-	25.00 per ton
	Treatment	-	25.00 per ton
	Overhead	-	3.00 per ton
	Royalty	-	<u>2.00 per ton</u>
	Total		\$110.00 per ton

**All calculations are based on metal prices of Gold - \$400 per ounce, Silver - \$7.00 per ounce, and 8 cubic feet per ton.

CONCLUSION

The probable and possible ore reserves must be proven by diamond drilling or other exploratory work. The length and continuity of oreshoots, as shown by maps of old workings as well as reports indicating the existence of what could be ore with present-day prices and milling techniques, make the Lincoln Mine most attractive for the production of high-grade gold, silver, and copper ore in commercial quantities.


James A. Marsh
Consulting Mining Geologist

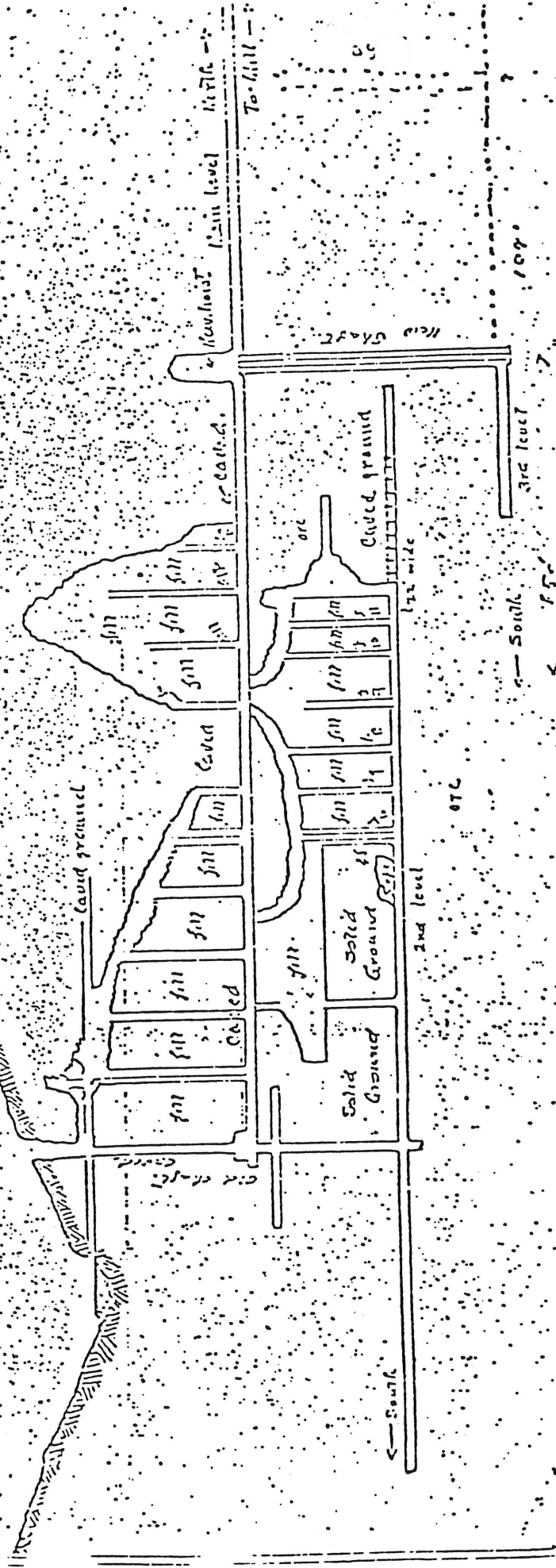
LIST OF ATTACHMENTS TO LINCOLN MINE REPORT

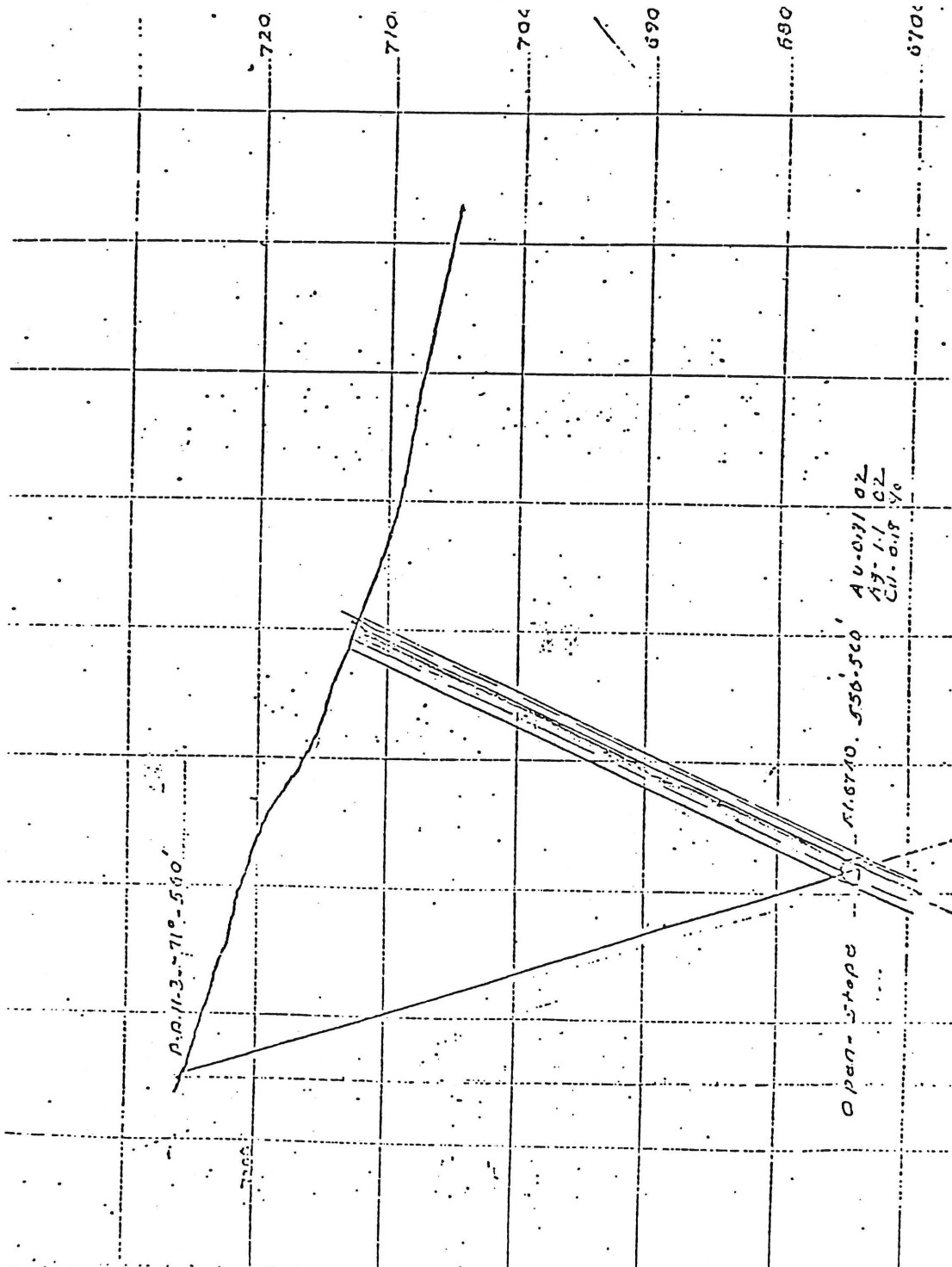
1. Plan map of underground workings.
2. Sketch map of Lincoln vein.
3. Drill holes 1, 2, and 3.
4. Map showing Discovery Tunnel, South Camp Tunnel, and American Girl Tunnel.
5. Map showing the location of the Lincoln Mine.
6. Smelter returns from Discovery Tunnel.
7. Smelter returns from the winze of the South Camp Tunnel.
8. Assay map of Matheney stope.
9. Record taken from original smelter return sheets, ore and concentrates.
10. Record taken from original smelter return sheets showing total tonnage and assay values.
11. Summary of ore production from north end and south end of the Lincoln property.
12. Longitudinal section along main Lincoln vein showing mine workings and oreshoots.

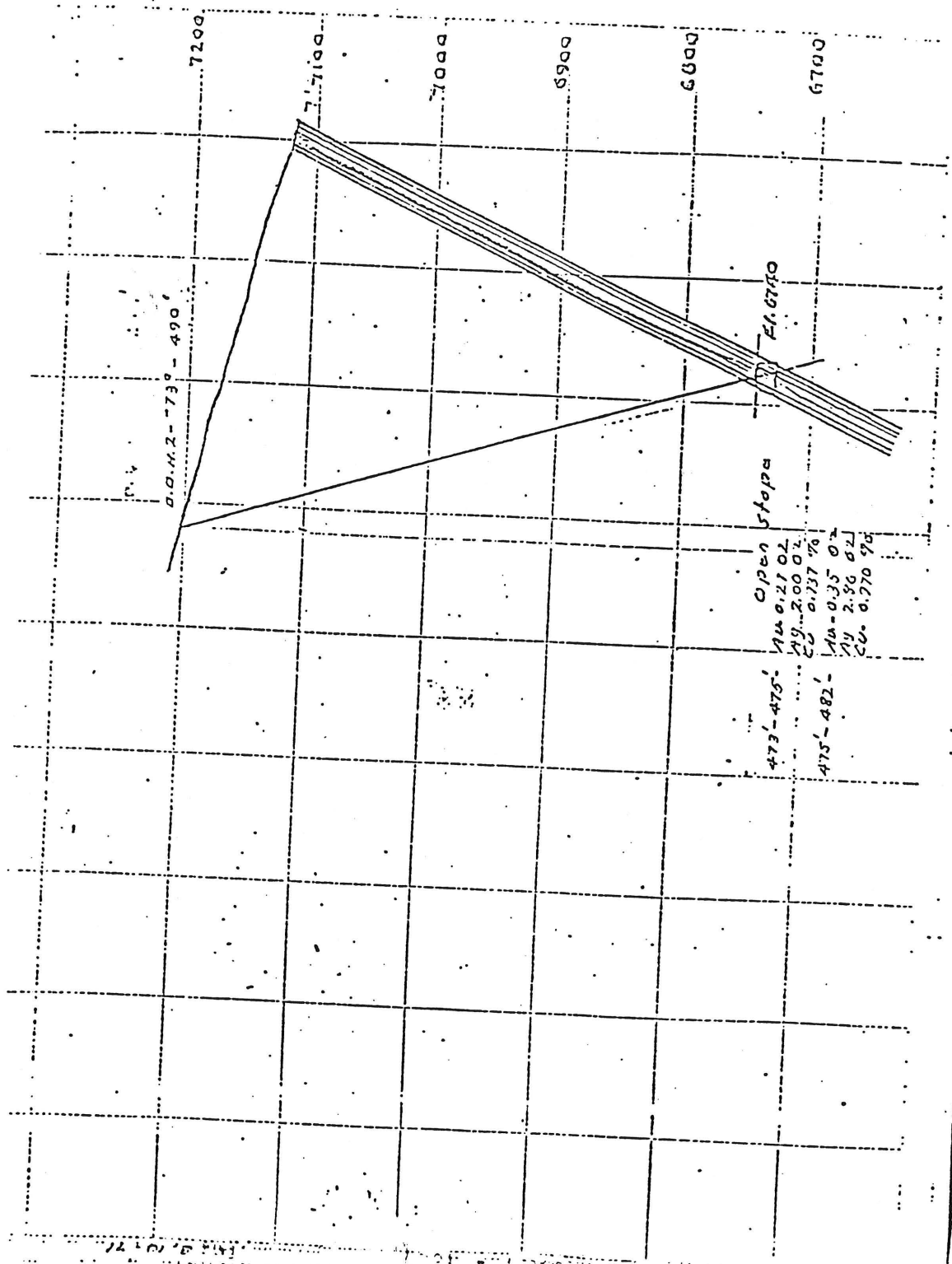
Sketch of marked portions of Lincoln Mine

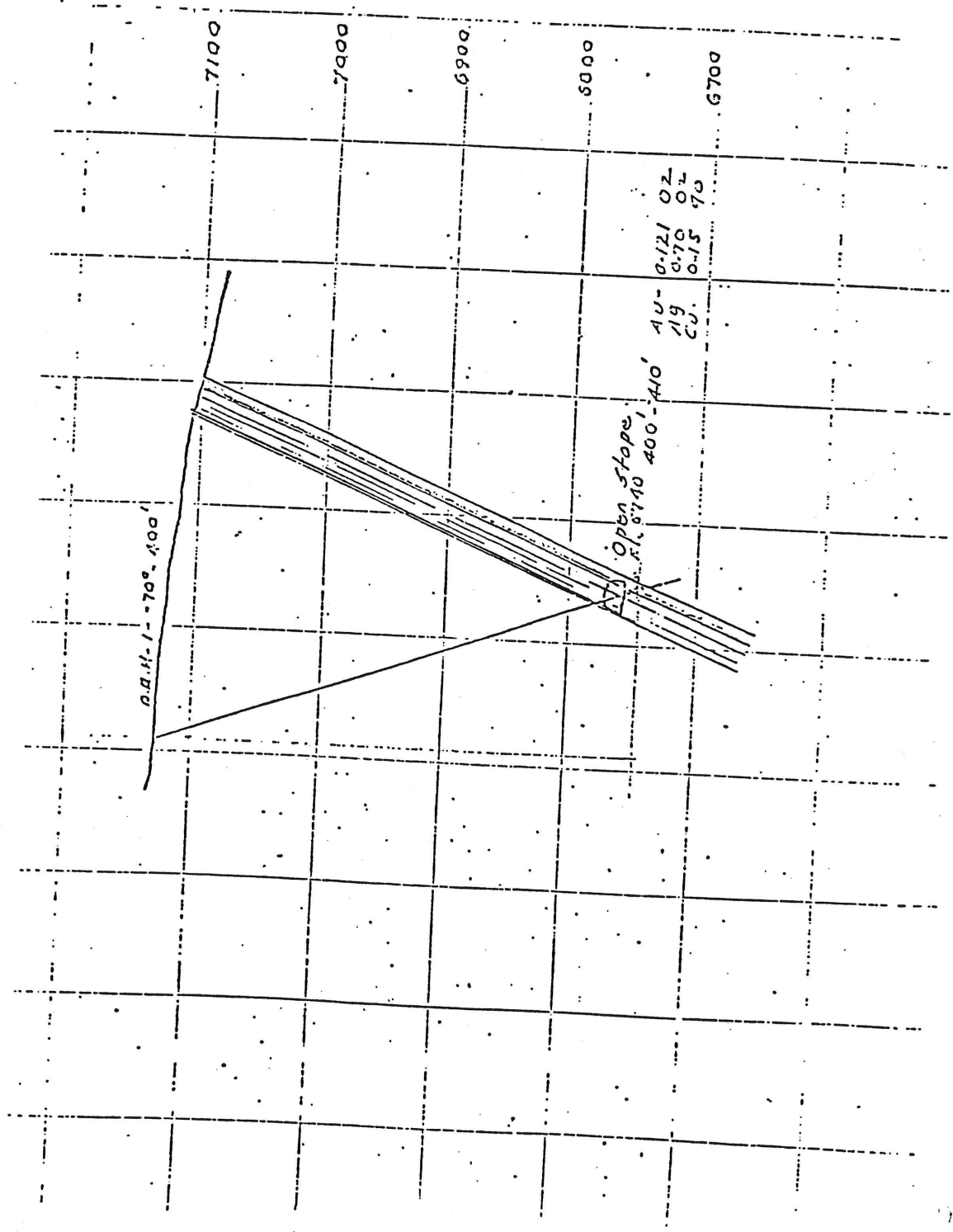
according to old surveys & other information
complete to Feb. 1917.

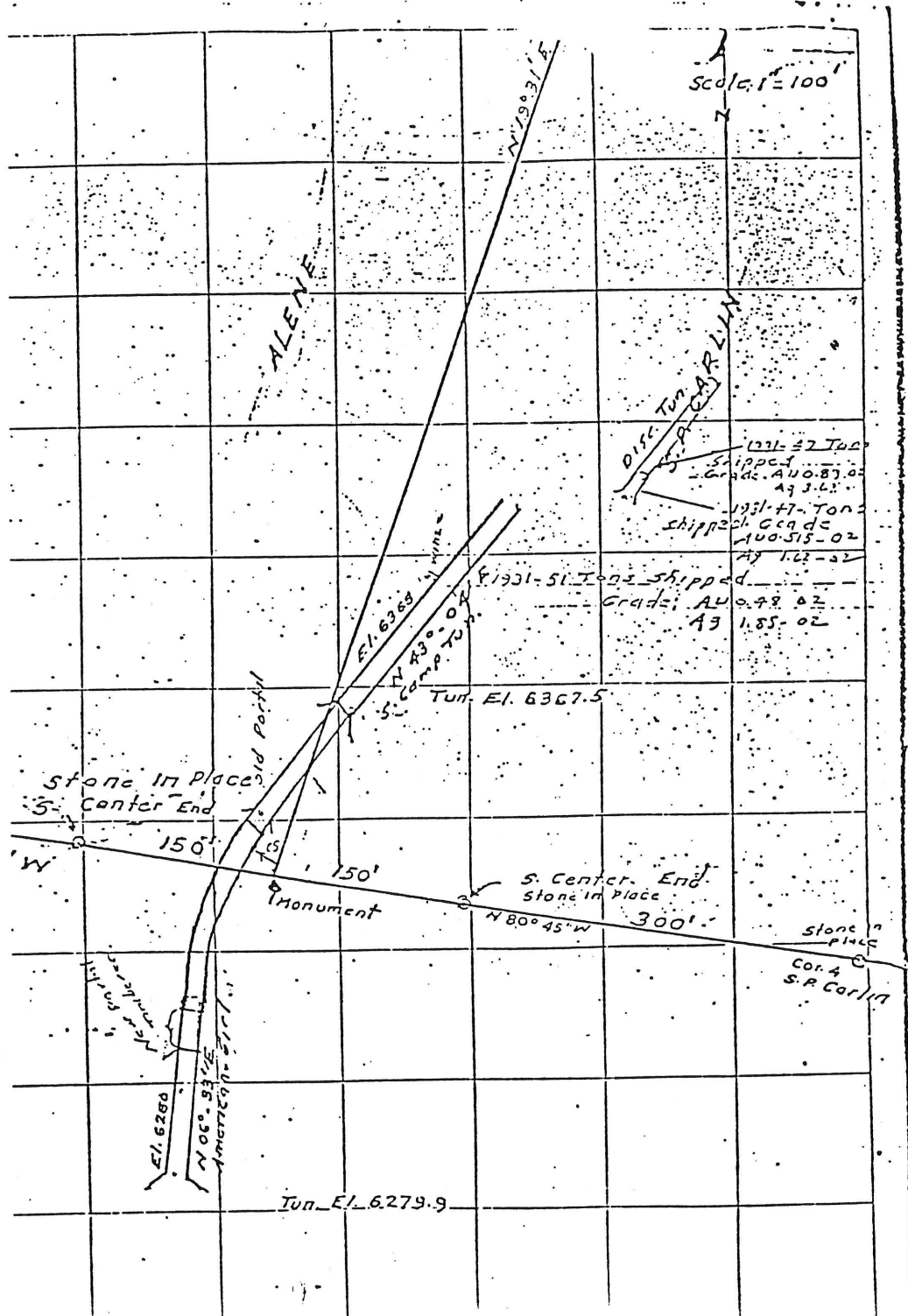
Old covered ground from which
ore was taken











HAGERT
CLARK

WILLY MS.
ARNDT MS.

YELLOW
JACKET

QUEEN SAGE

NORMA

ROUGH RIDER

ALCENE

SPEARLIN

AMERICAN CINT

By 10 00
DH Bndling, 47

Table No 2

BULLION FROM MINT.

Copied from original mint return sheets.

Date of Recd at mint.		Gross wt amalgam	Value of gold	Value of silver	Charges.	Net amt paid
		ozs.				
Old Mill Five Stamps	June 17, 1905	92.40	\$395.09	\$19.05	\$4.53	\$ 909.73
	July 21	55.55	1154.54	13.29	4.70	1167.93
	Aug. 4	70.00	897.25	10.58	3.63	904.20
	" 31	64.53	835.13	11.77	3.59	841.31
	Sept. 13	40.40	455.27	9.20	2.82	451.85
	Oct. 9	30.00	252.35	8.05	2.13	304.23
	June 24, 1905	33.54	403.53	7.32	2.35	411.29
	July 19	32.20	353.71	7.24	2.27	353.68
	Aug. 20	59.40	327.29	15.53	2.17	341.63
	Sept. 14	62.03	410.55	20.14	2.01	423.50
New Mill	Oct. 11	50.43	403.20	15.92	2.19	420.11
	Nov. 2	26.85	251.37	8.25	1.54	253.53
	Apr. 25, 1907	---	Mint record lost	---	---	501.55
	May 10	---	"	"	---	1150.77
	" 22	53.03	735.13	10.30	3.22	742.71
	June 7	75.35	825.39	14.93	3.55	894.54
	June 20th	71.53	859.52	14.52	3.70	870.34
	July 10	81.34	949.59	16.91	4.03	962.54
	" 19	51.61	537.11	11.42	2.89	575.54
	Aug. 5	49.16	570.79	9.23	2.75	577.23
One liquidation appears lost.	" 21	31.43	349.71	7.15	2.17	354.79
	Sept 7	33.43	353.43	7.74	2.22	368.53
	" 25	26.43	316.09	6.51	2.03	320.53
	Oct. 5	39.95	443.03	8.57	2.48	454.13
	Nov. 6	57.50	513.37	12.14	2.99	557.52
	" 21	56.15	473.22	7.82	2.54	483.50
	Dec. 10	25.53	252.55	5.91	1.84	265.03
	Apr. 29, 1908	45.55	423.11	9.75	2.85	455.00
	May 7	45.50	491.79	7.99	2.71	473.97
	Feb. 10, 1910	to June 2nd, according to Bank records	2951.95			

No. 3

Date	Pounds weight		Oz. Gold	Oz. Silv	% Cu	Gross per ton	Net per ton	Total payment	Freight
Jan. 17, 1907	62,000	ore.	3.58	27.0	4.56	\$106.43	\$ 95.36	\$2060.33	\$122.60
Feb. 11	59,300	"	3.41	24.0	3.87	98.51	87.21	2430.60	90.00
Mar. 19	77,120	"	3.21	23.7	4.32	96.76	86.27	3130.30	115.70
Apr. 11	63,000	"	4.29	26.0	4.41	118.51	108.20	3520.61	132.60
May 10	59,400	"	3.26	28.9	5.31	103.73	92.68	2719.50	117.00
May 16	29,720	Conc	5.00	25.4	5.76	100.99	91.33	1209.20	55.70
June 19	18,652	"	not off original.			82.70		1604.20	
July 6	47,400	Ore	1.83	22.2	4.11	65.69	53.96	1230.20	102.35
" 12	20,800	Conc	3.34	22.9	4.23	97.42	88.42	839.00	104.50
" "	48,800	Ore	3.28	24.2	3.96	94.17	85.27	1670.80	
AUG. 15	21,720	Conc	4.06	27.5	5.22	115.79	103.34	1045.10	126.15
" "	42,960	Ore	3.73	37.6	7.36	121.25	110.32	2301.85	
Sept. 13	64,740	"	3.21	39.6	6.39	103.30	95.92	2990.00	126.25
Oct. 17	54,000	conc	(Oct. 17)						
" "		ore	(not off original, none made)					3370.00	Smelter failed loaned by Bank on the shipment
Feb. 1, 1910	16,740	Conc	1.61	50.2	8.60	61.23	58.24	423.15	Prepaid
Mar. 3	21,681	"	1.34	20.7	5.55	55.74	50.74	503.29	24.94
Apr. 12	15,110	"	2.23	20.3	4.32	61.06	55.79	385.90	20.51
May 10	15,456	"	1.82	18.3	4.90	51.78	45.77	341.67	
" "	12,513	ore	7.1	13.4	5.40	28.35	19.09	117.29	25.40
" 24	8,543	conc	1.68	18.8	7.40	53.18	50.00	203.00	9.82

SUMMARY OF PRODUCTION1905.

210.0 tons of ore shipped	@ \$51.20	equals	\$10,764
87.1 " " conc	@ 58.40	"	5,445
Bullion		"	4,589

1906.

182.5 tons of ore	@ \$67.40	"	12,320
126.2 " " Conc	@ 80.50	"	10,290
173.7 " run of mine	@ 26.00	"	4,517
Bullion		"	2,419

1907.

253.4 tons of ore	@ \$101.20	"	26,875
45.5 " " conc	@ 99.80	"	4,535
Bullion		"	12,867

For over the three years

637.9 tons of ore	@ \$ 75.90	"	49,959
258.8 tons of concentrate	@ 78.10	"	20,270
173.7 tons run of mine	@ 25.00	"	4,517
Bullion		"	19,875

1090.4 tons shipped Total product \$94,521.21
 (Note-- @ means averaged.)
 Values are gross per ton.

The shipments during 1910 are in all probability not complete and are therefore not detailed. It is probable that they amounted to about \$9,000.00

Over the period that a record of tonnage milled was recorded as shown on bullion return sheets, shows that

1031 tons milled plated \$6,951.54 and concentrates during the same period were \$3,777.50, equivalent to

Saved per ton on plates	\$6.75
Saved per ton in concentrates	3.65
Total per ton milled	\$10.40

At a saving of 70% shows milling ore to have run \$15.00 per ton.

This record is complete and covers all production during the time that the mine was operated except when Lincoln himself operated weeks before in a very small way.

B. H. Pierce

HAYDEN PLAINT

Hayden, Arizona, ... : May 1st, ... , 1931

Smelter Lot 233

Class : C-40

Shipper's Lot 1

P-int

WEIGHT IN POUNDS						N. Y. QUOTATIONS	
Initial	Gross	Tare	Net	H ₂ O	Dry Weight		
A. T.	143820	43800	99940	4.3	95643	Date	5-2-31
						Silver	.28575
							.015
							.26675
						E. & M. J.	5-2-31
						Copper	.00027
						Less	.025
						Less	
						Net	.06527
		Tons	49.970		47.3215		

VALUE

Assay Per Ton of METAL Lbs.		% Deducted	Net Assay	Equiv. in Lbs.	% Paid For	Net Paid For	Rate	Amount per Ton	Total Amount 1977
.89	02.		.89		100	.89	02.	19.50	17.35
3.61	02.	5%	3.6195		100	3.6195	02.	26875	.37
.60	%	8%	.20	4.00	95	3.80	Lbs.	06500	.12
	%						Lbs.		
Total Payment of Metals									15.58

Debtors' rights

1:55

[illegible]

Total Reductions

Net Value Per Ton

ea	7.0215	Dry Tons @	13.72
1 ea	23.97	Wet Tons @	2.50
Weighing at Shipping Point 12-16-76			

Netal Prices -

44-135/42

17 3.51 /
CU. 0.66 %

Gross Profit

$$AV = 0.89 \text{ p2 } @ \#13.5/\text{p2} = \#120.15/\text{p2}$$
$$7, 3.81 \cdot 10^{-4} \cdot 1.35 = -16.5 \%$$
$$200.609 \times 1754 \text{ lb} = 351,900 \text{ lb}$$

Gross Weight 175.12

Hayden, Arizona,..... June 11th....., 1931

Wingz-e
S. Camp. TUH

Colincoln Mine Inc.,

Smelter Lot : 343

Point Middleton, Arizona

Class _____ Grade _____

Shipper's Lot

WEIGHT IN POUNDS

[illegible]

N. Y. QUOTATIONS

Date 3-2-81
 3-30-81
 2655
 .015
 W M 105
 [1-10-81]
 Less .025
 Less
 Net 10765

'PAYMENT FOR METALS

Assay Per Ton of 2000 Lbs.	% Deducted	Net Assay.	Equip. in Lbs.	% Paid For	Net Paid For	Rate
.40	Oz.	.43		100	.40	10.00
1.95	Oz.	1.8525		100	1.8525	10.00
.30	%	No Pay				
	%					

Total Payment of Metals

VALUE.

Amount per Ton	Total Amount
3.75	177.28
4.00	

Total Payment of Metals

CHARGES AND CREDITS

F. O. W. Hayden Plant

Ca. $\log 10^3 = 6^{\circ} = 13.2, 0.05765$

[illegible]

Based on Metal Prices
of Aug. 2001 - A77.02
Gross 47112/75 245
51.128 Tons. 810,250.

Sept. 1982

moment from Winze
longitudinal sec

Total Deductions
% Voting Per Ton

Total Gross Value Per Ton
with Aug 30/02 = 1230.40

Ag # 11/02 - $\frac{20.35}{250.15}$
Total Gross Value/T

1000 Tons @	2.00
1000 Tons @	2.00

Per 7.9
Per 10.1

Table No. 1

EXHIBIT
"E"

Record taken from original Smelter return sheets, ore and concentrates.

Date	Pounds Weight	Kind	Gold Silv. Oz.	% Cu.	Gross Net per ton	Total payment Freight
July 31, 1905	45,432	conc	1.60	26.6	5.70	\$93.28
Aug. 3	50,350	conc	1.70	30.0	3.90	\$42.92
" 8	44,323	ore	1.00	16.5	5.10	\$41.80
Sept. 25	52,735	conc	1.75	33.8	6.00	\$35.30
Oct. 19	33,750	ore	1.70	27.0	7.30	\$17.10
" 30	43,000	"	1.76	27.6	7.30	\$61.15
Nov. 4	25,775	conc	1.70	29.5	7.00	\$57.56
" 4	14,450	ore	2.30	31.0	6.30	\$54.31
" 10	52,040	"	1.19	22.0	4.30	\$60.23
" 23	74,330	"	1.35	19.9	5.01	\$70.10
Dec. 19	60,000	"	1.60	19.6	5.30	\$34.23
" 19	44,000	"	1.14	15.7	3.50	\$41.42
" 22	44,000	"	1.30	23.3	6.39	\$47.02
Jan. 11, 1906	31,300	"	2.42	33.2	6.66	\$30.33
" 12	50,000	"	1.80	21.9	5.07	\$54.60
" 21	53,720	"	1.35	28.7	6.30	\$73.27
Feb. 12	47,220	"	1.25	33.2	6.21	\$56.27
Mar. 21	55,350	"	0.20	9.6	4.68	\$33.13
Apr. 2	50,556	"	0.15	8.7	3.87	\$52.87
" 17	50,920	"	0.19	9.2	3.13	\$11.43
May 8	55,220	"	0.26	13.8	5.62	\$9.32
" 29	53,720	conc	2.19	29.0	7.92	\$6.14
June 1	44,820	ore	0.24	13.4	6.02	\$202.26
" 12	49,220	"	0.46	15.3	6.35	\$550.50
" 12	51,300	conc	1.66	23.2	7.59	\$1025.21
July 2	49,060	"	1.54	24.4	8.64	\$461.20
" 13	42,120	ore	0.32	10.0	4.36	\$26.45
Aug. 17	49,930	conc	2.30	26.2	7.66	\$63.41
Oct. 5	36,030	conc	1.97	25.8	6.64	\$64.90
" 25	43,320	ore	2.32	19.1	4.68	\$17.51
Nov. 13	54,820	"	2.61	34.8	5.72	\$77.38
Dec. 1	36,060	"	0.90	15.5	4.04	\$69.04
" 1	15,160	conc	2.34	36.8	10.54	\$64.15
" 28	49,620	ore	1.76	20.5	4.46	\$84.10
Jan. 17, 1907	62,090	"	3.53	27.0	4.56	\$31.42
Feb. 11	59,300	"	3.41	24.0	3.87	\$102.59
Mar. 19	77,120	"	3.21	24.0	3.87	\$53.74
						\$73.35
						\$74.45
						\$122.60
						\$90.00

10/27/81

MEMORANDUM:

From: Ken A. Phillips

Subject: Attached

Wellington Resources Corporation is reported to be active in a number of districts in Arizona. Particularly in the Crown King area of Yavapai.

Further it is reported that Coe and Van Loo Consulting Engineers is doing consulting work for the Corporation.

KAP/ap

*See Lincoln
(file) Yavapai*

Wellington Resources Corporation

SUITE 975 CAMPBELL CENTER II
8150 NORTH CENTRAL EXPRESSWAY
DALLAS, TEXAS 75206
214 / 369-2306


SECOND EARLY PURCHASE INCENTIVE DEADLINE SEPTEMBER 30, 1981

For Ore Purchase Contracts received in our office no later than the close of business Wednesday, September 30, 1981, Wellington Resources Corporation will provide the following incentives to the referring salesman or sales organization:

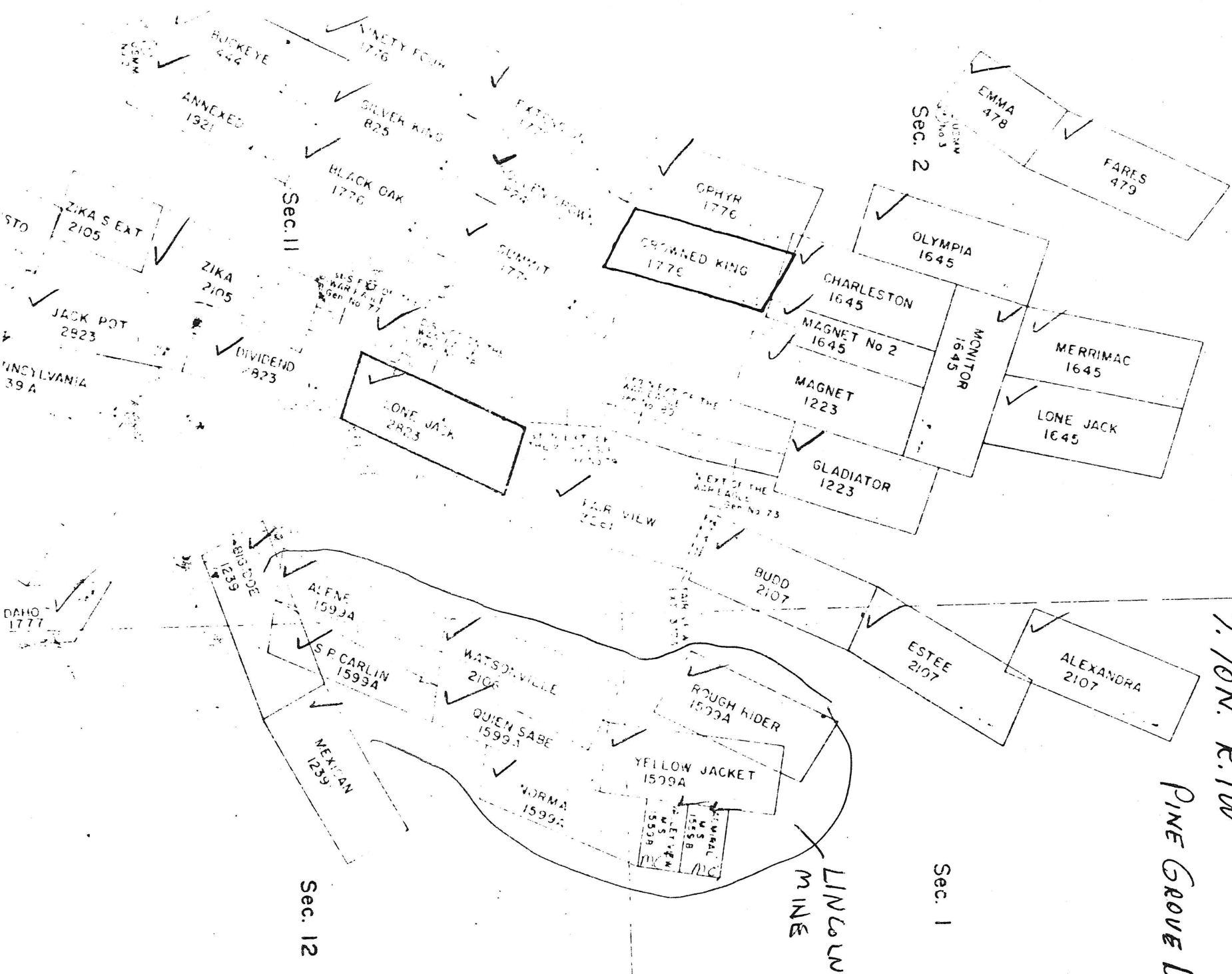
1. \$240 per 500 ton block referral fee (\$1,200 FOR A MINIMUM PURCHASE) regardless of volume level achieved, paid upon Wellington's acceptance of MINER'S Ore Purchase Contract. (Replaces lower volume rates of referral fees on your letter agreement and silver bonus rate remains unchanged).
2. An additional \$100 per 500 ton block (\$500 FOR A MINIMUM PURCHASE) as an incentive bonus which the salesman may offer the MINER as an inducement to purchase by September 30, 1981. This \$100 per 500 ton block would be paid in early January, 1982.
3. An additional bonus of \$1,000 cash per 500 ton block (\$5,000 FOR A MINIMUM PURCHASE) to be paid to the referring salesman over the years as each block is mined and processed, (out of Wellington's 40% royalty).

Note: ROYALTY REDUCTION INCENTIVE TO THE MINER EXPIRED AUGUST 15, 1981, AND IS NO LONGER OFFERED.

Wellington Resources Corporation


Arthur Esby
President

AE/bb



TION. R. 1W

PINE GROVE DIS

Sec. 2

Sec. 1

Sec. 11

Sec. 12

LINCOLN
MINE

NOR-QUEST RESOURCES LTD.SUMMARY

Nor-Quest Resources Ltd. has a number of significant characteristics that contribute value to the Company and make it an interesting and potentially viable mining operation. These characteristics are:

- 1) The Company has been in the natural resource industry since 1977 and is listed on the Vancouver and NASDAQ exchanges. It has a business as well as a trading history.
- 2) The Company, for an expenditure of approximately \$2,300,000 U.S. has acquired properties, conducted exploration and development, acquired and assembled a modular mill and is now in its incipient stages of production on one property. To date, the total cost of the project is substantially below industry standards.
- 3) Nor-Quest owns 62.5% interest in the producing Gladiator/War Eagle property which contains proven and probable reserves of 81,136 tons, grading 0.58 oz. of gold and 3.72 oz. of silver per ton. It is currently milling 50 tons per day, will be increased to 64 tons by year end and is expected to be 100 tons per day in February of 1986. Management has shown strength and conviction by completing the program under budget and in a depressed precious metal market over the past three years.
- 4) Conservative estimates on the part of the Company's technical staff indicate doubling of reserves to 160,000 tons at similar grades. An evaluation by Merit Investment Corporation's geologist, Paul E. Piazza, suggests additional reserves above the original 81,136. There could be another 150,000 tons in the geological indicated and inferred potential categories. The structure is open toward the north and in depth.
- 5) The Company owns (62.5%) of the adjoining Fairview Vein containing 88,000 tons of possible ore grading 0.50 oz./T of gold and 2.0 oz./T of silver. The structure is open on both ends and in depth.
- 6) The Company's 3 other veins have yet to be explored and remain good targets for developing additional reserves.
- 7) Nor-Quest owns a 42.4% interest in Imco Resources Ltd., formerly Abitibi Asbestos Mining Co. Ltd., a public company listed on the Montreal Stock Exchange. Abitibi owns 15,000 acres in Quebec near Perron Gold Mines Ltd. recent gold discovery. Placer Development has optioned 3,000 acres of the 15,000. Contingent on exploration and a subsequent production decision, Placer can earn 60% interest.
- 8) Imco, through a wholly-owned subsidiary, Golden Eagle Mining Co. Inc. owns the Lincoln mine which is near Nor-Quest's Gladiator/War Eagle property. The Lincoln vein is reported to contain 328,000 potential reserves grading from 0.30 to 0.62 oz. of gold with silver values.

also see: Gladiator file for full report

RECEIVED

SEP 08 1988

Imco

PRESIDENT'S REPORT TO SHAREHOLDERS

Major management changes took place in your Company in 1987. In November, the Board of Directors accepted with regret the resignation of Mr. Raynerd B. Carson as President and as a director of the Company. At the same time, Mr. Carson had resigned from similar positions with Imco's affiliated company, Nor-Quest Resources Ltd., which currently owns 31% of the issued shares of your Company. Mr. Allan Ferguson has been appointed President of both the Company and Nor-Quest and has strengthened management where necessary. Mr. Ferguson represents a group of investors who have provided substantial funding for the two Companies for several years.

The Placer Dome option on Imco-owned properties in northwestern Quebec has been idle for the past year but, pursuant to an agreement with a new joint venture partner, Sigma Mines Ltd., they plan to carry-out a \$400,000 exploration program in 1988. This program will comprise diamond drilling with down hole I.P. to detect sulphide concentrations beneath the conductive overburden.

Although no exploration programs were undertaken in 1987, your Company negotiated options on favourable terms on two properties in British Columbia situated in close proximity to the 1,200 ton per day flotation mill owned by Nor-Quest Resources Ltd.

In September, 1987, a financing agreement was signed with Groupe d'Or Harricana to provide flow-through funding to undertake \$316,280 of exploration work on the two British Columbia properties and also a \$545,000 program on the Company-owned Maizerets property north of Val d'Or, Quebec. The three programs were subsequently completed in 1988.

Based upon early reports, the option on the Valparaiso/Government claims in British Columbia has been dropped. Final program reports are still being prepared for the Kootenay Belle property in British Columbia and for the Maizerets program in Quebec and results will be published when they become available.

No work was undertaken in 1987 on the Lincoln gold property in Arizona where Nor-Quest has placed its Gladiator mine and mill operation on a care and maintenance basis.

The new management team is currently reviewing the data on the several properties owned by the Company with the view to ensuring that their potential is fully developed.

On behalf of the Board of Directors

Allan Ferguson, President

May 2, 1988

Imco Resources Ltd., Dec. 31, 1987 Annual Report

d) Earnings Per Share

Earnings per share data is not presented in these financial statements as the amounts are insignificant.

4. DEFERRED EXPLORATION AND ADMINISTRATIVE EXPENDITURES

The following is a summary of exploration and administrative expenditures by property:

	December 31, 1986			December 31, 1987
	Balance	Additions	Recoveries	Balance
Venne/Audet/Robert claims situate in northwestern Quebec.....	\$384,671	\$ 47,007	\$ (52,121)	\$379,557
Valparaiso Project situate in the Nelson Mining Division of British Columbia	—	49,126	—	49,126
Kootenay Belle Project situate in the Nelson Mining Division of British Columbia	—	40,149	—	40,149
Lincoln Joint Venture situate in the Pine Grove Mining District, State of Arizona.....	11,277	—	—	11,277
	<u>\$395,948</u>	<u>\$136,282</u>	<u>\$ (52,121)</u>	<u>\$480,109</u>

5. MINERAL CLAIMS

LINCOLN (F)

a) Lincoln Claims

The Company's subsidiary, Golden Eagle Mining Co. Inc., holds on behalf of the Limited Partnership described in Note (6) a 100% interest in a mining lease with no definite term, with respect to nine patented and one unpatented mineral claims, in Pine Grove mining district, State of Arizona, U.S.A. The mining lease was assigned to the Company's wholly-owned subsidiary under an agreement dated July 16, 1985 for consideration of \$13,000 (U.S. \$10,000). The mining lease provides for production royalty payments at the fixed rate of 2.5%, with a minimum payment per month of \$1,035 (U.S. \$750), commencing August, 1985. Royalty payments in 1987 totalled \$10,098 (U.S. \$7,650).

b) Venne, Audet and Robert Claims

i) The Company holds a 100% interest, subject to the vendors retaining certain interests as specified below, in 3 sets of mineral claims, in northwestern Quebec, referred to as the Venne, Audet and Robert claims, which were acquired on November 19, 1984 for net consideration of \$48,156.

The vendors have retained a 2% net smelter return royalty in respect of the Venne and Audet claims and a 1.5% net smelter return royalty in respect of the Robert claim. All royalties are to commence on production and will be payable every six months. Additionally, the Company will pay an annual royalty advance in respect of the Venne claim in the amount of \$5,000 per year in the first two years, \$15,000 per year in the following two years and \$10,000 for each of the following years until production commences. The first three advance payments (\$25,000) have been made and there are no payments in arrears. See also Note 5 (b)(iv).

ii) The Company has an option agreement dated December 11, 1984 with Placer Development Limited ("Placer") whereby Placer has agreed to acquire a 60% participating interest in the Venne, Audet and Robert claims described above. As consideration, Placer made an option payment of \$52,000 and has committed to incur \$250,000 in the capital and operating costs for work on or before the 3rd anniversary of the date of the agreement and prepare or have prepared by the 4th anniversary of the date of the agreement a feasibility study for the development of the property.

Within 180 days of receiving the feasibility study, the Company shall elect to either retain its 40% participating interest or accept a 15% net proceeds interest in the development.

iii) The Company has entered into an option agreement dated December 12, 1986 with Les Mines Sigma (Quebec) Limitee ("Sigma") involving 71 unpatented mining claims held by the Company, situated in Ranges II, III and IV of Maizerets Township, Province of Quebec.

The Option shall continue in full force up to December 31, 1990 and shall be considered to have been exercised by Sigma at such time Sigma has expended an aggregate of \$1,500,000 on the claims, whereupon Sigma shall earn and immediately acquire an undivided 60% interest in the Maizerets claims.

iv) The Company has entered into an additional option agreement dated April 27, 1987 with Les Mines Sigma (Quebec) Limitee involving 43 unpatented mining claims referred to as the Venne claims. Sigma has paid \$25,000 to Imco, at which time the 43 claims became part of the property and be subject to the provisions of the December 12, 1986 agreement.

In addition, Sigma agrees to pay 20% of the royalty advances required to be paid under the Venne Agreement, as described in Note 5(b)(i).

Imco Resources Ltd., Dec. 31, 1987 Annual Report

K M/S 3

RESEARCH COMMENTARY

IMCO RESOURCES IMC- VSE - ME - \$0.50
o/s 8,191,842

This is a follow-up to a recommendation made in our Christmas report dated December 20th. With the completion of a public financing, which netted Imco \$475,000, exploration is now slated to begin on the company's Lincoln Mine property in Yavapai County, Arizona. (P)

Through its wholly-owned subsidiary, Golden Eagle Mining, Imco, in July 1985, acquired a 100% interest in the Lincoln Mine property, a former producer in the early 1900's. Consisting of 10 patented and unpatented claims covering 145 acres, the property is approximately 35 miles from the town of Mayer. The primary vein on the property has reported probable reserves of 328,000 tons with an average grade of 0.31 oz Au and 2.6 oz Ag/ton. This vein, along its surface expression, ranges in width from less than 10 inches to two feet. Underground the vein gradually widens and at the deepest workings of the mine, 350 feet below surface, the vein is reported to reach up to 40 feet in width.

Mineralization includes bornite, pyrite, tetrahedrite and native gold. The vein is composed of highly sheared schist enclosing less deformed quartz stringers. While in production, the deposit yielded values well in excess of 1.0 oz Au/ton.

The upcoming program will consist of 2000 feet of surface drilling to confirm reserves, dewatering and rehabilitation of the old winze, underground sampling, and drilling. The program will cover a 400 foot strike and a depth of between 225 and 400 feet below surface. If successful, there is good probability that this deposit could be linked underground with the Gladiator orebody operated by Norquest Resources which lies on strike and is contiguous to the Imco property. This is enhanced by the knowledge that Norquest is the majority shareholder of Imco. The rock may also be suitable for milling in Norquest's 150 t.p.d. mill. In addition, there is excellent potential for the development of additional reserves along strike and down dip.

Over and above this project, Imco has a 100% interest in the Abitibi property located 52 miles north of Amos, Quebec. Although not economic at present, the property has a drill delineated asbestos deposit of over 100,000,000 tons of 3.5% recoverable fibre as estimated in an independent engineering report prepared in 1971. The property however holds further merit in that along its southeastern boundary there may lie the potential for gold mineralization. This portion of the property has been optioned to Placer Development who may earn up to a 60% interest by the expenditure of \$300,000 over three years. The potential on this portion of the Abitibi property was reorganized because of work performed by Perron Gold Mines on their adjoining Sleeping Giant gold deposit. Present published reserves by Perron are 1.1 million tons grading 0.26 oz Au/ton with recent work indicating that reserves could expand by as much as three-fold. A portion of the Imco/Placer property is transected by the same geologic structure which is the apparent host to the Perron discovery. Placer is presently on the property and a drill program is contemplated for this coming summer.

Imco continues to represent good value at present levels.

**CANARIM
INVESTMENT
CORPORATION
LTD.**

P.O. Box 10337, Pacific Centre
2020 - 609 Granville St., Vancouver, B.C. V7Y 1H2
Telephone: (604) 688-8151
Telex: 04-54495

Branch Offices:
Prince George, B.C.
Whitehorse, Y.T.

Members:
Vancouver Stock Exchange,
Alberta Stock Exchange,
The Montreal Exchange,
Investment Dealers
Association of Canada

Directors:
P. M. Brown,
A. E. Turton,
B. D. Harwood,
C. C. Buckland,
M. W. Murphy

IMCO RESOURCES LTD.

TRADED

TRADING RANGE

RECENT PRICE

Vancouver— IMC.V
Montreal — IMC.MO

1985 \$.15-.50(Cdn)

\$.45 (Cdn)
\$.33 (U.S.)

RECOMMENDATION: IMCO RESOURCES LTD., (formerly Abitibi Asbestos Mining Co. Ltd.), is ~~currently underpriced~~ on the basis of value at its current selling price of 33 cents (U.S.). The company is under the same management which has brought NOR-QUEST's Gladiator property into production. It will soon be bid up as the success of the Gladiator becomes more widely recognized. In addition, the market has not yet become aware of IMCO's major holding in Quebec on which work is being done by Placer Development Ltd. This property is directly adjacent to Perron Gold Mines Ltd.

IMCO RESOURCES, owns two significant properties. Its original holding is a 15,000 acre tract near the historic Val d'Or gold region of Quebec. This tract contains the largest asbestos deposit in the Western world. Recently discovered on this property, whose asbestos values are uninteresting at this time, are indications of a major gold deposit. The original gold discovery was made on the adjoining property which is currently controlled by Perron Gold Mines. Perron, in turn, is controlled by the Hughes-Lang group, a major Canadian mining group responsible for the development of the two primary Hemlo mines, Golden Sceptre and Goliath. The Perron Mine is called the "Sleeping Giant". Enormous quantities of reserves are being developed on this property directly adjacent to the IMCO tract. At an early stage of development reserve estimates are already at 1.15 million tons grading .26 oz/AU per ton. The geological structures on Perron extend onto IMCO's property for several miles. Perron Gold Mines itself is worth purchasing even though it has advanced to a recent price of over \$3 per share from 33 cents in 1985. IMCO, however, has not yet been discovered by the market.

In order to facilitate the development of this property IMCO has entered into an agreement with Placer Development Ltd., one of the largest international mining companies, in which Placer can earn, within 2 years, a 60% interest in 3,900 of IMCO's 15,000 acres by performing exploration work and making a production decision. Placer has completed preliminary geophysical work and has identified 4 diamond drill targets. Drilling is expected to begin in early 1986. In addition, Placer has completed a sophisticated IP survey which will help identify and outline the sulphide zones.

The second significant property held by IMCO is its wholly owned subsidiary, the "Golden Eagle Mining Co. Inc." which has recently acquired one of the richest gold/silver properties in the Crown King area adjacent to the Gladiator property. The primary vein on this property, the Golden Eagle vein, formerly called the Lincoln vein, has reported ore reserves of 328,000 tons within reach of the existing underground workings. Grades run from .3 to .62 oz/AU per ton over mining widths ranging from 4 feet to 42 feet.

Aside from the high grade values on this vein, it is sufficiently close to NOR-QUEST's Gladiator property to offer the possibility of being linked to it by means of a cross cut. This would facilitate development of this mine and conceivably the now functioning mill on the Gladiator could be expanded to service both companies.

IMCO was chartered in 1965 and was controlled by Brinco, a major Canadian mining company which was interested in developing the asbestos lode. With the collapse of the asbestos market the shares, which traded at very high levels, collapsed. Officially there are 6.9 million shares outstanding, however many of these shares have been "lost". NOR-QUEST owns almost 3 million shares and the actual float is probably considerably less than 3 million.

At the current U.S. price of \$1.50 the shares of NOR-QUEST are sharply undervalued. \$5.68 (U.S.) per share would be a fair valuation on the fundamentals of the Gladiator property with gold at \$325. A valuation of \$10 per share would more accurately represent the fundamental worth of the company when NOR-QUEST's 42.5% interest in IMCO is included.

for "The Terex Report"
EDWIN FISHBAINE

IMCO RESOURCES LTD.

Lincoln mine #
Yavapai Co. Kan

TRADED

TRADING RANGE

RECENT PRICE

Vancouver— IMC.V
Montreal — IMC.MO

1985 \$.15-.50(Cdn)

\$.45 (Cdn)
\$.33 (U.S.)

RECOMMENDATION: IMCO RESOURCES LTD., (formerly Abitibi Asbestos Mining Co. Ltd.), is currently underpriced on the basis of value at its current selling price of 33 cents (U.S.). The company is under the same management which has brought NOR-QUEST's Gladiator property into production. It will soon be bid up as the success of the Gladiator becomes more widely recognized. In addition, the market has not yet become aware of IMCO's major holding in Quebec on which work is being done by Placer Development Ltd. This property is directly adjacent to Perron Gold Mines Ltd.

IMCO RESOURCES, owns two significant properties. Its original holding is a 15,000 acre tract near the historic Val d'Or gold region of Quebec. This tract contains the largest asbestos deposit in the Western world. Recently discovered on this property, whose asbestos values are uninteresting at this time, are indications of a major gold deposit. The original gold discovery was made on the adjoining property which is currently controlled by Perron Gold Mines. Perron, in turn, is controlled by the Hughes-Lang group, a major Canadian mining group responsible for the development of the two primary Hemlo mines, Golden Sceptre and Goliath. The Perron Mine is called the "Sleeping Giant". Enormous quantities of reserves are being developed on this property directly adjacent to the IMCO tract. At an early stage of development reserve estimates are already at 1.15 million tons grading .26 oz/AU per ton. The geological structures on Perron extend onto IMCO's property for several miles. Perron Gold Mines itself is worth purchasing even though it has advanced to a recent price of over \$3 per share from 33 cents in 1985. IMCO, however, has not yet been discovered by the market.

In order to facilitate the development of this property IMCO has entered into an agreement with Placer Development Ltd., one of the largest international mining companies, in which Placer can earn, within 2 years, a 60% interest in 3,900 of IMCO's 15,000 acres by performing exploration work and making a production decision. Placer has completed preliminary geophysical work and has identified 4 diamond drill targets. Drilling is expected to begin in early 1986. In addition, Placer has completed a sophisticated IP survey which will help identify and outline the sulphide zones.

The second significant property held by IMCO is its wholly owned subsidiary, the "Golden Eagle Mining Co. Inc." which has recently acquired one of the richest gold/silver properties in the Crown King area adjacent to the Gladiator property. The primary vein on this property, the Golden Eagle vein, formerly called the Lincoln vein, has reported ore reserves of 328,000 tons within reach of the existing underground workings. Grades run from .3 to .62 oz/AU per ton over mining widths ranging from 4 feet to 42 feet.

Aside from the high grade values on this vein, it is sufficiently close to NOR-QUEST's Gladiator property to offer the possibility of being linked to it by means of a cross cut. This would facilitate development of this mine and conceivably the now functioning mill on the Gladiator could be expanded to service both companies.

IMCO was chartered in 1965 and was controlled by Brinco, a major Canadian mining company which was interested in developing the asbestos lode. With the collapse of the asbestos market the shares, which traded at very high levels, collapsed. Officially there are 6.9 million shares outstanding, however many of these shares have been "lost". NOR-QUEST owns almost 3 million shares and the actual float is probably considerably less than 3 million.

At the current U.S. price of \$1.50 the shares of NOR-QUEST are sharply undervalued. \$5.68 (U.S.) per share would be a fair valuation on the fundamentals of the Gladiator property with gold at \$325. A valuation of \$10 per share would more accurately represent the fundamental worth of the company when NOR-QUEST's 42.5% interest in IMCO is included.

ARIZONA DEPT. OF MINES & MINERAL RESOURCES
STATE OFFICE BUILDING
416 W. CONGRESS, ROOM 1611
TUCSON, ARIZONA 85701

for "The Terex Report"
EDWIN FISHBAINE

The analysis contained herein is based upon information believed to be reliable but the accuracy of which cannot be guaranteed. The principals, employees and associates of "The Terex Report" may, at any time, hold a position in any security mentioned in these reports and may make purchases and/or sales from time to time in the open market or otherwise.

AK

IMCO RESOURCES LTD.

ANNUAL REPORT

Imco Resources Ltd. (formerly Abitibi Asbestos Mining Company Limited), has changed its image and has emerged as an aggressive precious metals oriented company. The large asbestos ore body will be retained and may become an asset in years to come.

Gold ore deposits are being developed within 1,000 feet of our property in Northwestern Quebec. Perron Gold Mines Ltd. has sunk a shaft and recently announced ore reserves of 1.5 million tons and increasing, at 0.30 oz. gold per ton. Placer Development Ltd. (60%) in a joint venture with Imco (40%) will be starting a diamond drilling program this spring on the ground immediately adjacent to the Perron Gold deposits.

Imco has recently carried out a ground I.P. survey on property it holds outright in the area and has identified several drilling targets. Management plans to farm out these large holdings to major mining companies to explore and develop, with Imco retaining a substantial carried interest.

A recent equity financing has placed \$480,000 in treasury and \$100,000 US is earmarked for our exciting Arizona gold project.

Imco has acquired, through its newly formed Arizona subsidiary, Golden Eagle Mining Co., Inc., the former producing Lincoln property which is located immediately east of Nor-Quest Resources Ltd.'s producing Gladiator mine. *File Perseus Report*

Reports compiled from turn-of-the-century records have indicated that over 300,000 tons of high grade ore still remain within reach of present underground workings. A program will get under way in May to rehabilitate the tunnels and shafts and sample these workings. A diamond drilling program will also commence to explore along the strike and to depth.

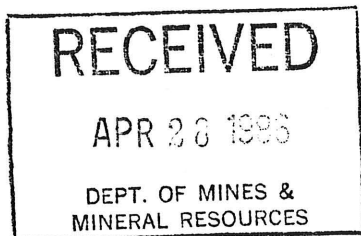
The treasure hunt is now on, and I look forward to an exciting and rewarding year ahead.

The Board of Directors of the company has approved all the information contained in this report. The enclosed financial statements were prepared by management in accordance with generally accepted accounting principles. The company's auditor has audited the financial statements as at December 31, 1985, and expressed an opinion thereon.

The preparation and presentation of the information in this report is management's responsibility.

DATED: April 8, 1986

On behalf of the Board



Raynerd B. Carson, President

Sumner

File Miller Jr
CC Miller Jr

June 1, 1945

Temple F. Penrod, Acting District Director
Office of Price Administration
Phoenix, Arizona

E-1101
SPh:SCJ:Mt. (Ra)

Dear Sir:

I have before me the above communications dated May 22, 1945. I thank you for amending the original appeal finding for supplemental gasoline of May 16th, and placing my earliest gasoline renewal date as July 17, 1945.

I, however, must protest the continued refusal to grant preferred mileage to me for mining purposes and ask that this case be further examined and if necessary you secure additional information from the State board of Mineral Resources.

I was directed by the Local Ration Board to the State Board of Mineral Resources in my original application for preferred mining mileage. The request for mining gasoline was approved to the extent of thirty gallons a month. After the board examined my case, they gave me a letter substantiating this which was attached to my application as of April 19th.

In a communication dated May 16th referring to my appeal and under the paragraph OPINION the following statement appears: "Under Section 7706, certain person engaged in preferred occupations, therein listed, may be eligible for further mileage if they meet the conditions set forth."

It is my contention that due to the action of the State Board of Mineral Resources and in compliance with Section 7706 it is a violation of the regulations as customarily practiced locally to refuse my application for preferred gasoline. Any departure from this rule should be a matter to be discussed between yourselves and Mineral Resources.

The intent of the regulations is to find legitimate reasons to allot gasoline for preferred use and if your files are not complete in this instance it would be entirely in line for you to exert reasonable effort in completing it.

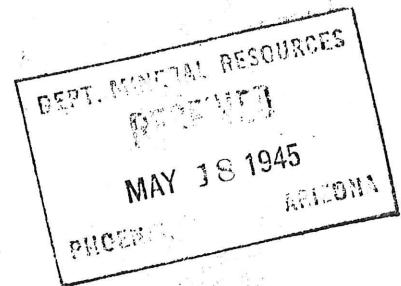
Yours truly,

CM:E

CCmfr

May 17, 1945

Mr. Harry W. Hill, District Director
Office of Price Administration
P. O. Box 650
Phoenix, Arizona



Dear Sir:

I have before me, dated May 16, your order E-1101 wherein you allow me 400 miles of driving per month from May 9, 1945, and wherein you deny me 30 gallons of gasoline per month for use in my mining operations at Crown King, Arizona.

Please be informed that I protest these findings, and request a reopening of the case for the following reasons:

My renewal application is dated April 17, and I am entitled to any supplemental ration from that date. The earliest renewal date would be July 17th and not August 9th.

You have used the Arizona State Department of Mineral Resources to screen this application for preferred gasoline for mining. They have, after due investigation, made their recommendation of 30 gallons a month. If there is any criticism on their performance or if, in your opinion, they should give you additional information, a logical procedure would be to advise them and ask for same before their recommendation was denied.

In the case of this particular application, in so far as you know, the Department of Mineral Resources would be able to make the necessary corrections in their approval so that it would conform to regulation requirements, of which they have evidently not been advised.

Your prompt action will be appreciated.

Yours respectfully,

CHAS. C. MILLER, JR.

CCM:E

DEPARTMENT OF MINERAL RESOURCES

REPORT TO OPA ON ACTIVE MINING PROJECT

Date 4/30/45
 Name of Mine Lepidolite
 Owner or Operator Chas C. Miller, Jr.
 Address 3012 N 7th Ave Phoenix
 Mine Location near Crown King Ariz

Filing Information

File System.....

File No.....

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

PRESENT OPERATIONS: (check X)

Production.....; Development.....; Financing.....; Sale of mine.....;

Experimental (sampling).....; Owner's occasional trip X;

Other (specify).....

PRODUCTION: Past and Future.

Tons

Approx. tons last 3 months

Approx. present rate per 3 months

Anticipated rate next 3 months

If in distant future check (X) here

EQUIPMENT OPERATED:

Type	Quantity or Horse Power	Miles or Hours Per Month	Gallons Required Per Month
Personal Cars	<u>1</u>	<u>350 (no)</u>	<u>30 (mountain roads)</u>
Light or Service Trucks
Ore Hauling Trucks
Compressors
Other Mine or Mill Eqpt.

PRODUCT PRODUCED OR CONTEMPLATED: Name metals or minerals.

Copper

REMARKS:

Mr Miller is the owner of the Lepidolite Mine near Crown King and needs to make a trip there frequently

ARIZONA DEPARTMENT OF MINERAL RESOURCES

By Chas C. Miller, Jr.

THE LINCOLN MINE
Crown King Area,
Yavapai County, Arizona

REPORT AND EXPLORATION PROPOSALS

for

GOLDEN EAGLE MINING CO., INC.

by

Kenny B. Larsen, BSc.,
Consulting Geologist

February 11, 1986

This report was commissioned by Mr.
Raynerd B. Carson, President of the
Golden Eagle Mining Company, Inc.

INDEX

		Page
SECTION 1.0	SUMMARY	1
SECTION 2.0	RECOMMENDATIONS	1
SECTION 3.0	INTRODUCTION	2
SECTION 4.0	LOCATION AND ACCESSIBILITY	3
SECTION 5.0	PROPERTY STATUS	4
SECTION 6.0	HISTORY	5
6.1	Past Production, 1905-1910	7
6.2	Previous and Present Mining Operations in the Pine Grove District, Crown King Area	7
SECTION 7.0	GOLD AND SILVER VALUES	10
7.1	South Camp Tunnel	10
7.2	Discovery Tunnel	10
7.3	Mathaney Stope	10
7.4	Other Locations	11
SECTION 8.0	DEVELOPMENT	12
SECTION 9.0	GEOLOGY AND MINERALOGY	13
9.1	Geology	13
9.2	Mineralogy	13
SECTION 10.0	PROPOSED EXPLORATION PROGRAM	14
10.1	General Statement	14
10.2	Initial Program	14

SECTION 11.0	PROGRAM COST DISTRIBUTION	16
11.1	Rentals	16
11.2	Consumables	16
11.3	Labor	16
11.4	Miscellaneous	16
11.5	Diamond Drilling	16

APPENDICES

i.	Lincoln Mine Location Map
ii.	Lincoln Mine Property Claim Map
iii.	Lincoln Mine Longitudinal Section

1.0 SUMMARY

The Golden Eagle Mining Company, Inc., holds a lease on the Lincoln Mine, a former gold, silver and copper producer in Yavapai County, Arizona, approximately three miles by road north of the Crown King Settlement. The lease agreement is valid to 1994 and in perpetuity thereafter if and as long as production is carried out.

Available data from intermittent mining operations between 1905 and 1932 and minor exploration carried out during 1980 indicates the presence of a predominately sulfide hosted gold and silver deposit accessible from existing underground workings. In addition, an approximately 1,200 foot long section of the vein between the south end tunnels and north-central underground workings remains unexplored, except for a 75 foot deep shaft sunk from the surface near the center of this section.

It is the opinion of the writer that the cost of the exploration program outlined in this report constitutes a very low-risk investment. A successful outcome, resulting in the blocking out of sufficient reserves to warrant a mining operation, would clearly be a considerable asset to Golden Eagle Mining Company, Inc. and it's shareholders.

2.0 RECOMMENDATIONS

In order to ascertain if ore reserves are present, the writer recommends the expenditure of an estimated \$100,000.00 US on a program composed of sampling and geological mapping of all accessible underground workings and 2,400 feet of diamond drilling. This will involve dewatering of the Bradley winze area and securing some sections of the main tunnel where caving conditions present a safety hazard. The program is estimated to take from four to six weeks to complete, depending on the length of time required to dewater the Bradley winze area and the condition of the winze.

3.0 INTRODUCTION

The Lincoln Mine is owned by Lincoln Mines, Inc., an Arizona corporation. The company began development and production of gold, silver and copper concentrates and gold bullion during 1905, but ceased operations on November 1, 1907 when the Humboldt Smelter was closed down. Limited amounts of mining were carried out between 1910 and 1912, again in 1918 and during the years 1931 and 1932. In 1978, Neaves Petroleum Developments, a California company who at that time held a lease on the Lincoln mine, rehabilitated some of the old workings in the south end of the vein for the purpose of testing the downward continuation of three mineralized zones explored by the South Camp Tunnel.

The last work to be carried out on the Lincoln property consisted of a 4-hole diamond drilling program, commissioned by Neaves Petroleum Developments during 1980. The reason why both of these programs failed to accomplish their intended goals will be shown later in this report.

The data presented on the following pages was extracted mainly from a report, memo and data made available to the writer by Neaves Petroleum Developments. The report was written sometime during 1980 or 1981.

4.0

LOCATION AND ACCESSIBILITY

The property known as the Lincoln Mine is situated in the Pine Grove Mining District, better known as the Crown King District, Yavapai County, Arizona. It lies within portions of Sections 1, 2, 11 and 12, Township 10 North, Range 1 West. The mine is about 6,900 feet above sea level and 1,000 feet above the Settlement of Crown King. Access from Crown King is via a three mile long road with an average grade of 7%.

The Settlement of Crown King served as a center of activity for the mining industry in the surrounding area during the early part of the century. It is presently a recreational community with numerous cabins situated on the nearby mountain slopes. Crown King is reached by a 30 mile long all-weather gravel road from the Town of Mayer. It is serviced by Arizona Public Service and adequate power is available in the town. Telephones and postal services are also available. One store, two bars and restaurants represents the core of the settlement's businesses. Gasoline can be purchased at the store.

5.0 PROPERTY STATUS

The Lincoln property consists of seven patented lode mining claims, two patented mill sites and one unpatented mining claim as listed below:

<u>No.</u>	<u>Claim Name</u>	<u>Date of Location</u>
1.	Rough Rider	May 12, 1899, patented
2.	Yellow Jacket	Jan. 1, 1896, patented
3.	Norma	June 1, 1895, patented
4.	Quien Sabe	Jan. 1, 1895, patented
5.	S.P. Carlin	Jan. 1, 1896, patented
6.	Alene	July 15, 1899, patented
7.	Watsonville	June 14, 1905, patented
8.	Admiral Millsite	June 15, 1899, patented
9.	Valley Millsite	June 15, 1899, patented
10.	American Girl	Oct. 30, 1979, unpatented

The claims cover an area of 145.130 acres parallel with the main Lincoln map.

The title to the Lincoln property is held by Lincoln Mines, Inc., an Arizona corporation. The title is clear and no claims are on record against it.

The terms of the leasing agreement held by Golden Eagle Mining Company, Inc., calls for advance royalty payments of \$750.00 U.S. per month. If the property goes into production, the terms are 2½% net smelter returns.

Tunnel was advanced 500 feet northward and three zones of gold/silver mineralization were outlined.

In 1932 the Bradley winze was rehabilitated and sunk to a depth of 200 feet below the main level. A drift was driven 160 feet southward from the bottom of the winze, at which point a crosscut was driven between the hangingwall and footwall of the vein. The total width of the vein is reported to be 15 feet carrying high-grade gold, silver and copper mineralization.

At the same elevation, a drift was also driven 100 feet northward. A crosscut in the end of this revealed a vein width of 10 feet, also reported to be high-grade material.

There are no records of any work having been carried out on the property during the 46 years between 1932 and 1978, when Neaves Petroleum Developments rehabilitated the South Camp Tunnel and sampled the mineralized zones indicated along the vein during the 1932 exploration work.

During 1978, the American Girl Tunnel, 80 feet vertically below the South Camp Tunnel, was extended northward for a distance of 150 feet. This tunnel cannot have been driven on the Lincoln vein as it lies vertically below the South Camp Tunnel where the vein is dipping 65° to 70° westerly.

During 1980, Neaves Petroleum Developments commissioned four diamond drill holes, designed to check out the downward continuation of the Bradley winze mineralization. The hole collars were located by a registered civil engineer. All holes hit open stopes just above the main level. This may have been the result of failure to adjust the hole angles for the natural flattening which takes place when drilling in schistose rock formations. Two of the hole intercepts were later located in open stopes. The only positive result of the drilling program was that potential ore grade material was intercepted in the footwall of the stope(s). The grade of this mineralization ranged from 0.12 oz/Au to 0.35 oz/Au per ton over intercept width from 2.0 to 10.0 feet.

During the same year, Mr. James A. Marsh, a consulting geologist, was commissioned to carry out an evaluation of the economic potential of the property. In his conclusion he states: "The probable and possible ore reserves must be proven by diamond drilling and other exploratory work. The length and continuity of oreshoots, as shown by maps of old workings as well as reports indicating the existence of what could be ore with present-day prices and milling techniques, make the Lincoln Mine most attractive for the production of high-grade gold, silver and copper in commercial quantities."

6.1 Past Production, 1905-1910

The following is a summary of production up to 1910, taken from old records:

Crude Ore:	896.86 tons
Metal values per ton:	1.93 oz/Au, 21.90 oz/Ag, 5.53% Cu

Concentrates:	289.95 tons
Metal values per ton:	2.08 oz/Au, 28.99 oz/Ag, 6.50% Cu

<u>Gold Bullion:</u>	1651.19 oz.
----------------------	-------------

No other records of past production are in existence.

6.2 Previous and Present Mining Operations in the Pine Grove District, Crown King area.

6.2.1 Previous Mining Operations

6.2.1.1 Crown King Mine

This idle mine lies some 4,000 feet west of the south end of the Lincoln property and has been the largest producer in the area. During the years 1890-1901, its 10-stamp mill recovered \$10 to \$12 gold per ton on the plates and made lead concentrate that contained \$150 to \$350 in gold and silver per ton at the times prevailing metal prices. Operations were discontinued in the mid-1930s.

6.2.1.2 The Fairview Property

The Fairview vein is located some 2,000 feet west of and parallel to the Lincoln vein. Discovered in the late 19th century, it remains one of the few known mineral deposits in the area with no recorded production. A few hundred feet of drifting and shallow exploration shafts remains the only visible signs of mining activity. The structure has a known strike length of about 6,000 feet with exploration confined to the southern-most 1,500 feet. Old records from sampling in a 280 foot long drift indicates attractive values of gold and silver. This property is held by Nor-Quest Arizona, Inc., and is pending further exploration during 1986.

6.2.1.3 Other Idle Mines and Prospects

The Wildflower, some 6,000 feet east of and roughly parallel to the Lincoln vein produced gold and silver ore during the early part of the 20th century.

The Del Pasco Vein, also a few thousand feet west of the Lincoln was explored in the late 19th century. No records of production are available.

The Philadelphia Vein, located less than 2,000 feet west of the Lincoln vein recorded a production of \$100,000 in gold around the turn of the century.

Hagarty Research & Development Inc. This company controls some 60 claims north of the Lincoln property. Several veins are known to exist within these claims.

6.2.2 Current Mining Operations

Nor-Quest Arizona, Inc., has recently placed the Gladiator-War Eagle Vein into production at the rate of 100 tons per day. This property is located some 3,000 feet west of and parallel to the Lincoln vein. The history of production dates back to 1870 when the first ore was mined. The last mining was carried out during the period 1942-1946. Recorded production

totals more than 20,000 oz. of gold and 105,000 oz. of silver from this property.

Nor-Quest Arizona, Inc., is a wholly owned subsidiary of Nor-Quest Resources, Ltd. Golden Eagle Mining Company, Inc. is a wholly owned subsidiary of Imco Resources, Ltd. Both Nor-Quest Resources, Ltd. and Imco Resources, Ltd. are affiliated companies and have overlapping management, and both companies are listed on the Vancouver Stock Exchange.

7.0 GOLD AND SILVER VALUES

7.1 South Camp Tunnel

When Neaves Petroleum Developments rehabilitated the South Camp Tunnel in 1978, they cut 11 samples along 260 feet of drift. Based on these samples, they reported the presence of three mineralized zones along the exposed vein. Clearly, considerable additional sampling is required to assess the quality of this mineralization. The results of Neaves Petroleum Developments sampling program is plotted on a longitudinal section appended to this report.

7.2 Discovery Tunnel

This tunnel lies 160 vertical feet (49 meters) above the South Camp Tunnel. During 1031, two carloads of 47.3 dry tons each were shipped to ASARCO's smelter at Hayden, Arizona. The following net assay values are quoted from smelter receipts.

Dry Tons	Oz Au/Ton	Oz Ag/Ton
47.32	0.890	3.62
47.37	0.515	1.62

7.3 The Mathaney Stope

The Mathaney Stope above the main level, just north of the Bradley winze, was developed during 1912. Two carloads of ore from this stope were shipped to ASARCO's Hayden Smelter in Arizona in 1932. Net smelter returns are reported to be \$22.50 per ton, equal to a gold assay of 1.125.oz/ton.

During 1980, 70 feet of the south end of the stope were sampled. The remaining 130 feet of the stope was caved. The average of the ten samples collected are as follows:

Gold	Silver
0.627 oz/ton	4.930 oz/ton

The individual sample locations and values are plotted on a longitudinal section appended to this report.

7.4 Other Locations

Sample records from other areas are mostly incomplete, lacking either location or assay, and can therefore not be used as a guide with any degree of reliability.

8.0

DEVELOPMENT

The main deposit at the north end of the property has been developed by about 2,100 feet (640 meters) of drifting plus several crosscuts and some 300 feet (91.5 meters) of winzes and shafts. This mineralized zone is reported to have a strike length of about 400 feet (122 meters) extending to a maximum of 200 feet (61 meters) above the main level and not less than 200 feet (61 meters) below. Initial mining of this zone was carried out via a shaft from surface. Later a winze was sunk to a depth of 200 feet below the main level (the Bradley winze). About 170 feet (52 meters) down the winze, a drift was driven 370 feet (113 meters) to the south and some 110 feet (33.5 meters) to the north. On this level, at a point 150 feet south from the winze, a crosscut was driven westerly until it reached the footwall. The structure is reported to be 40 feet wide at this point. At the bottom of the winze, a drift was driven 160 feet (49 meters) to the south and 100 feet (30.5 meters) to the north. Cross-cutting in both ends of this drift showed the structure to have a width of 15 feet (4.6 meters) in the south end and 10 feet (3 meters) in the north end. It would appear from the above information that the structure around the winze area is near lens-shaped with a rake to the south.

The south end of the property is developed by some 810 feet (247 meters) of drifts and 120 feet (36.5 meters) of shafts. No stopes were ever developed. Shipments from this area consisted of development muck from drifts and shafts.

9.0 GEOLOGY AND MINERALOGY

9.1 Geology

Little information is available concerning the geology of the Lincoln Mine. The mineralized structure is located near the contact between the Yavapai Schist and the Crazy Basin Quartz Monzonite, both of precambrian age. The Yavapai Schist consists of metavolcanic flows and tuffs, largely of andesitic composition, locally interbedded with sulfide rich, black carbonaceous mudstones and impure quartzites. The schist is frequently intruded by dykes of quartz latite or granodioritic composition.

The vein strikes N 25°-30°E and dips 65°-70° westerly, having a known strike length of 3,700 feet (1,128 meters). The vein width, along its surface expression, ranges from less than 10 inches (25 cm) to two feet (61 cm). Underground the vein is reported to widen gradually at depth. At the deepest workings, 350 feet below daylight surface, it is reported to reach a width of 40 feet (12.19 meters). The vein is composed of highly sheared schist enclosing broken or less deformed stringers of quartz. The intense shearing (observed underground by the writer) is the result of post-ore movement along the vein.

9.2 Mineralogy

The following minerals are reported to occur in the vein:

- Bornite (oxidized zone only)
- Chalcopyrite
- Pyrite
- Tetrahedrite
- Native gold

Gangue minerals are quartz, carbonate, siderite and hematite.

The vein was mined primarily for its gold values.

10.0 PROPOSED EXPLORATION PROGRAM

10.1 General Statement

Mr. Marsh calculated the tonnage and grade of several zones. The calculations are based on too many assumptions. There is, however, substantial evidence which indicates the presence of mineralization in sufficient quantities to warrant investment of a limited sum of money to determine the validity of Mr. Marsh's calculations.

10.2 Initial Program

10.2.1 South End of Property

The portal of the South Camp Tunnel is covered by a fairly substantial slide of unconsolidated material from the slope above the adit. An attempt to reopen the portal involves the removal of a substantial quantity of material by heavy duty equipment and would be of limited value considering the amount of data obtainable by resampling the adit.

Instead, I recommend a five hole diamond drilling program, totalling some 1,650 feet. This program will cover a 400 foot strike length of the vein to a depth of between 225 and 400 feet below its surface expression. Successfully executed, this program would provide sufficient data to evaluate the reserves indicated by previous workers. The proposed hole targets are numbered one through five on the appended longitudinal section.

The American Girl tunnel is not driven on the Lincoln vein and therefore serves no purpose at this time.

10.2.2 North End of Property

Access to the north end of via a crosscut, which intercepts the vein 391 feet from the portal. From this point, the main level was driven about 1,600 feet southward. I have inspected this drift for a distance of 1,100 feet. There are several caved areas which need to be secured by temporary timbering. The Bradley winze, or what appears to be the

Bradley winze, was seen in the floor of the main level, just ahead of a caved area (Matheney Stope). The water level at this point is about two feet above the floor of the drift. Dewatering of the winze and the workings below is required, followed by rehabilitation of the winze with timbering and ladders. Provided that no serious cave-ins are encountered, a program of geological mapping and samplings of this key area can be executed. In addition, two diamond drill holes should be drilled from the surface on a section lying 100 feet north of the Bradley winze. The first hole is designed to intercept the vein 100 feet above the Matheney Stope and the second hole 100 feet below the lowest sublevel.

If caving is encountered in the Bradley winze to the extent of preventing entry into the sublevels, the exploration program for this section of the mine should be reviewed for the purpose of expanding the diamond drilling program designed.

11.0 PROGRAM COST DISTRIBUTION

11.1 Rentals

350 CFM Compressor, 1.5 months	\$ 600.00
1 air powered Tucker Hoist, 1 month	400.00
1 pickup truck, 45 days @ \$35.00/day	<u>1,575.00</u>
Total	\$ <u>2,575.00</u>

11.2 Consumables

Timber and Ladders	3,000.00
Diesel fuel	<u>1,350.00</u>
Total	\$ <u>4,350.00</u>

11.3 Labor

85 man days	14,195.00
Supervision and consulting services	<u>4,000.00</u>
Total	\$ <u>18,195.00</u>

11.4 Miscellaneous

Miners lamps, safety equipment, tools, minor consumables	4,500.00
3,800 feet of plastic pipe @ \$0.60/ft	<u>2,280.00</u>
Administrative services	400.00
Au/Ag assays, 200 samples @ \$9.00/sample	<u>1,800.00</u>
Shipping costs	<u>600.00</u>
Total	\$ <u>9,580.00</u>

11.5 Diamond Drilling

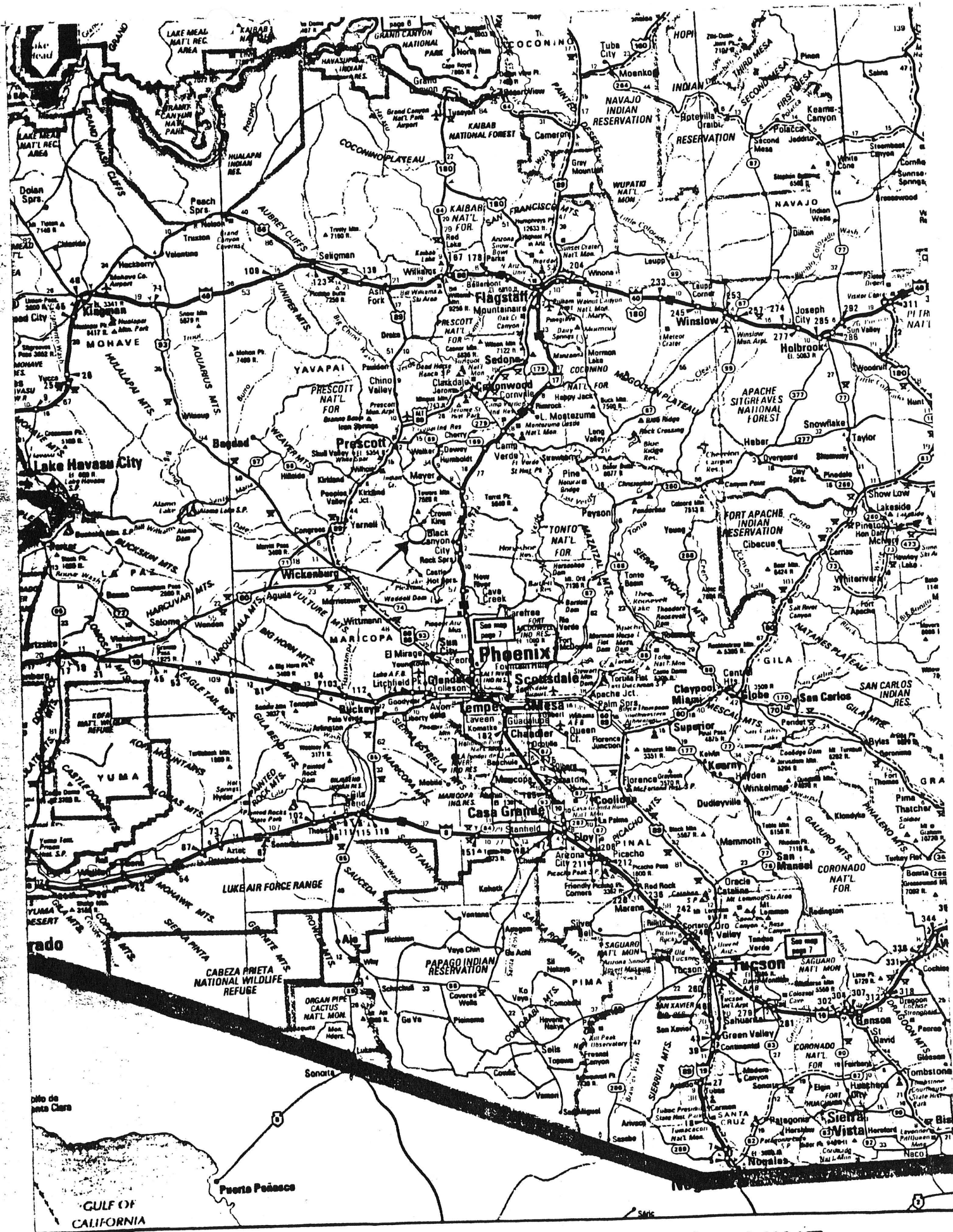
2,400 feet @ \$25.00/ft (NQ core) (includes mob.-demob., assaying and engineering)	60,000.00
--	-----------

Grand Total	94,700.00
Contingency	<u>5,300.00</u>

Project Total	\$100,000.00 U.S.
---------------	-------------------

Appendix i.

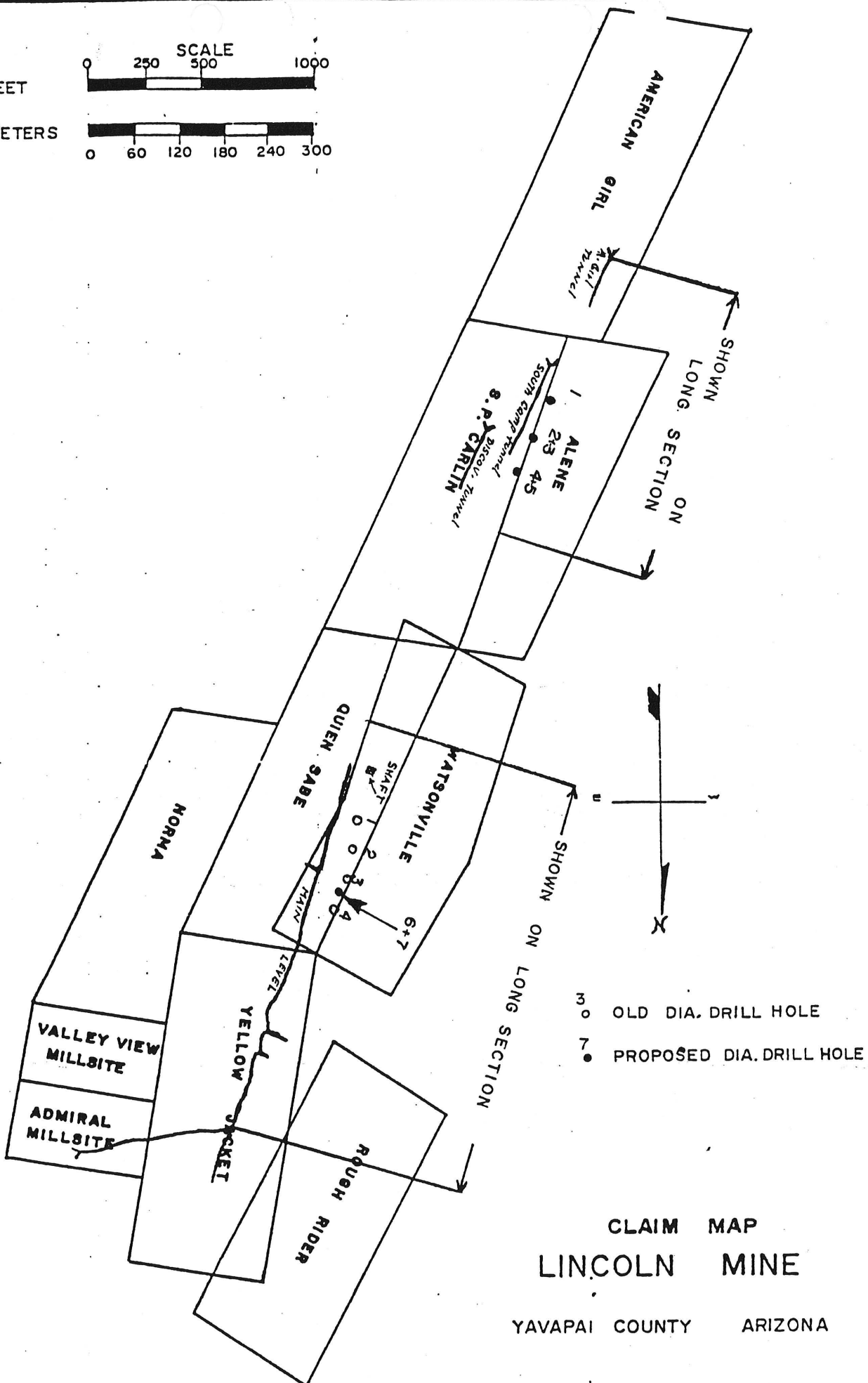
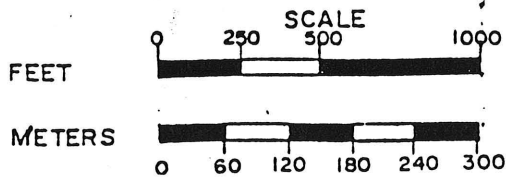
Lincoln Mine Location Map



LINCOLN MINE
LOCATION IN

Appendix ii.

Lincoln Mine Property Claim Map

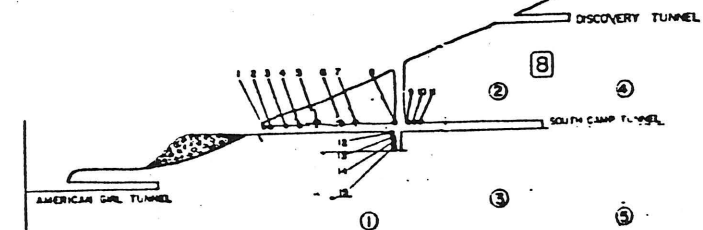


Appendix iii.

Lincoln Mine Longitudinal Section

CHANNEL SAMPLE ASSAYS

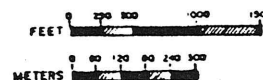
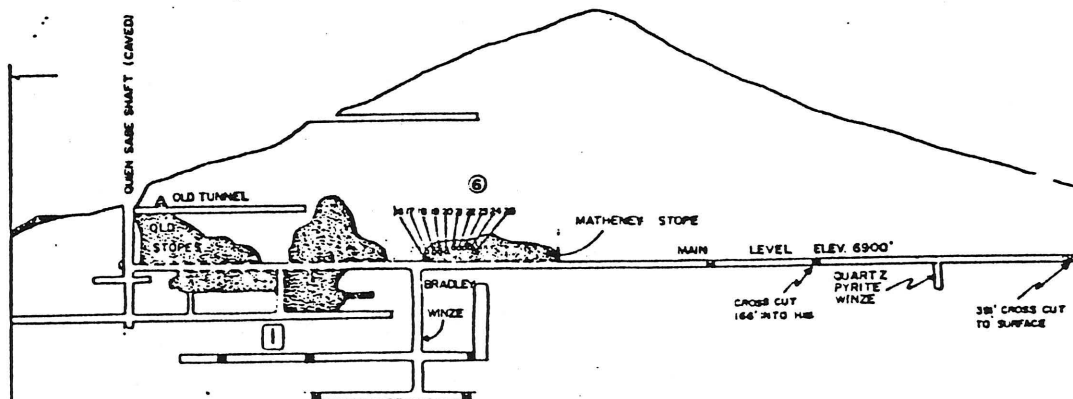
SAMPLE NUMBER	WIDTH	OZ. Au-TON	OZ. Ag-TON
1	60	0.23	28.90
2	20	0.26	209
3	60	0.11	1.07
4	50	0.43	0.60
5	50	0.18	0.70
6	50	0.92	0.62
7	30	0.30	0.40
8	30	0.44	0.78
9	45	0.36	0.85
10	35	0.46	0.72
11	35	0.44	0.70
12	40	0.24	0.40
13	40	0.39	1.00
14	40	0.56	1.30
15	40	0.74	1.05
16	20	0.85	5.55
17	20	1.13	4.69
18	20	1.02	2.12
19	20	1.58	11.16
20	40	0.42	1.88
21	20	1.17	28.89
22	50	0.84	4.80
23	50	0.04	1.06
24	50	0.10	1.00
25	60	0.53	3.31



LEGEND:

- ② DIAMOND DRILL HOLE TARGET
- CHANNEL SAMPLE LOCAT.
- OLD DUMP

N30E



LONGITUDINAL SECTION
LINCOLN MINE
CROWN KING YAVAPAI COUNTY
ARIZONA

OCT. 1908

K. LARSEN

STATEMENT

I have recently examined old records and data from the Lincoln Mine, Crown King Area, Arizona and visited underground and surface workings on the property.

This report is the result of the above work and was done for a fee. Undersigned has no financial interest in this property or Golden Eagle Mining Company, Inc.

I am an independent consulting geologist with 25 years experience, both foreign and domestic.

Kenny B. Larsen
Intercontinental Consulting

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA

MINE OWNER'S REPORT

Date July 11, 1946

Mine Lincoln
Mining District & County Pine Grove Mining Dist., Yavapai County
Former name
Owner Charles C. Miller, Jr., Trustee
Operator E. M. Moores, Jr.
President, Owning Co.
Gen. Mgr.
Mine Supt.
Mill Supt.
Men Employed
Operations: Present

2. Location 1 1/2 miles northeast of Crown King
6. Address (Owner) 3018 N. 7th Ave., Phoenix
8. Address (Operator) Crown King, Ariz.
9A. President, Operating Co.
14. Principal Minerals Au, Ag, Cu
15. Production Rate
16. Mill: Type & Cap.
17. Power: Amt. & Type

Operations: Planned

Number Claims, Title, etc. 8 lode claims; 7 patented and 1 unpatented.

Description: Topography & Geography Mountainous and rugged, elevation about 6500 ft.

Mine Workings: Amt. & Condition

3 shafts	600' total	old shaft caved, 2 winzes full of water
2 raises	380' total	old raise caved, raise in S. tunnel 130' open.
4 tunnels	3100' total	old drift 2000' partially caved, old drifts from old winze full of water, south tunnel 500' open.
1 crosscut	400'	open
1 stope	approx. 400' long, 250' high, 3' wide	

Geology & Mineralization Fissure vein in schist. Strike N 30 E. Dip 60 degrees west. Vein is cut by diorite and porphyry at intervals. True hanging and foot wall of vein are from six to fifteen feet wide. The main deposition of ore usually occurs along the foot wall and averages about 3 ft. wide. It is a quartz ore and in the oxidized zone it is very vugy and porous and contains a great amount of hematite. At depth it shows sulphides of pyrite and chalcopyrite.

Ore: Positive & Probable, Ore Dumps, Tailings No ore blocked out. Proposed to drive 1500 ft. drift on vein to tap ore shoot 250' below old workings, also for exploration of 1500 ft. of virgin territory with 450' of backs and promising surface indications. Tunnel now in 500'. Seems to have cut the top of a new ore body at about 200' from the portal. A 20' winze on this showing has ore 3 ft. wide averaging 0.55 oz. au, and 2.00 oz. ag. Probable ore to be developed.

A. Dimensions and Value of Ore body (by the proposed tunnel and taking into consideration only the Ore body in old workings was (sulphide zone of the old known ore body, 25,000 tons or ore 400 to 500' long and was mined (of \$30.00 per ton at present metal prices. This does not take to a depth of 200' at which (into consideration the possibility of finding new and additional point ore turned to sulphide. (ore bodies in the 1500' of virgin ground along the vein above Very little mining below this (mentioned.

Mine, Mill Equipment & Flow-Sheet point.

Road Conditions, Route Rough but passable.

Water Supply Small amount of water running from both old tunnel and south tunnel. Ample water for milling would be developed as the south tunnel progressed.

Brief History Discovered in 1886, ore packed on burros and worked in 2 stamp mill. 5 stamp mill erected about 1905, later enlarged to 15 stamps. High grade ore was shipped to Humboldt smelter and lower grade was milled on property. Humboldt smelter failed in 1908 and owed mine for shipments forcing shutdown. Very little production since that time.

Special Problems, Reports Filed

Remarks Maps available for inspection at residence of E. M. Moores, Jr., Crown, King, Ariz.

If property for sale: Price, terms and address to negotiate. \$75,000 payable in 5 years.

32. Signature E. M. Moores, Jr.

Use additional sheets if necessary.

DEPARTMENT OF MINERAL RESOURCES
State of Arizona
MINE OWNER'S REPORT

Date.....July 11, 1946.....

1. Mine:Lincoln.....
2. Location: Sec.....Country unsurveyed.....Twp.....Range.....Nearest Town.....Crown King
Distance..... $1\frac{1}{2}$ miles.....Direction.....north east.....Road Condition.....rough but passable.....
3. Mining District & County:.....Pine Grove Mining District, Yavapai County.....
4. Former Name of Mine:.....Lincoln.....
5. Owner:Charles C. Miller, Jr., Trustee,
Address:3018 North 7th Ave., Phoenix, Arizona.....
6. Operator:E. M. Moores, Jr.,
Address:Crown King, Ariz.....
7. Principal Minerals:Gold-silver-copper.....
8. Number of Claims:.....8.....Lode.....8.....Placer.....
Patented7.....Unpatented1.....
9. Type of Surrounding Terrain:.....Mountainous and rugged, Elevation about 6500 ft.
.....
.....
.....
10. Geology & Mineralization:.....Fissure vein in schist. Strike N 30 E. Dip 60 Degrees
west. Vein is cut by dikes of diorite and porphyrey at intervals. True hanging
and foot wall of vein are from six to fifteen feet wide. The main deposition of
ore usually occure along the foot wall and averages about 3 feet wide. It is a
quartz ore and in the oxidized zone it is very vugy and porous and contains a great
amount of hematite. At depth it shows sulphides of pyrite and chalcoppyrite.
11. Dimension & Value of Ore Body:.....
Ore body in old workings was 400 to 500 feet long and was mined to a depth of
200 feet at which point ore turned to sulphide. Very little mining below this
point.
.....
.....
.....

12. Ore "Blocked Out" or "In Sight": No ore blocked out. Proposed to drive 1500 ft. drift on vein to tap ore shoot 250 ft. below old workings, also for exploration of 1500 ft. of virgin territory with 450 ft. of backs and promising surface indications. Tunnel now in 500 feet. Seems to have cut the top of a new ore body at about 200 ft. from the portal. A 20 ft. winze on this showing has ore 3 ft. wide averaging 0.55 oz. au and 2.00 oz. ag

Ore Probable: Probable ore to be developed by the proposed tunnel and taking into consideration only the sulphide zone of the old known ore body, 25,000 tons of ore of \$30.00 per ton at present metal prices. This doesnot take into consideration the possibility of finding new and additional ore bodies in the 1500 ft. of virgin ground along the vein above mentioned.

13. Mine Workings—Amount and Condition:

No.	Feet	Condition
3	600 total	old shaft caved, 2 winzed full of water.
Shafts		
2.	380 total	old raise caved, raise in S. tunnel 130' open
Raises		
4	3100' total	old drift 2000' partially caved, old drifts from old winze full of water, south tunnel 500' open
Tunnels		
1.	400'	open.
Crosscuts		
1.	approx. 400' long, 250' high, 3' wide.	
Stopes		

14. Water Supply: Small amount of water running from both old tunnel and south tunnel. Ample water for milling would be developed as the South tunnel progressed.

15. Brief History: Discovered in 1886, ore paked on burrow and worked in 2 stamp mill. 5 stamp mill erected about 1905, later enlarged to 15 stamps. High grade ore was shipped to Humboldt smelter and lower grade was milled on property. Humboldt smelter failed in 1908 and owed mine for shipments forcing shutdown. Very little production since that time.

16. Signature: 

17. If Property for Sale, List Approximate Price and Terms: \$75,000 payable in 5 years.

Maps available for inspection at residence of E. M. Moores, Jr., Crown King, Ariz.