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The following file is part of the

Arizona Department of Mines and Mineral Resources Mining Collection

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ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: LITTLE HILL MINE

ALTERNATE NAMES:

GOLD HILL PROPERTY
DEL ORO CLAIMS
SILICA MINES, INC

PINAL COUNTY MILS NUMBER: 586

LOCATION: TOWNSHIP 10 S RANGE 15 E SECTION 5 QUARTER SW
LATITUDE: N 32DEG 35MIN 19SEC LONGITUDE: W 110DEG 50MIN 12SEC
TOPO MAP NAME: ORACLE - 15 MIN

CURRENT STATUS: PAST PRODUCER

COMMODITY:

COPPER OXIDE
SILICON SMELTER FLUX
MOLYBDENUM

BIBLIOGRAPHY:

ADMMR LITTLE HILL MINE FILE
DURNING, W. "GEOL & MINERALIZATION LITTLE
HILL MINES AREA, N SANTA CATALINA MTNS" PINAL
CO. AZ. UOFA THESIS, MASTER, 1972
ADMMR INDUSTRIAL MINERALS RPT. 1980 & 1981
ADMMR DIR. OF ACTIVE MINES IN AZ, 1980, P. 13
CLAIMS EXTEND INTO SEC. 33-T9S-R15E

ABSTRACTED FROM ADMMR ACTIVE MINES DIRECTORY, 1992

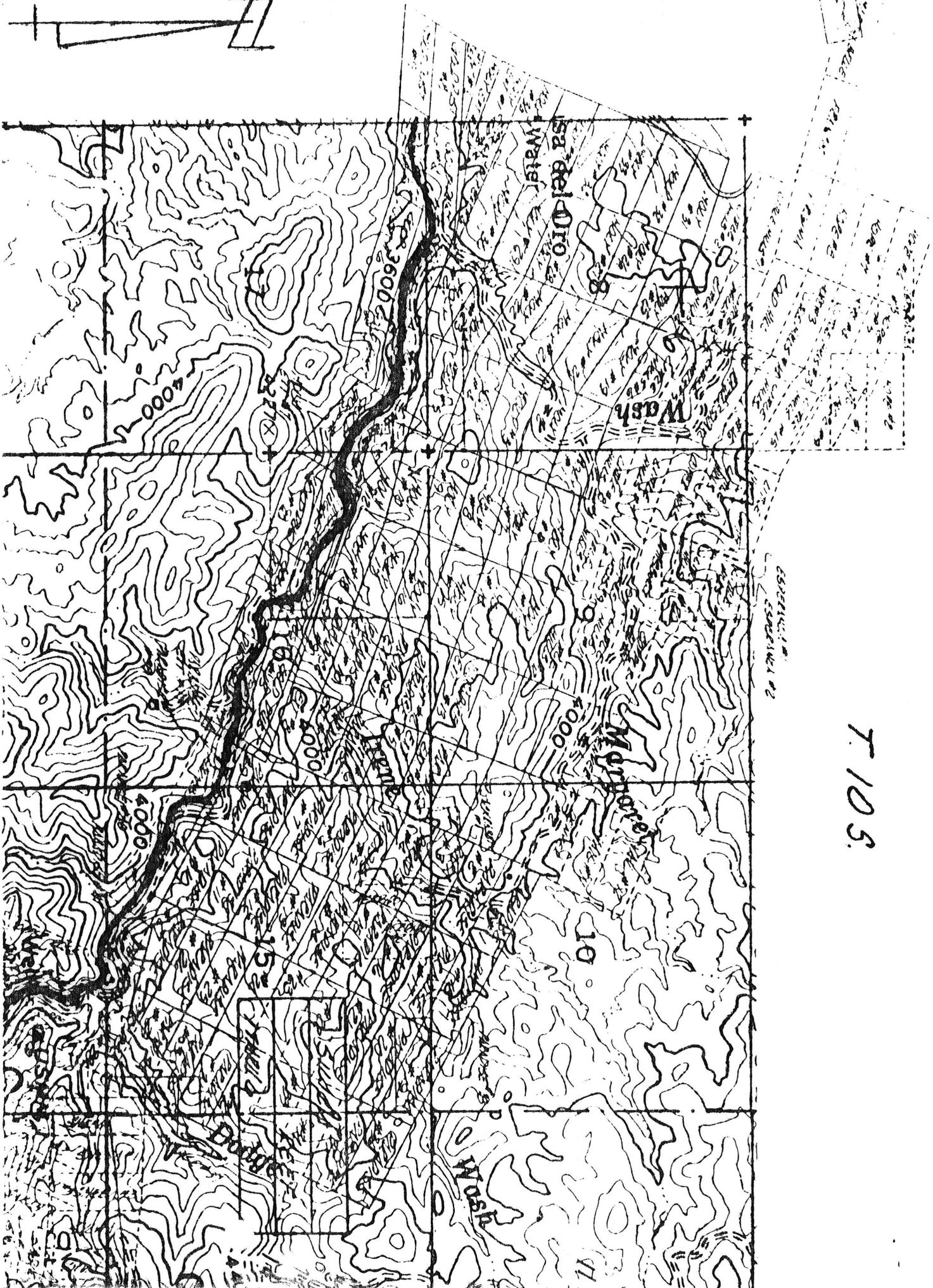
LITTLE HILL MINES INC.

*Little Hill Mine file
Pinal County*

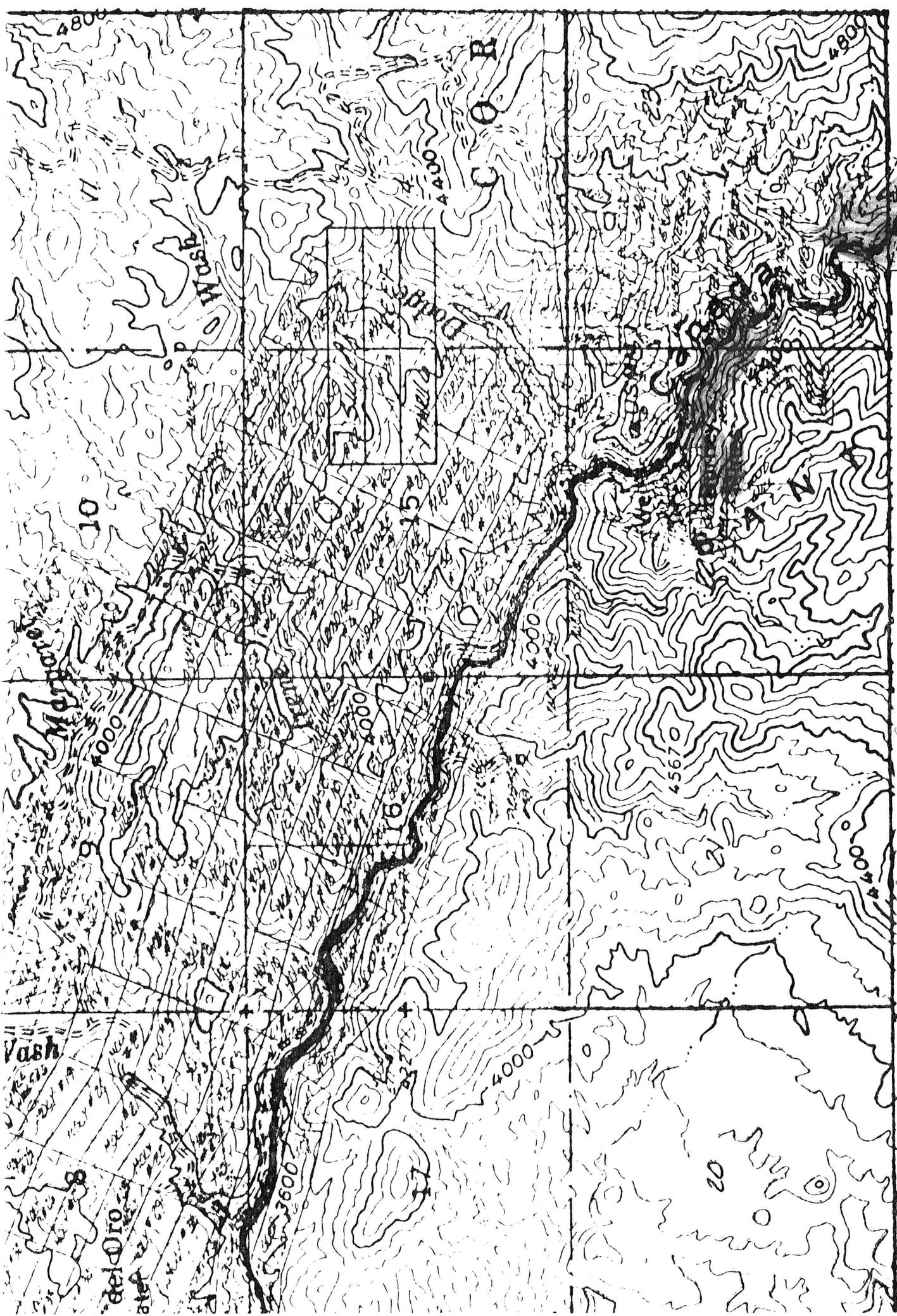
Gold Hill Mine T10S R15E Sec. 5

P.O. Box 332, Oracle, AZ 85623 - Phone 896-2245 - Employees: 5 - Open pit mine - Located 6 miles southwest of Oracle - Copper bearing silica flux for copper smelter.

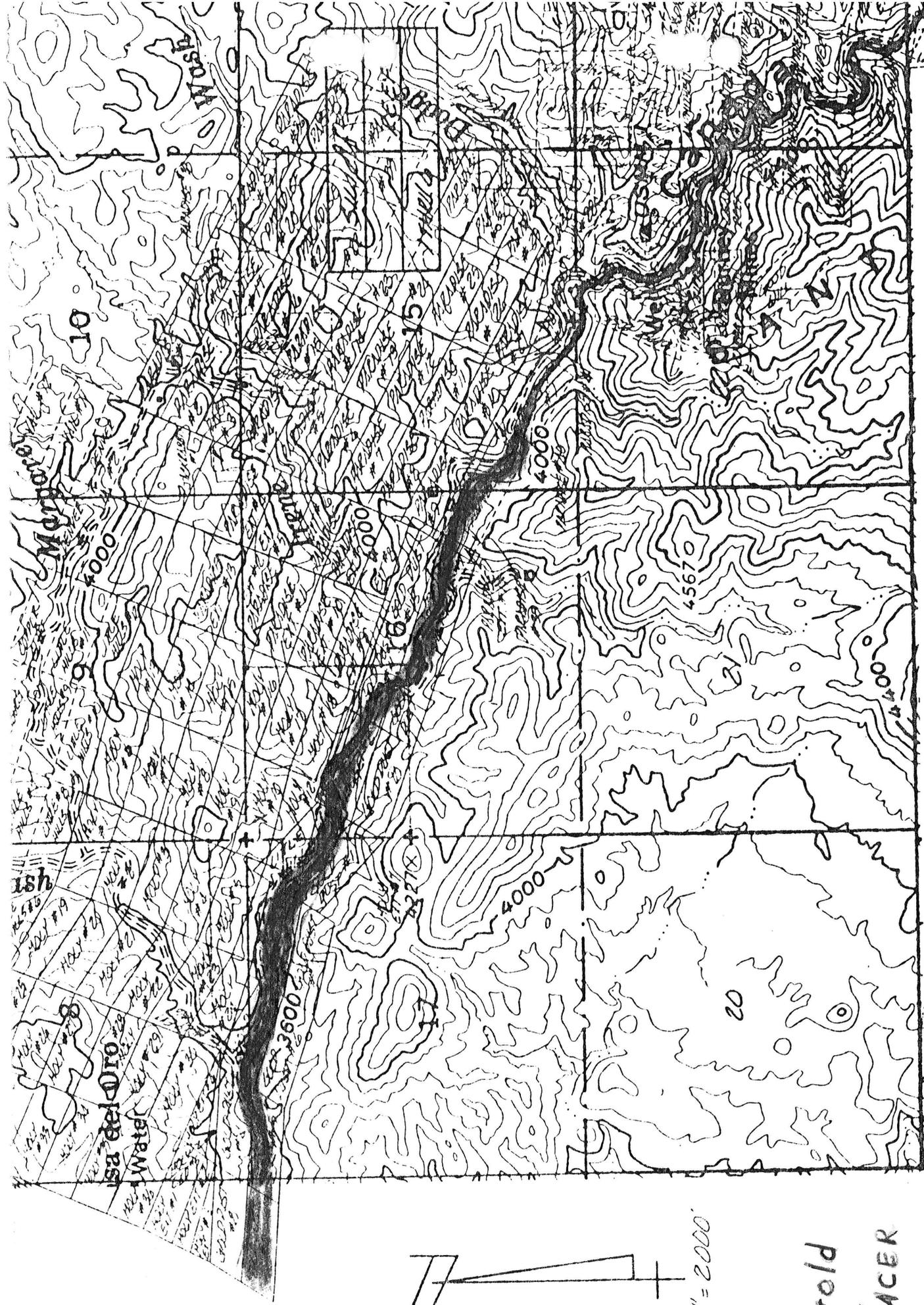
President Dave McGee
General Superintendent Dan Perham



T 105.



Barney Mine
Futura Lake
Canyon Del Oro



1" = 2000'

Gold
PLACER

~ = CANYON DEL ORO

~ = CANADA DEL ORO #112

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General Superintendent Art Coughanour

ABSTRACTED FROM ADMMR ACTIVE MINES DIRECTORY, 1989

McKUSICK MOSAIC

Weary Lode Mine

T1S R15E Sec. 22

Route 1, Box 35-D, Globe 85501 - Phone 425-5051 or 425-8428 - Employees 4
- Surface clay mine located 5 miles south of Globe - Tile and wind chime
clay, cosmetic additives, sealant, and slip glazing material.

Owners Robert & Charmion McKusick
Co-owner Kathleen Condit

ABSTRACTED FROM ADMMR ACTIVE MINES DIRECTORY, 1988

LITTLE HILL MINES INC.

Gold Hill Mine

T10S R15E Sec. 5

P.O. Box 332, Oracle 85623 - Phone 896-2245 - Employees 9 - Open pit mine -
Located 6 miles southwest of Oracle - Copper bearing silica flux for copper
smelter.

President Dave McGee
General Superintendent Art Coughanour

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The [redacted]
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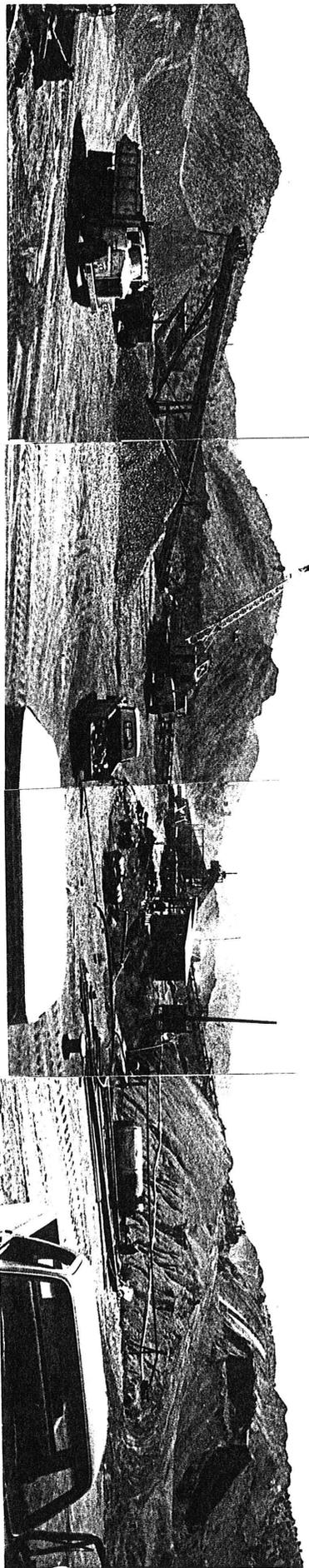
See: Birthday Mine (file) Pinal Co.

LITTLE HILL MINES, 2-15-61 PINAL COUNTY
Box 332 CANADA del ORO DIST.
Oracle, Ariz.

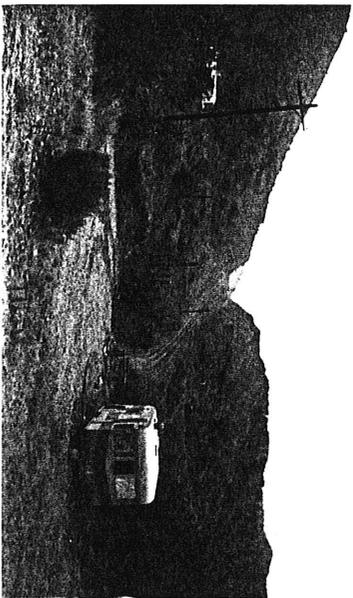
~~GOLD HILL MINE (file) Cu-Silica~~
~~DEL ORO MINES (file) Cu-Si - Pinal~~
~~BUNKER HILL MINE (file) Pinal Co. 3/26/64~~
BURNEY MINES (BURNEY MILL file) Pinal Co. 1/28/66

a complete copy of "Geology & Mineralization of Little Hill Mines Area, Northern Santa Catalina Mountains, Pinal County, Arizona" by Wm. Perry Durning, can be found in the Tucson office of the ADMR

View Looking to the East showing the Plant Operations of Little Hill Mines, Inc. Quarry is further to the East in the center of the picture.



Looking East: Haulage road from quarry beyond





View Looking to the East showing the Plant Operations of Little Hill Mines, Inc. Quarry is further to the East in the center of the picture.



Looking East: Haulage road from quarry beyond



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Looking East: Haulage road from quarry beyond

LITTLE HILL MINE

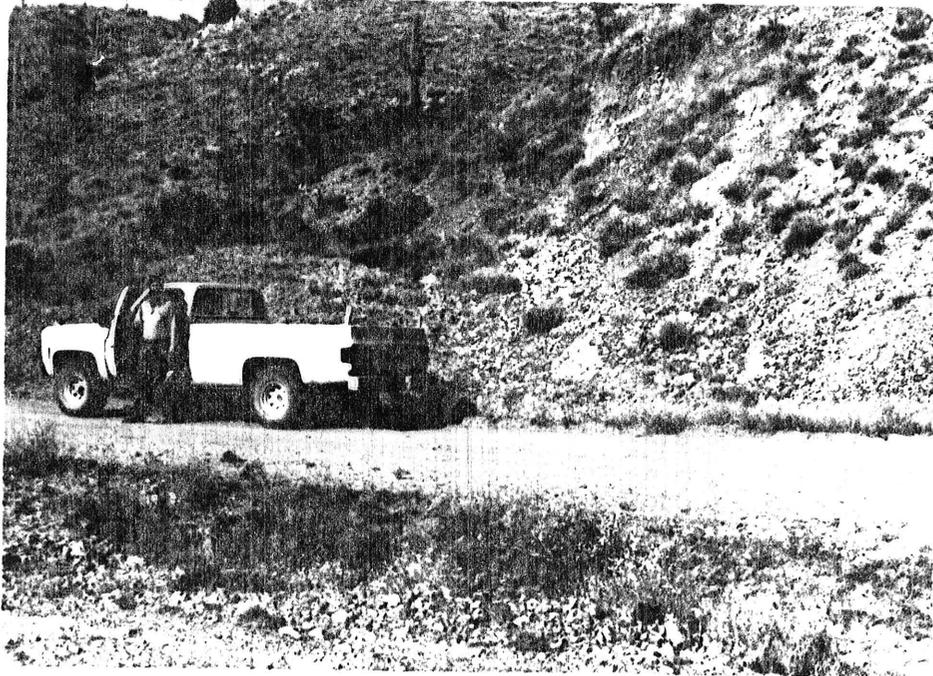
Estimated Readily Available Reserves

Azurite Mine

This has an area that is from 300-600 feet wide and over one mile long with very little overburden. Many places the ore outcrops, showing good copper ore for leaching. The predominate copper ore is Agurite.

Due to the size of the area, 3 million tons of readily available ore is conservative.

The value of annual production is based on .75 percent copper at 90¢ lb. = \$13.50 a ton and 250,000 tons per year. This is \$3,375,000 a year.



LITTLE HILL MINE

Estimated Readily Available Reserves

Stock Pile

There is approximately 800,000 tons of $\frac{1}{4}$ inch minus material in this pile. It is a by product of the Silica operation, as the silica needs to be from $\frac{1}{4}$ inch to $1\frac{1}{4}$ inch size. This is the same type of ore that comes from the Little Hill Mine and the two ores can be blended together in a leaching process.

The value of annual production is based on .50 percent copper at 90¢ lb. = \$9.00 a ton and 187,500 tons per year. This is \$1,674,000 a year.



LITTLE HILL MINE

Estimated Readily Available Reserves

Little Hill

The ore in this area is confined to a narrow, higher grade deposit of ore. In the 1960s, Mr. McGee mined underground over 70,000 tons from one end of this deposit. It averaged about 1.50 percent copper.

There are two areas about 2,000 feet apart that the ore has been exposed and can be mined open pit, while more area is being stripped of the overburden.

Due to this being a narrow deposit, it will be limited to the depth that this can be open pit mined economically. Probably, only about 500,000 tons of this ore can be mined open pit.

There is some indication of a potential large high grade ore body at three to four thousand feet in depth.

The value of annual production is based on 1.20 percent copper at 90¢ lb. = \$21.60 a ton and 62,500 tons per year. This is \$1,414,000 a year.



LITTLE HILL MINE

Estimated Readily Available Reserves

Silica

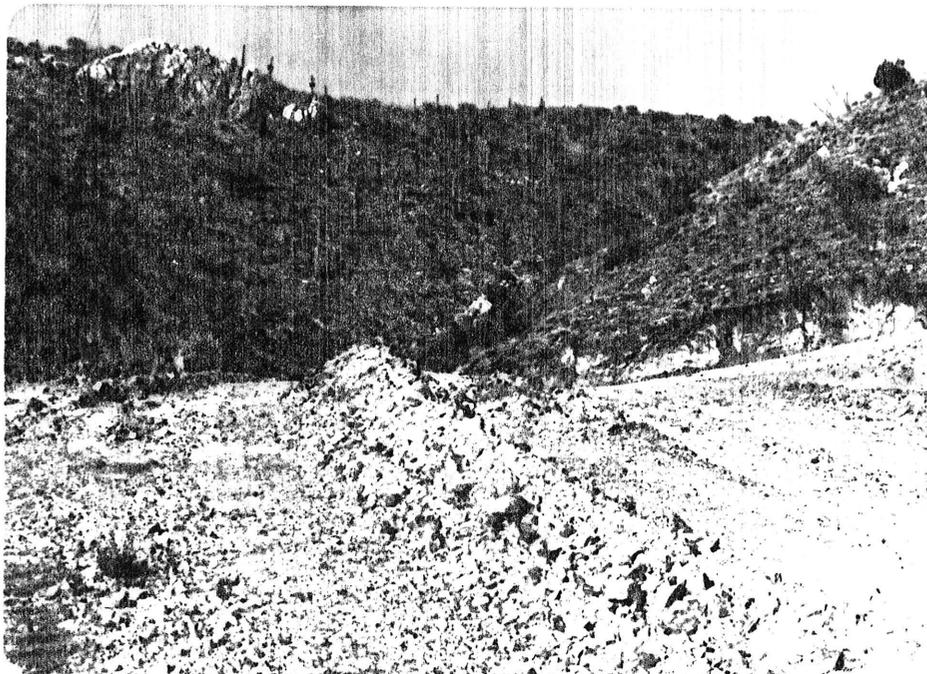
The Little Hill Mine has produced a good grade silica for flux in Asarco's smelter for many years. This is hauled 48 miles to their smelter at Hayden, Arizona.

To produce the desired flux, two different grades of silica are crushed and blended. One is very high grade silica and has no mineralization in it, the other is lower grade and has copper oxides in it. The by-product of this is $\frac{1}{2}$ inch minus and is placed in a stock pile that can be leached. Both of these grades of silica are mined open pit.

It has been estimated, there is over 20 million tons of silica reserves.

The value of annual production of 50,000 tons per year, which is the amount the Hayden smelter uses annually at \$16.00 a ton is \$800,000 a year.

Madra has a smelter at San Manuel, 20 miles distance and Inspiration has a smelter at Miami, a distance of 78 miles. Both of which are within a practical distance for hauling. So they are both potential future customers.



LITTLE HILL MINE

Burney Mine

This is a lead and silver property with two main parallel veins and some cross veins.

On one vein there is approximately 3,000 tons of ore blocked out. On the other vein, there has been a small shaft and small area stopped, also, a short tunnel made on the vein. This is an underground mine of high grade ore. There is no estimate of reserves, but both veins can be traced for considerable distance by the surface digging and outcrops. These type of veins, usually, have good depth to them; so there should be ample ore for a long range mining program.

The value of annual production is based on \$260 a ton and 25,000 tons per year--this is \$6,500,000 a year.

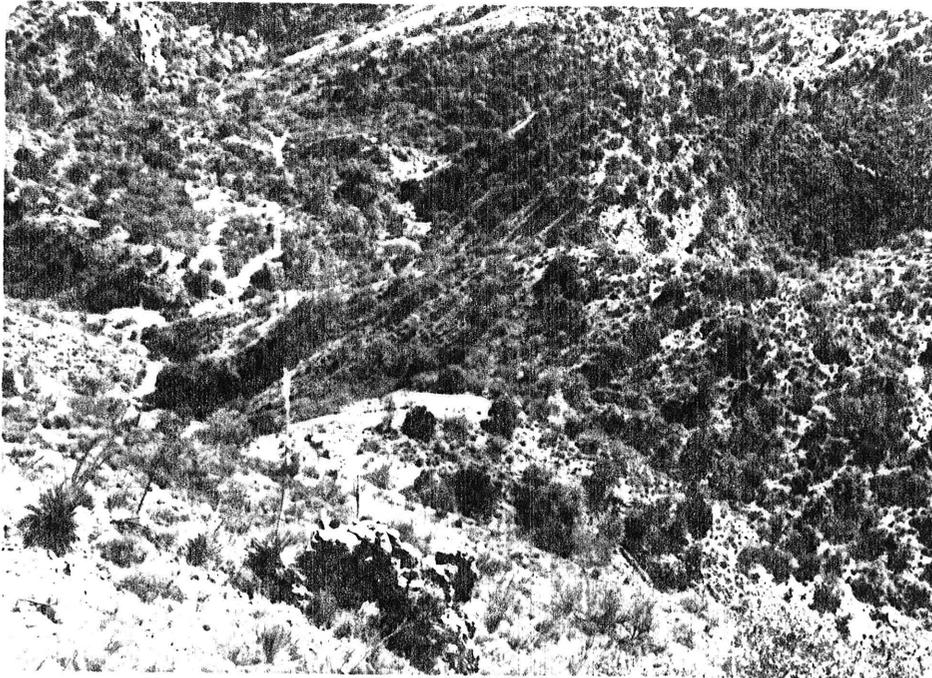


LITTLE HILL MINE

Water

Near the Burney Mine, there is a place where a dam can be put across Cañada Del Oro which will create an 80 acre lake. This should provide sufficient water for milling of the lead and silver, as well for the copper leaching operations. Several small dams (less than 20 feet high) can be put across Cañada Del Oro below this area to provide sufficient water for the Placer operation.

Little Hill Mining Company has the water rights to this area.



LITTLE HILLS MINE
(GOLD HILL MINE)

PINAL COUNTY

MG WR 9/16/83: Visited the Gold Hill mine, Pinal County that has been operated by Little Hill Mines, Inc. The name of the company has been changed to Paradise Mines, Inc. After a temporary shutdown of a couple of months, shipments of silica flux have been resumed on a daily basis to the ASARCO smelter at Hayden.

CJH WR 10/84: Visitor:, John M. Robertson, Ore Buyer, Phelps Dodge (c) Interested in purchasing precious metal bearing silica flux for PD (+75% SiO₂) 7 oz. Ag/t. and /or .02 oz. Au/t. Showed him our mine file on the Little Hill mines, Old Hat District, Pinal County, Sec 5, T10S R15E and discussed other properties.

MG WR 3/22/85: Visited the Gold Hill mine (Pinal Co). Operation sends about six trucks of silica flux to the ASARCO smelter at Hayden each day. A new, main road has been built north of the old road; the old road is in a wash that may be dammed to capture water runoff.

RRB WR 7/4/86: John Salgado, Cherokee Development Ltd., 7501 N. 16th St., Suite 200, Phoenix, Az. 85020, 274-3000, reported that they are acquiring land around the Little Hill Mine, Pinal Co. for a real estate development. The Little Hill Mine consists of a string of patented claims with unpatented claims on the surrounding split estate lands. Mr. Salgado wanted to know what the rights of the surface owner are and what the owner of the mineral rights could do. I gave him a list of mining attorneys. He allowed me to copy his file on the Little Hill Mine and reports that it is still being operated.

PA

Little Hills mine continued operations at its usual pace. GWI AR 73-74

RRB WR 10/17/80: Norman Adams, 883-8857, was in to look at the North Star and Little Hill Mines in Pinal County. He is considering a copper leaching operation at one or both of them.

MG WR 2/20/81: In addition, Little Hills Mines Inc. (Pinal County) ships 3,000 to 4,000 tons month of rock crushed and sized between minus 3/4-in. and plus 3/8-in as silica flux to the ASARCO smelter at Hayden.

KAP WR 3/19/82: During a visit to the Little Hills Mine, Art Coughanour, General Superintendent, discussed their current operating status. The operation mines silica flux for ASARCO's Hayden Copper smelter. Mining is done in part by ripping and loading. Some material is broken by a drilling and blasting contractor. Ore is hauled to a crushing and sizing plant and then loaded into hiway trucks and hauled to Hayden. They are currently shipping about 100 tons per day, down from a peak of about 250 tons per day. The flux runs 70-78% SiO₂ and 0.1 to 0.8% copper. No premium is paid for the copper. Over-size buolders from mining (too large to be worth the trouble of breaking with a double jack on the crusher grizzly) are sold on an individual basis to landscape companies.

KAP WR 3/19/82: Art Coughanour, General Superintendent of the little Hills Mine reported they attempted to run a placer operation on Canada del Oro. The trommel - sluice plant was run at 60 tons/hour for about 40 days and they recovered about 30 ounces of placer gold before shutting it down.

MG WR 1/7/83: The Little Hill Mine in Pinal County is operating at reduced production and much of the ore is coming from the Paradise Mine (see mine report dated January 7, 1983). All ore is crushed and sized at the Little Hill property. The name of Little Hill Mines, Inc., has been changed (keeping the same address, telephone and principals) to Paradise Mines Inc.

The Little Hill Mine (MILS 585) is mislocated on our file as being in Sec. 33, T9S R15E. The mine is in the SE $\frac{1}{4}$, Section 5, T10S R15E.

DEL ORO MINES

Little Hill mines near Oracle continued flux production. This is apparently tied in with San Xavier #2 mine near Tucson as to the quantity shipped. They have moved to another area near their mine for continued production. GWI 4 $\frac{1}{4}$ '72

I visited Little Hill Mine (10S 15E Secs. 5,6,8) and met and talked with Mr. Clay Coughanour, foreman of pit operations. He very willingly furnished me with details of their operations which I shall enter into my report on this visit. REL WR 8/23/73

GOLD HILL MINE

PINAL COUNTY

Mine visit - Little Hill Mine, Oracle. 150 tpd - 11 employees. GWI WR 5-4-71

Little Hill mines are still shipping approximately 150 to 300 tpd to ASARCO Hayden. This varies from month to month according to smelter demand. GWI QR 6-30-71

Directory of Mining - August 1971 - 10 employees

Mine visit. Little Hills mine near Oracle. GWI WR 9/20/71

Mr. Tweedy of USBM called regarding Little Hills new flux mine south of present operation. Forestry service contesting claims as common variety. Tweedy thought we might help since the silica is metallurgical grade and is sold to AS&R at Hayden as such. FTJ WR 5/26/72

Active Mine List - October 1972 - Empl. 5

Went to the Little Hills silica operation of Dave McGee, 5 miles southwest of Oracle. GW WR 1/27/77

See: Del Oro Mines, Pinal Co. (Mine File) and Falcon J. Mine, Pinal Co. (Mine File)

GOLD HILL MINE

PINAL COUNTY

Visited Gold Hill mine and Dave McGee. They are still shipping ore to Hayden but appear to have to scratch for it at times. FTJ WR 7-25-69

The Little Hill Mines at Gold Hill continues shipping to the Asarco smelter at Hayden. The copper silica mine is open pit, well equipped with mining and an excellent crushing and sizing plant. GWI QR 9-1969

Active Mine List Oct. 1969 - 7 men - Dave McGee, Mgr.

The Little Hill Mines continue shipping from their property to Hayden with quantity depending upon requirements of the smelter. GWI QR 2-27-70

Little Hill Mines are still shipping flux from Gold Hill. GWI QR 4-1-70

Little Hill Mines shipping 200-225 tpd to Asarco. GWI WR 5-2-70

Active Mine List May 1970 - 3 men - Dave McGee, Mgr.

The Little Hill Mines and adjacent area have been optioned to AMAX Exploration. AMAX is conducting geological studies. In the meantime Little Hill Mines is continuing production. GWI QR 6-30-70

Little Hill Mines continues shipping approximately 200 tpd of silica ore to Hayden. AMAX continues exploration work on the property and adjoining areas. GWI QR 10-1-70

Active Mine List Oct. 1970 - 9 men - Dave McGee, Mgr.

Little Hill Mines were producing 200 tpd of flux for Asarco Hayden at the time of last visit. GWI QR 4-1-71

GOLD HILL MINE

PINAL COUNTY

Mine visit - Dave McGee of Little Hill Mines - At present mining and shipping from surface southeast of the underground workings. GWI WR 6-26-65

Visited Dave McGee at the Gold Hill mine. They were very busy and shipping with four trucks. Today at lunch Reed Welch informed me that that evening they had a slide that shut down the operation tight and that they were going to have some work to do to get into production. GWI Memo 6-28-65

Active Mine List Oct. 1966 - 3 men working

Visited Dave McGee, Mgr. Little Hill Mines - Still shipping 50 tons a day. GWI WR 12-3-66

Visited Little Hill Mines - Still shipping 50 tpd. GWI WR 1-28-67

Active Mine List April 1967 - 3 men

Mine visit to Gold Hill - Little Hill Mines - still shut down because of strike. GWI WR 1-27-68

Active Mine List Nov. 1967 - 4 men

Little Hill Mines began getting ready to ship 200 tpd of copper silica to the Kennecott smelter. GWI QR 4-1968

Active Mine List April 1968 - 4 men

Mine visit to Little Hill Mines - shipping to Kennecott. Drilling to develop oxide. GWI WR 6-30-68

Little Hill Mines - Dave McGee, Mgr. - is drilling on their copper silica orebody. If they can drill out a reasonable tonnage expect to try and install a leaching plant. The holes are only 200' deep. They are shipping about 300 tpd to the Kennecott smelter. GWI QR 6-1968

Mine visit to Little Hill Mines. Not operating at present. GWI WR 9-28-68

Active Mine List Oct. 1968 - 4 men

Little Hill Mines did some drilling on their Gold Hill property. They also did contract work for Occidental Minerals at Copper Creek. GWI QR 12-1968

The Little Hill Mines at Gold Hill is operating with about 200 tpd being trucked to the Asarco smelter at Hayden. GWI QR 3-1969

Active Mine List April 1969 - 4 men

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date June 13, 1962
District Canada del Oro District, Pinal Co. Engineer Axel L. Johnson
Subject: Mine Report. Information from Dave McGee, Manager.

References: Report of Feb. 14, 1962 and previous reports.

Present Mining Activity: Stoping ore above the 200 ft. level and trucking same to the A.S. & R. smelter at Hayden. 7 men working - 5 men working in the mine and 2 truck drivers. Production about 50 tons per day.

Owners & Operators: Little Hill Mines, Box 332, Oracle, Arizona., Dave McGee, Manager.

Ore Values: Mr. McGee reports that the ore averages about 2.0% copper, with about 71% silica.

Mine Workings:

- 1 - Inclined shaft - (inclined 52 degrees to the south) 200 ft. deep measured on the incline (158 ft. vertical).
- 1 - 200 ft. main level.
- 1 - adit, connecting with shaft at about 100 ft. below collar, used for ventilation only.

Active Mine List Oct. 1962 - 7 men working

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine

Date Feb. 14, 1962

District Canada del Oro District, Pinal Co.

Engineer Axel L. Johnson

Subject: Mine Report. Personal visit.

References Report of Sept. 28, 1961

Present Mining Activity Raising from the 190 ft. level (this is called the 200 ft. level in my last report). The plans call for raising up to the 65 ft. level. 5 men working. Production about 50 tons per day when stoping.

Marketing The ore is hauled to the A. S. & R. smelter at Hayden, a distance of about 40 miles, Irvin Bros. hauling the ore on contract. Operators receive a reduction in smelter rates on account of the high silica content of the ore.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date Sept. 28, 1961
District Canada del Oro District, Pinal County Engineer Axel L. Johnson
Subject: Mine Report. Information from Dave McGee, manager, and Personal visit.

References: Report of June 14, 1961

Present Mining Activity: Stoping ore from the 200 ft. level of the mine. Ore production about 70 tons per day. 9 men working.

Ore Values: Mr. McGee reports that the ore runs about 2.25% copper and 75 to 80% in silica. Copper is all oxidized.

Marketing: The ore is trucked for a distance of about 40 miles to the A.S. & R. smelter at Hayden, 2 - 20 ton capacity trucks being used. Operators receive a reduction in smelter rate on account of high silica content.

Review of Recent Operations: Shaft work on the new shaft was completed about 3 weeks ago (Sept. 7). This is a 200 ft. inclined shaft (inclined 52 degrees to the south). Stoping on the 200 ft. level was started on completion of the shaft.

Proposed Plans: Company is considering the construction of a leaching plant for leaching the ore. A 25 ton per day pilot plant would first be installed, before a larger plant will be considered.

9

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date June 14, 1961
District Canada del Oro District, Pinal County Engineer Axel L. Johnson
Subject: Mine Report. Information from Dave McGee, manager, and Personal visit.

Reference: Report of Feb. 15, 1961

Location: About 8 miles SW of Oracle. Starting from Oracle, drive 5 $\frac{3}{4}$ miles west on Highway #77. Turn left (south) and drive about 2 $\frac{1}{4}$ miles to the mine.

Owners and Operators: Little Hill Mines, Box 332, Oracle, Ariz.
Dave McGee, Manager, Box 332, Oracle.
R. H. McGee, Box 255, Sasabe Star Route, Tucson, Ariz.
Privately owned by the two above mentioned parties.

Principal Minerals: Copper ores, principally copper oxides, mostly chrysocolla. All high silica ore, with silica averaging about 78%.

Present Mining Activity: Construction of inclined shaft by raising up to the surface from the bottom drift of the mine. 8 men working - working 2 shifts, 5 days per week. No ore production at present.

Geology: According to Mr. McGee, the strike of the vein at the shaft location is nearly E & W, and the dip is about 52 degrees to the south. He states that the footwall is decomposed schist, and the hanging wall is quartzite and highly siliceous. The shaft raise is being put up on the footwall side of the vein.

Ore Values: Last shipments have averaged about 2.0% in copper and 78% in silica content.

Marketing: The ore is trucked for a distance of about 40 miles to the A.S. & R. smelter at Hayden.

Review of Current Operations: Since my visit to the property on Feb. 15, 1961, the following work has been done:

- (1) Drifted from the bottom of the winze, below the main adit, described under "New Mine Workings" in the Feb. 15th report, for a distance of 270 ft. to the west along the strike of the vein. The first 200 ft. of this was in ore and last 70 ft. in waste.
- (2) Drove crosscuts from this drift both N & S in 3 or 4 places, and found the commercial ore to be approximately 20 to 25 ft. wide.
- (3) Shipped ore to the A.S. & R. smelter at Hayden, trucking the ore to Hayden, a distance of about 40 miles, in their own trucks (2 - 20 ton trucks). While in ore, these shipments averaged 3 $\frac{1}{2}$ cars per week.
- (4) Started shaft work at a point about 200 ft. west of the winze, by raising up to the surface at an incline of about 52 degrees to the south, following the footwall side of the vein. The raise is now up to a distance of 106 ft., and will break through to the surface at a height of 115 ft. The first 90 ft. of this raise was in ore, and the last 16 ft. has been in waste.
- (5) Raise will be reamed out to the size of the shaft and timbered. Shaft will be a 1 $\frac{1}{2}$ compartment Standard Shaft, inclined 52 degrees to the south.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine

Date Feb. 15, 1961

District Canada del Oro District, Pinal County

Engineer Axel L. Johnson

Subject: Mine Report. Information from Dave McGee, manager, and Personal visit

Location About 8 miles SW of Oracle. Starting from Oracle, drive 5 3/4 miles west on Highway # 77. Turn left (south) and drive about 2 1/4 miles to mine.

Owners and Operators Little Hill Mines, Box 332, Oracle, Ariz.
Dave McGee, Manager, Box 332, Oracle.
R. H. MCGee, Box 255, Sasabe Star Route, Tucson, Ariz.
Privately owned by the two above mentioned parties.

Principal Minerals Copper ores, principally copper oxides, mostly chrysocolla. All high silica ore, with silica averaging about 80%.

Present Mining Activity Drifting from bottom of 75 ft. winze. 9 men working --- 3 men on each shift. Ore production about 20 tons per day.

Geology & Mineralization Operations conducted in a wide, low grade vein. Width of vein varies from 50 to 81 ft. (width 81 ft. on the adit level) Strike of vein --- nearly E. & W. Dip is approximately 75 degrees to the south, but very variable. Commercial ore found for a distance of about 20 ft. width along the footwall, and a width of from 10 to 20 ft. along the hanging wall, the center of the vein being more or less barren. Ore is composed of copper oxides, mostly chrysocolla.

Ore Values Ore runs about 2.5 % copper near the footwall, with 80 % silica content. Ore along the hanging wall runs from 1 to 2 %, and is very variable in copper content.

Marketing The ore is trucked for a distance of about 40 miles to the A. S. & R. smelter at Hayden.

Past History Property had been worked a number of years ago, but have not been able to find out what time or by whom.

Old Mine Workings 1 adit, 244 ft. long, now being used by present operators.

New Mine Workings Air raise to surface at end of adit.
1 drift to the east, 80 ft. long, starting below air raise.
1 drift to the west, 20 ft. long, " " " "
1 winze, below the adit, 75 ft. deep, and station cut for winze.
Drifting now starting both ways from the bottom of the winze.

Review of Recent Operations Present operators started operating this property some time last summer, shipping about 80 carloads of ore from surface operations. The underground operations from the old adit were started late in October, 1960, and about 20 carloads of ore have since been shipped from the development work done to date. The ore is now hoisted up the winze (incl. 8 deg. to S), then trammed for a distance of about 200 ft. through the adit, the ore cars being dumped directly into a truck for hauling to Hayden.

Proposed Plans Operations are scheduled to start on a 2 shift basis in a few days. Expected production rate in the near future ---- 50 tons per day.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine Gold Hill Mine - Little Hill Mines Date June 29, 1967
District Canada del Oro - Pinal County Engineer G. W. Irvin
Subject: Mine visit. Information from Dave McGee, Mgr.

Present activity: Now shipping 50 tpd to the Asarco Hayden smelter. 300 tpd to the Kennecott smelter. Since May.

The crushing plant and site of operations have been moved to the west side of the property.

6 employees.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date Jan. 28, 1966
District Canada del Oro - Pinal County Engineer G. W. Irvin
Subject: Mine report from Dave McGee, Mgr. - Little Hill Mines

Reference: At present time are working an open cut east of the main camp. The broken ore is picked up with a loader and fed to a jaw crusher. This crushes to 2" or less. The product is loaded into large trucks and trucked directly to Hayden.

Present Production: 100 tons per day, with a present limit of 2,000 tons per month. This is subject to change at anytime, depending on smelter requirements.

During the heavy rains of last December, six inches fell within 36 hours. This cut off the camp road for two weeks from the outside and did considerable damage to roads.

Proposed Plans: It is hoped that production of a complex lead, silver, copper, zinc ore from Canyon Del Oro can be started in the near future and that the flux mining be continued as a side-line.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date March 25, 1965
District Canada del Oro District - Pinal County Engineer Axel L. Johnson
Subject Mine visit. Information from Dave McGee, Mgr.

References: Report of Jan. 28, 1965

Present Mining Activity: Stoping is now being done in the underground workings of the mine with the ore being trammed out through a 300 ft. adit extending into the new open cut described in the Jan. 28, 1965 report.

Underground, the ore is loaded with a Caterpillar tractor, with a scrubber attachment, (#933 Cat) into a 5 ton dump car. This dump car is trammed for 300 ft. into the open cut, and the ore is dumped into an ore truck for haulage to the crusher which was recently installed to crush the ore prior to shipment to the Hayden smelter.

Ore production now averages 500 tons per day or 2,500 tons per week. A total of 20 men are now working, including 6 truck drivers.

Review of Recent Operations: Since last report, a new road, new office building and a new warehouse and yard has been constructed on a site a short distance east of the mining operations.

Proposed Plan: It is planned to sink a 2½ compartment vertical shaft about 800 ft. to the east of the old shaft and on the same vein. The shaft sinking is scheduled to start some time next fall.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine

Date January 28, 1965

District Canada del Oro District, Pinal Co.

Engineer Axel L. Johnson

Subject: Mine Visit. Information from Dave McGee, Mgr.

References: Report of Sept. 26, 1963 & previous reports.

Present Mining Activity: Working in a new open cut in the canyon west of the Gold Hill shaft, cutting through some of the old underground workings. No underground production at present. The work in the open cut will be continued until the rainy season starts on July 1st in order to get this area mined out before being subjected to flood waters. A total of 18 men working, including 6 truck drivers, work being carried on for 5 days per week. Production has been averaging 500 tons per day, or 2,500 tons per week.

Present Exploration Work: Diamond drilling by Glen Thatcher, Tucson on contract with 1 drill rig working 1 shift. This was started on Jan. 18 and they are now drilling their second hole. The holes are being drilled at 45°, approximately at right angles to the ore vein. The first hole went down to a depth of 128 ft. and showed 25 ft. of ore.

Ore Values: The ore mined from the open cut now runs about 1% copper, and is shipped to the A.S. & R. smelter at Hayden for use as high silica flux.

Review of Recent Operations: Since last report of Sept. 24, 1964 the following work has been done:

- (1) Working underground from Sept. 24 to Nov. 10, 1964, mining about 500 tons of ore running 2.5% copper during this time. The underground was closed down on Nov. 10.
- (2) Stripping the open pit ore body from Nov. 10 to Dec. 15, 1964.
- (3) Started mining operations in the new open cut about Dec. 15, 1964 at the present rate of production.

Proposed Plans:

- (1) Will continue diamond drilling as long as results continue to be satisfactory.
- (2) Will continue present operations in the open cut until about July 1st.
- (3) Will resume underground operations about July 1st, taking the ore out through an adit, instead of the underground shaft.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine Date Sept. 24, 1964
District Canada del Oro District, Pinal Co. Engineer Axel L. Johnson
Subject: Mine Visit. Information from Dave McGee, Mgr.

References Report of Sept. 26, 1963

Present Mining Activity

- (1) Working underground, with 2 men on 1 shift.
- (2) Working in the open pit, with 4 men.
Two truck drivers in addition.
Total number of men on all operations ---- 8
Total production about 600 tons per week.

Ore Values

- (1) Underground --- about 2.5 %
 - (2) Surface --- 1 to 1.5 %
- Ore is siliceous, and operators get free smelting from the A.S. & R. smelter.

Review of Recent Operations

- (1) Underground mine was closed down for a few months, while the operators were doing shaft repair work at the Bunker Hill Mine. The open pit, however, kept on operating.
- (2) Underground mine resumed operations again about Sept. 15, 1964. The shaft was first repaired, after which a cut and fill system was started, sand from the surface being used as fill.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Gold Hill Mine

Date March 28, 1963

District Canada del Oro District, Pinal Co.

Engineer Axel L. Johnson

Subject: Mine Report. Information from Dave McGee, Manager.

References: Report of June 13, 1962.

Owners & Operators: Little Hill Mines, Box 332, Oracle, Arizona.
Dave McGee, Manager

Principal Minerals: Copper ores, principally copper oxides. All high silica ore, with silica averaging about 71%.

Present Mining Activity: Drifting on the 225 ft. level underground. Working in the open cut on surface. 10 men working - 4 men working underground, 3 men working in the open cut, 1 hoistman and 2 truck drivers - 1 shift 5 days per week. Production about 600 tons per week, about one-half of this tonnage comes from the underground, & the other one-half from the open cut.

Geology: See report of June 14, 1961.

Mr. McGee now reports that both the footwall and hanging wall are schist, and also reports some granite intrusions. He states that the ore vein or lens extends about 200 ft. to the east of the shaft and 50 ft. to the west, and is from 9 ft. to 20 ft. in width.

Marketing: The ore is hauled to the A.S. & R. smelter at Hayden, Ariz., a distance of 45 miles, in the company's own ore trucks.

Mine Workings:

- 1 - Inclined shaft (inclined 52 degrees to the south) 225 ft. deep measured on the incline.
- 1 - adit, connected with the shaft at 100 ft. below the collar and used for ventilation.
- 1 - 200 ft. level (actually only 175 ft.)
- 1 - 225 ft. level (50 ft. below 200 ft. level) now being developed.

All the ore is stoped out above the 200' (175) level.

Review of Operations: Operators are driving an 8' x 9' drift on the 225' level, and also driving a sub-level drift of the same size directly above the lower drift, a distance of 10 feet separating the bottom of the upper drift from the top of the lower one. A slusher is used on the upper drift, and a mucking machine mucks the ore into cars on the main level lower drift. Ore cars are then dumped directly into the ore skip at the shaft. 110 ft. of drift on the main level and about the same amount on the sub-level has now been completed.

DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Art Coughanour
Address: Box 332 Oracle
2. Mine: Little Hills 3. No. of Claims - Patented see previous
Unpatented reports
4. Location: 3 miles WSW of Oracle.
5. Sec. 5 Tp. 15E Range 10S 6. Mining District Copper Hill
7. Owner: Little Hills Mines
8. Address: Box 332 Oracle
9. Operating Co.: Same
10. Address: _____
11. President: _____ 12. Gen. Mgr.: Dave McGee
13. Principal Metals: Silica Copper 14. No. Employed: 8
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 190 tpd.
17. New Work Planned: _____

18. Misc. Notes: All to ASARCO Hayden

Date: 1-28-71 _____
(Signature) [Signature] (Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Dave McGee
Address: Box 332 Oracle
2. Mine: Gold Hill 3. No. of Claims - Patented _____
Unpatented _____
4. Location: Four miles west of Oracle.
5. Sec 5 Tp 10S Range 15E 6. Mining District Canada Del Oro
7. Owner: Little Hill Mines.
8. Address: Box 332 Oracle
9. Operating Co.: same
10. Address: same
11. President: Dave McGee 12. Gen. Mgr.: Art Coughanour
13. Principal Metals: Silica Copper 14. No. Employed: 7
15. Mill, Type & Capacity: ~~Grind~~ Crush# & Fine crush
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 200 tpd.
17. New Work Planned: _____
~~Not for publication.~~ Area optioned to Amax including
adjoining properties.
18. Miscl. Notes: _____

Date: 4-30-70 _____
(Signature)  (Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Art Coughanour & Dave McGee & visit
Address: Oracle, Arizona - Box 332
2. Mine: _____ 3. No. of Claims - Patented _____
Unpatented _____
4. Location: West of Oracle
5. Sec 33 Tp 9S Range 15E 6. Mining District Old Hat
7. Owner: Little Hill Mines
8. Address: _____
9. Operating Co.: _____
10. Address: _____
11. President: _____ 12. Gen. Mgr.: _____
13. Principal Metals: Silica copper 14. No. Employed: 7
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 60 tpd.
17. New Work Planned: _____

18. Misc. Notes: _____

Date: Oct. 1969

(Signature)

(Field Engineer)

Date Printed: 01/03/95

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES

VERBAL INFORMATION SUMMARY

Information from: **U.S. Bureau of Mines**

Company:

Address:

City, State ZIP:

Phone:

MINE: Little Hill Mine

ADMMR Mine File: Little Hill Mine file

County: Pinal

AzMILS Number: 586

SUMMARY

Silica Mines Incorporated, an interim name for Little Hill Mines Incorporated, is listed in the two references given below as a producer of of industrial sand and gravel. This operation does not fit the usual classification of those contained in that listing.

For many years the mine produced metallurgical silica flux for copper smelters, primarily ASARCO's at Hayden. They are now only mining and crushing rock for landscape purposes. The other companies listed in the directory are primarily producers of silica sand and finer ground silica for glass manufacture, functional fillers, abrassives, foundry uses, and hydrafracing.

Bolen, Wallace P. and Lindsay, Christopher, 1993, Directory of industrial sand and gravel producers in the United States in 1993: U.S. Bureau of Mines Mineral Industry Survey, 7 p.

Bolen, Wallace P. and Lindsay, Christopher, 1993, Directory of industrial sand and gravel producers in the United States in 1992: U.S. Bureau of Mines Mineral Industry Survey, 7 p.

Ken A. Phillips, Chief Engineer Date: December 30, 1994

1

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Del Oro Mines Date Sept. 26, 1963
District Canada del Oro Dist., Pinal County Engineer Axel L. Johnson
Subject: Field Engineers Report - Information from W.D. Nelson

References: Report of Aug. 30, 1962 & previous.

Present Mining Activity: Mining copper ore by open pit mining operations and trucking same to the A.S. & R. smelter at Hayden. 5 men working, 6 days per week, two of them being truck drivers. Production is about 100 tons per day.

A track drill (large wagon drill) is used for drilling the blast holes, the holes being drilled to a depth of 12 ft. 2 air compressors, 1 - 365 c.f.m. & 1 - 315 c.f.m., are required to supply air to the track drill. Ammonium nitrate is used as blasting explosive. A No. 955 caterpillar loader is used for loading the trucks.

Ore Values: Copper about 0.3% with 80% to 85% silica content.

W.D. Nelson

DEPARTMENT OF MINERAL RESOURCES

**STATE OF ARIZONA
FIELD ENGINEERS REPORT**

Mine Del Oro Mines

Date August 30, 1962

District Canada del Oro Dist., Pinal County

Engineer Axel L. Johnson

Subject: Field Engineers Report - Information from W.D. Nelson

References: Report of June 13, 1962.

Present Mining Activity: Mining copper ore by open mine operations and trucking same to the A.S. & R. smelter at Hayden, Arizona. 4 men working, 6 days per week, 2 men in the mine and 2 truck drivers. Track drill (large wagon drill) is used for the drilling of blast holes. A number 955 caterpillar loader is used for loading the ore trucks.

Ore Values: Copper - about 0.5% with about 80% of silica content.

See: MINING WORLD, August 1962, p 35

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Clay Coughanour, Foreman of plant operations
 Address: _____
2. Mine: Little Hill Mines, Inc. 3. No. of Claims - Patented ?
 Unpatented ?
4. Location: 7½ miles northeast Oracle Junction, Rt. 77, Pinal County
5. Sec 33 Tp 9S Range 15E 6. Mining District Little Hills (Old Hat)
7. Owner: / Pres. Dave McGee (Phone 896-2245)
8. Address: P.O. Box 332, Oracle, Arizona 85623
9. Operating Co.: Little Hill Mines, Inc.
10. Address: same
11. President: Dave McGee 12. Gen. ~~Mgr.~~ Supt: Art Coughanour
13. Principal Metals: Converters
Silica Flux 14. No. Employed: 12
15. Mill, Type & Capacity: 5600 Tpm
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
 (d) Production (e) Rate 5600 ~~tpm~~ tpm
17. New Work Planned: Hope to be shipping to San Manuel also in next 4-5 months.

18. ~~Misc. Notes:~~ QUARRY: Quarrying operations have been along the Mogal fault zone. The silica occurs on footwall side of fault and dips to south. The quarrying operations are extending to east along fault zone and are now 3 miles east of plant operations (crusher).
19. OPERATIONS: A track drill is used for drilling blast holes. After blasting they use a 631 cat scraper and a 955 loader to load two T24 Euclid trucks (30 ton each). This material is hauled 3 miles to the crusher. At the crusher any material ¼ inch or less is rejected and their pilot product is generally 2 inch size. The ideal silica for the converter must run 84-86 percent. The material that they quarry runs 98-99 %, so they have to blend it at the crusher with material that runs 70%. The alumina content has been running about 2½% and must stay below 4%. The smelter assays the quality of the material everyday and then averages out the assays and pays accordingly. They get penalized if the silica is below 85% and they get nothing if it is over 85%. The final material is trucked to Hayden using two 25-ton semi-dump trucks using two shifts, 5 days/wk
20. PRODUCTION: This varies but probably averages 300 tpd, (5days/wk). They have more reserves than they can get rid of. They have shipped 5000 tons, in the past to Ajo, but the distance was too great and the cost of transportation allowed them to just break even. They hope to be able to ship to San Manuel in next 4-5 mos.

Date: Dec. 10, 1973

(Signature)

Robert E. Lehner
 (Field Engineer)

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Del Oro Mines

Date June 13, 1962

District Canada del Oro Dist., Pinal County

Engineer Axel L. Johnson

Subject: Field Engineers Report - Information from Dan Nelson

Location: About 8 miles SW of Oracle. Starting from Oracle, drive 5-3/4 miles west on Hwy. #77. Turn left (south) and drive about 2 1/4 miles to the mine. (Next to Gold Hill Mine).

Owners: Little Hill Mines, Box 332, Oracle, Arizona. Dave McGee, Manager.

Lessees & Operators: McFarland & Hullinger, Box 238, Tooele, Utah - Local Address, Box 811 Tucson. W. D. Nelson, Supt.

Principal Minerals: Copper ore, high in silica.

Present Mining Activity: Mining copper ore by open pit mining operations and trucking same to A.S. & R. Smelter at Hayden. 4 men working, 6 days per week - 2 men in the mine and 2 truck drivers. Production - about 350 tons per week.

Ore Values: Copper - 0.6% to 1.0%, with from 70% to 80% silica content.

Marketing: Trucking the ore to the A.S. & R. smelter at Hayden for use as silica flux.

Review of Operations: The blast holes are drilled with a wagon drill, and ammonium nitrate is used for the blasting charge.

A 1 1/2 yard #955 Caterpillar end loader is used for loading the ore trucks.

Two - 20 ton Kenworth trucks are used for hauling the ore to the A.S. & R. smelter at Hayden.

Dan Nelson is at present in charge of the operations, substituting for his brother W.D. Nelson, who is away on his vacation.

1 ZON DEPARTMENT OF MINES & RE SURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Dave McGee
Address: _____
2. Mine: Little Hill 3. No. of Claims - Patented _____
Unpatented _____
4. Location: See previous report
5. Sec. _____ Tp. _____ Range _____ 6. Mining District _____
7. Owner: _____
8. Address: _____
9. Operating Co.: _____
10. Address: _____
11. President: _____ 12. Gen. Mgr.: _____
13. Principal Metals: Copper Silica 14. No. Employed: _____
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 150 tpd.
17. New Work Planned: _____

18. Misc. Notes: _____
Talked with Dave McGee who told about operations on Burnie Property
also talked to Alberto J. Manrique & W. Perry Durning of
AMAX who were working on property Amax still has option

McGee has old Reliable Mill 100TPD & wants to
sell same

Date: 9-20-71

[Signature]
(Signature)

(Field Engineer)

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Visit by Art Coughlanour
Address: Box 332 Oracle
2. Mine: Little Hill 3. No. of Claims - Patented _____
Unpatented _____
4. Location: W of Oracle
5. Sec _____ Tp _____ Range _____ 6. Mining District _____
7. Owner: Little Hill Mines
8. Address: _____
9. Operating Co.: same
10. Address: _____
11. President: _____ 12. Gen. Mgr.: Dave McGee
13. Principal Metals: _____ 14. No. Employed: ~~11~~ 11
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate 150 tpd.
17. New Work Planned: At times to 300 tpd.
18. Misc. Notes: _____

Date: 4-29-71

[Signature]
(Signature)

(Field Engineer)

1982

FIELD EXAMINATION LITERATURE SEARCH ASARCO FILE

Section I General Indexing

1 Name(s) of Property or Area LITTLE HILL MINE				2 Country USA		3 State or Province Pinal Co., AZ	
				4 USGS Quad. Oracle		5 File or Core No. Canada del Oro	
6 Latitude 32°35'	7 Longitude 110°48'	8 AMS Sheet Tucson	9 Township 10S	10 Range 15E	11 Section 4-5 8-11 14-17	12 Examined by GWPickard	13 Date 11/22/82
						14 Office Tucson	15 Field Days 1

Date Typed 12/1/82

Section II Sources of Information

16 References	Author	Date	Title	Publications	Vol. No.
	Durning, W. P.	1978	The Root Zone Characteristics of	AGS Digest	Vol. XI
Porphyry Copper Deposits					

Section III Appraisal

17 Recommendations		18 Post Producer		19 Production Commodity		Tons		Grade	
<input type="checkbox"/> Action Now	<input type="checkbox"/>	<input type="checkbox"/> Major Producer	<input type="checkbox"/>	SiO₂					
<input type="checkbox"/> Too Low Grade	<input checked="" type="checkbox"/>	SiO₂	<input type="checkbox"/>						
<input type="checkbox"/> Too Small	<input type="checkbox"/>	<input type="checkbox"/> Mineral Deposit	<input type="checkbox"/>						
<input type="checkbox"/> Ownership Problem	<input type="checkbox"/>	<input type="checkbox"/> Prospect	<input type="checkbox"/>						
<input type="checkbox"/> Access Problem	<input type="checkbox"/>								
20 Num. Drill Holes ±13		21 Excavations Open cuts--Silver Reef, Azurite, Little Hill Area		22 Reserves		SiO ₂		Cu	
23 Approx Total Footage ±5000' (?)				<input checked="" type="checkbox"/> Measured Commodity > 3/8"	<input type="checkbox"/> Estimated Tons ±800,000(?)	%	%	%	%
				10M	Silver Reef	±90	--	--	--
				10M	Little Hill Area	±70	0.3		
24 <input type="checkbox"/> Spectro. Analysis Attached			25 <input type="checkbox"/> Assays Attached			26 <input type="checkbox"/> Geochem Results Attached			

Section IV Geologic Data

27 Commodity or Contained Metals **Silica Flux, Minor Copper, Silver**

28 Ore Minerals-Major **SiO₂** Minor **Chrysocolla Malachite**

29 Host Rocks-Major **Pinal Schist Gneiss Quartzite** Minor _____

30 Age of Host Rocks **Pre-ε Pre-ε Pre-ε**

31 Nature of Exposures **Good exposures on surface and in large open cuts, very shallow soil cover.**

32 Alteration **Sericite, K feldspar, chlorite, magnetite, epidote, biotite, silica flooding & veinlets** 33 Total Extent **8000' x 4500'**

34 Structure **WNW trending Mogul Fault, dips 70° to SW.**

35 Ore Occurrence **Minor chalcopryrite in narrow quartz veinlets and as disseminations with trace amounts of moly in schist and gneiss. Flat lying quartzite with narrow Ag veinlets.** 36 Age of Mineralization **Tertiary**

37 Conclusions & Recommendations **Mr. McGee is set up to produce over 250 tpd of high silica content flux with minor Cu and Ag values from 3-4 large open cut operations and has an estimated 800,000 tons of <3/8" screen rejects. Other high grade SiO₂ deposits with Au values are being tested. Mr. McGee could handle all of the Hayden flux requirements for the next 50 years or more.**

TUCSON BUSINESS BROKERS

5151 N. ORACLE RD., SUITE 118
TUCSON, AZ 85704
602-293-0404

MC GEE MINING PROPERTY

All information contained in this portfolio was obtained from the results of a third party. Broker has no documentation on hand to verify the enclosed information. The information contained in this portfolio while from sources deemed reliable, has not been investigated or verified, and therefore is not guaranteed. Investigation and verification of Seller's representations is not a function of the Broker or Brokers agents. This offering is subject to change without notice, and is subject to prior sale. Prospective purchasers are advised to secure professional legal, accounting and tax advice.

Interested Party/Purchaser(s)

Date

Date

Agent for Broker

Date



Each office independently owned and operated

LITTLE HILL MINE

Gross Annual Income

Gold Placer	\$ 2,500,000.00
Azurite Mine, Copper Leaching	3,375,000.00
Stock Pile, Copper Leaching	1,674,000.00
Little Hill, Copper Leaching	1,414,000.00
Burney Mine, Lead Silver	6,500,000.00
Silica	800,000.00

NORTH STAR MINE

Copper Leaching	4,050,000.00
Total Per Year	\$20,313,000.00

LITTLE HILL MINE

Annual Production

Gold Placer 1000 TPD x 250 Days = 250,000 TPY @ \$10.00 per ton	\$ 2,500,000.00
Azurite Mine, Copper Leach 1000 TPD x 250 Days = 250,000 TPY @ \$13.50 per ton	3,375,000.00
Stock Pile, Copper Leach 750 TPD x 250 Days = 187,500 TPY @ \$9.00 per ton	1,674,000.00
Little Hill Mine, Copper Leach 250 Days = 62,500 TPY @ \$21.60 per ton	1,414,000.00
Burney Mine, Lead Silver - Mine and Mill 100 TPD x 250 Days = 25,000 TPY @ \$260.00 per ton	6,500,000.00
Silica - Process 200 TPD x 250 Days = 50,000 TPY @ \$16.00 per ton	800,000.00

NORTH STAR MINE

Copper Leach 1000 TPD x 250 Days = 250,000 TPY @ \$16.20 per ton	4,050,000.00
Total Per year	\$20,313,000.00

Little Hill

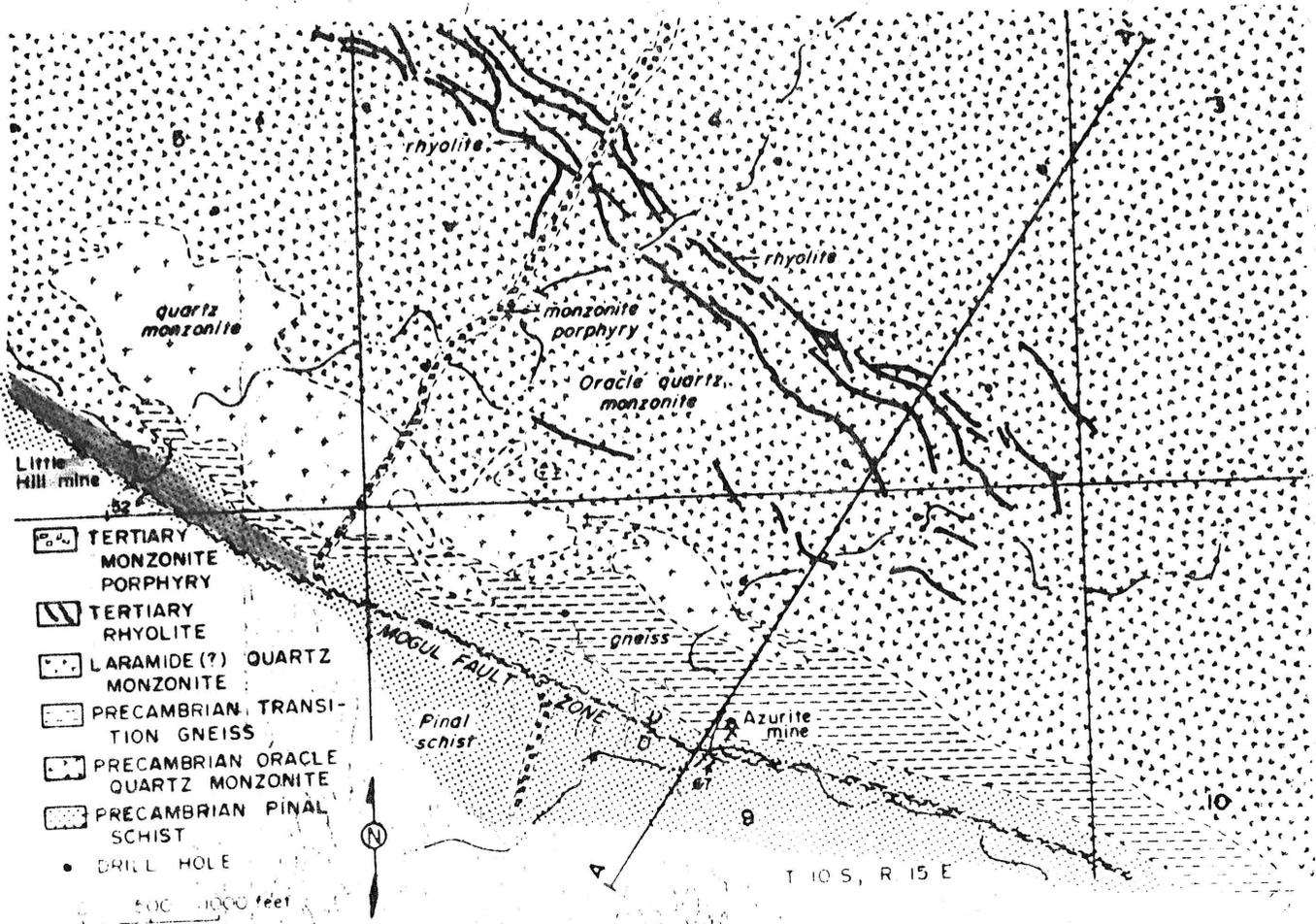


Fig. 2. Generalized geologic map, Little Hill mine area

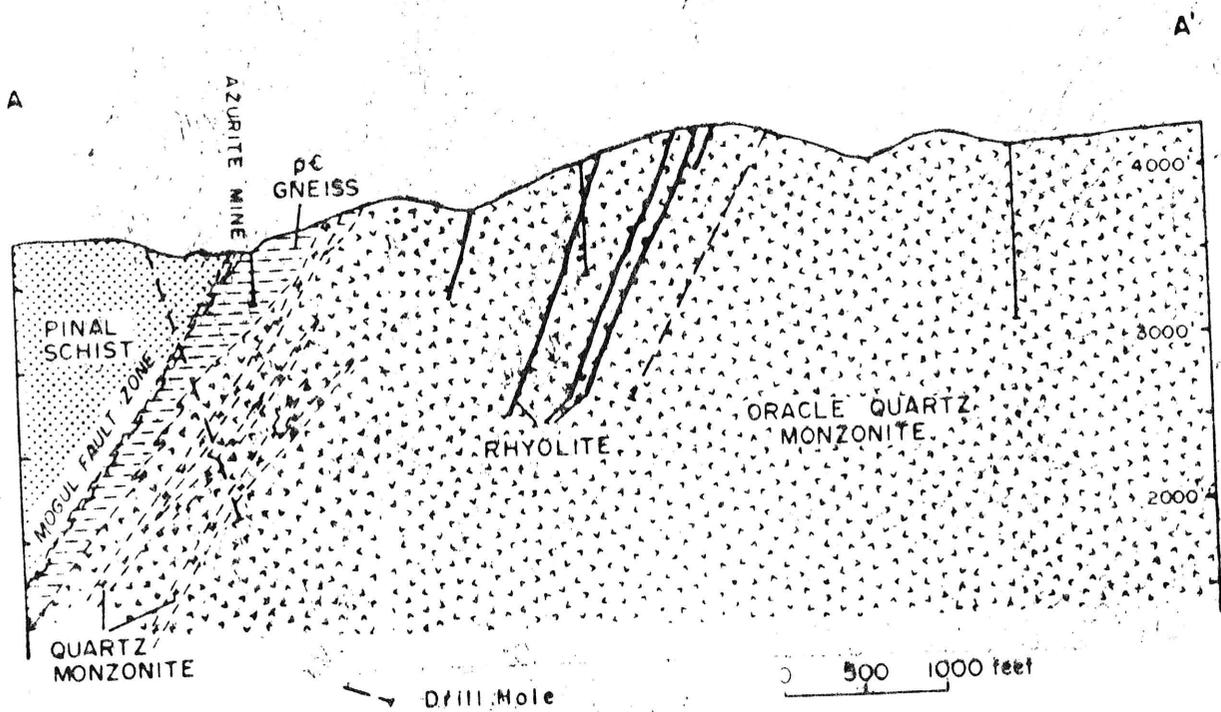


Fig. 3. Geologic cross-section A-A', looking west

LITTLE HILL MINE

SCHEDULE A

Patent Mining Claims

Martha Belle

Francis

Virginia

Gold Hill

Rattle Snake

Copper Hill

Pittsburg

Copper Cliff

Denver #1

Denver #2

LITTLE HILL MINE

SCHEDULE A

Unpatented Mining Claims

Chapo #1

Little Hill 1-20 (except 19)

Little Hill Extension 1-4

Hope 1-9

Little Nugget 1 & 2

Silica Reef 1-6

<u>NAME OF CLAIM</u>	<u>DOCKET</u>	<u>PAGE</u>
Amphitheater	630	178
Amphitheater #1	630	179
" #2	630	180
" #3	630	181
" #4	648	895
" #5	648	896
Bänder	630	174
Copper Giant	630	175
Copper Rose	648	897
Copper Rose #1	648	898
" #2	648	899
Gem	648	907
Gem #1	648	908
Good Chance	648	892
Humbolt	529	165
Humbolt #1	529	166
" #2	529	167
Iron Cap	630	176
Iron Cap Ext.	630	177
Lead Reef	648	900
Lead Reef #1	648	901
Old Soldline	529	161
Old Soldline #1	529	162
Pretty Fair	529	163
Pretty Fair #1	529	164
Steven Hall	648	902
Stove Lid	648	903
Stove Lid #1	648	904
Stove Lid #2	648	905
Stove Lid Ext. #3	648	906
Zipper	648	894
Zipper Lead	648	893
Bridge #1	648	909
Sadie	634	603
Sadie #1	634	604
Suzie	634	605
Suzie #1	634	606
" #2	634	607
" #3	634	608
" #4	634	609
Sylvia	634	610
Sylvia #1	634	611
" #2	634	612
Sheba	634	613
Sheba #1	634	614
" #2	634	615
Shirley	634	616
Sandy	634	617
Sarah	634	618

BURNEY GROUP

Paradise Lode Claims 1-42

Paradise Placer Claims 1-42

Moly Lode Claims 1-36

Moly Placer Claims 1-36

Old Yeller 1-4 placer claims

Paradise Extention Lode 4-13 & 17

Moly Extention Lode 1-7 Placer 1-7

Slim #1 Lode and #1 Placer

Cabin #1 Lode and #1 Placer

Gold Dust 1-7 Placer

EQUIPMENT NEEDED FOR 1000 TPD -- GOLD PLACER

2 30 ton pit trucks @ \$50,000	\$100,000
7 yard loader, 988 cat or equivalent	100,000
4 yard loader, 966 cat or equivalent	75,000
Crawler tractor with dozer D8 Cat or equivalent	125,000
Backhoe, 680 case or equivalent	35,000
Trommel for oversize rock	25,000
Trommel and scrubber combination	30,000
Trommel for fines	15,000
Magnetic seperator	10,000
Feedhopper	25,000
Conveyer	15,000
Generator set	35,000
Concentrators	50,000
Water tanks & pumps	40,000
Pickup truck	10,000
Sluices	10,000
Misc	<u>40,000</u>
	\$740,000

AZURITE MINE

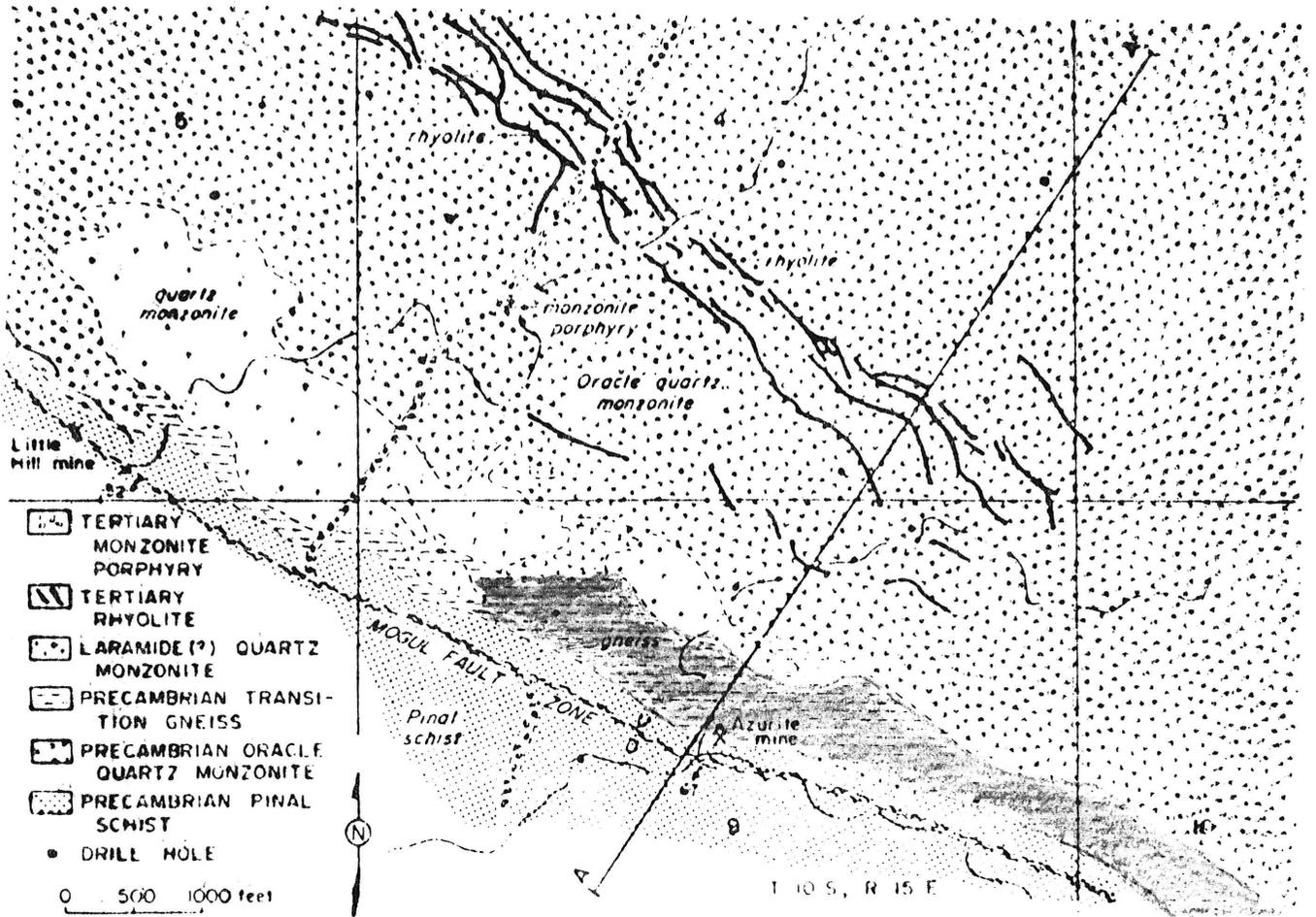


Fig. 2. Generalized geologic map, Little Hill mine area

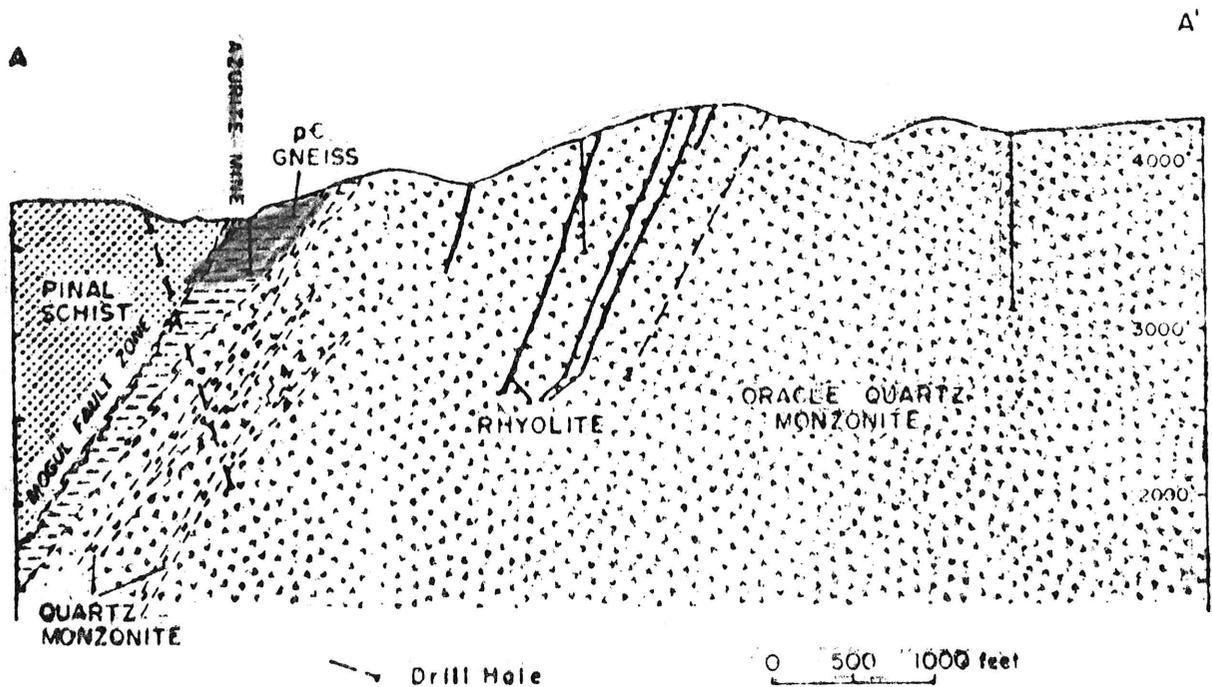


Fig. 3. Geologic cross section A-A', looking west

EQUIPMENT NEEDED FOR 1000 TPD -- COPPER

Air compressor and track drill	\$ 100,000
2 30 ton pit trucks @ \$50,000	100,000
7 yard loader 988 cat or equivalent	100,000
4 yard loader 966 cat or equivalent	75,000
Crawler tractor with dozer and ripper D9 Cat	150,000
Service truck	35,000
Pickup truck	10,000
Feed hopper	25,000
Conveyors	100,000
Primary Crusher	125,000
Ore bins	120,000
Fine grind mills	250,000
Classification	100,000
Concentrators	200,000
Leaching tanks, columns and augers	250,000
Mill building	125,000
Water pumps, tanks, and lines	150,000
Electrical	100,000
Generator set	75,000
Misc	<u>75,000</u>
	\$2,265,000

ARIZONA DEPARTMENT OF MINERAL RESOURCES
Mineral Building, Fairgrounds
Phoenix, Arizona

1. Information from: Clay Coughanour, Foreman of plant operations
 Address: _____
2. Mine: Little Hill Mines, Inc. 3. No. of Claims - Patented ?
 Unpatented ?
4. Location: 7½ miles northeast Oracle Junction, Rt. 77, Pinal County
5. Sec 33 Tp 9S Range 15E 6. Mining District Little Hills (Old Hat)
7. Owner: / Pres. Dave McGee (Phone 896-2245)
8. Address: P.O. Box 332, Oracle, Arizona 85623
9. Operating Co.: Little Hill Mines, Inc.
10. Address: same
11. President: Dave McGee 12. Gen. ~~Mgr.~~ Supt: Art Coughanour
13. Principal Metals: Converters Silica Flux 14. No. Employed: 12
15. Mill, Type & Capacity: 5600 Tpm
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
 (d) Production (e) Rate 5600 ~~tpd~~ tpm
17. New Work Planned: Hope to be shipping to San Manuel also in next 4-5 months.

18. ~~Notes:~~ QUARRY: Quarrying operations have been along the Mogal fault zone. The silica occurs on footwall side of fault and dips to south. The quarrying operations are extending to east along fault zone and are now 3 miles east of plant operations (crusher).
19. OPERATIONS: A track drill is used for drilling blast holes. After blasting they use a 631 cat scraper and a 955 loader to load two T24 Euclid trucks (30 ton each). This material is hauled 3 miles to the crusher. At the crusher any material ¼ inch or less is rejected and their pilot product is generally 2 inch size. The ideal silica for the converter must run 84-86 percent. The material that they quarry runs 98-99 %, so they have to blend it at the crusher with material that runs 70%. The alumina content has been running about 2½% and must stay below 4%. The smelter assays the quality of the material everyday and then averages out the assays and pays accordingly. They get penalized if the silica is below 85% and they get nothing if it is over 85%. The final material is trucked to Hayden using two 25-ton semi-dump trucks using two shifts, 5 days/wk
20. PRODUCTION: This varies but probably averages 300 tpd, (5days/wk). They have more reserves than they can get rid of. They have shipped 5000 tons, in the past to Ajo, but the distance was too great and the cost of transportation allowed them to just break even. They hope to be able to ship to San Manuel in next 4-5 mos.

Date: Dec. 10, 1973

Robert E. Lehner
 (Field Engineer)

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine Del Oro Mines

Date June 13, 1962

District Canada del Oro Dist., Pinal County

Engineer Axel L. Johnson

Subject: Field Engineers Report - Information from Dan Nelson

Location: About 8 miles SW of Oracle. Starting from Oracle, drive 5-3/4 miles west on Hwy. #77. Turn left (south) and drive about 2 1/4 miles to the mine. (Next to Gold Hill Mine).

Owners: Little Hill Mines, Box 332, Oracle, Arizona. Dave McGee, Manager.

Lessees & Operators: McFarland & Hullinger, Box 238, Tooele, Utah - Local Address, Box 811 Tucson. W. D. Nelson, Supt.

Principal Minerals: Copper ore, high in silica.

Present Mining Activity: Mining copper ore by open pit mining operations and trucking same to A.S. & R. Smelter at Hayden. 4 men working, 6 days per week - 2 men in the mine and 2 truck drivers. Production - about 350 tons per week.

Ore Values: Copper - 0.6% to 1.0%, with from 70% to 80% silica content.

Marketing: Trucking the ore to the A.S. & R. smelter at Hayden for use as silica flux.

Review of Operations: The blast holes are drilled with a wagon drill, and ammonium nitrate is used for the blasting charge.

A 1 1/2 yard #955 Caterpillar end loader is used for loading the ore trucks.

Two - 20 ton Kenworth trucks are used for hauling the ore to the A.S. & R. smelter at Hayden.

Dan Nelson is at present in charge of the operations, substituting for his brother W.D. Nelson, who is away on his vacation.

EQUIPMENT NEEDED FOR 1000 TPD -- COPPER

Air compressor and track drill	\$ 100,000
2 30 ton pit trucks @ \$50,000	100,000
7 yard loader 988 cat or equivalent	100,000
4 yard loader 966 cat or equivalent	75,000
Crawler tractor with dozer and ripper D9 Cat	150,000
Service truck	35,000
Pickup truck	10,000
Feed hopper	25,000
Conveyors	100,000
Primary Crusher	125,000
Ore bins	120,000
Fine grind mills	250,000
Classification	100,000
Concentrators	200,000
Leaching tanks, columns and augers	250,000
Mill building	125,000
Water pumps, tanks, and lines	150,000
Electrical	100,000
Generator set	75,000
Misc	<u>75,000</u>
	\$2,265,000

SILICA

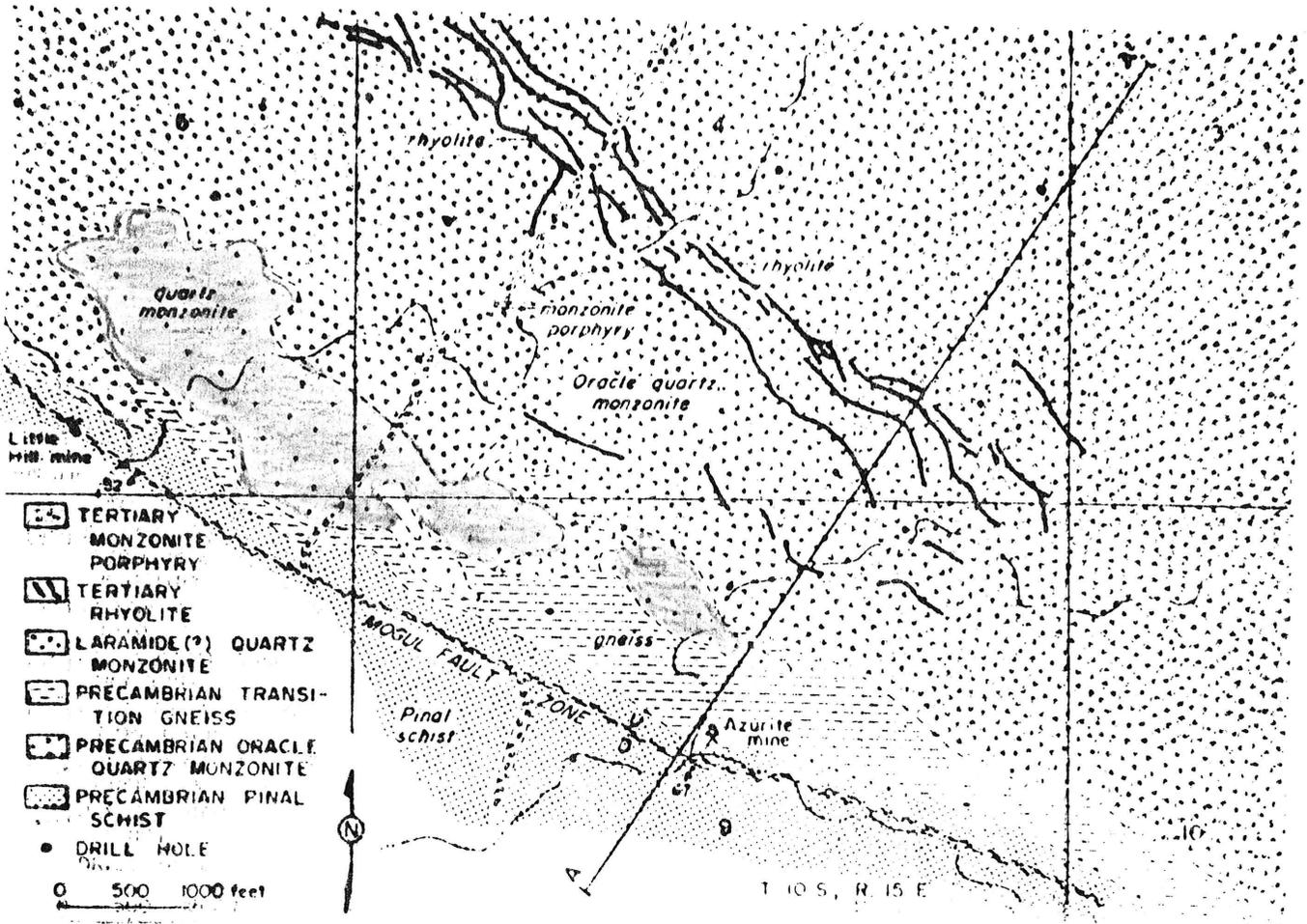


Fig. 2. Generalized geologic map, Little Hill mine area

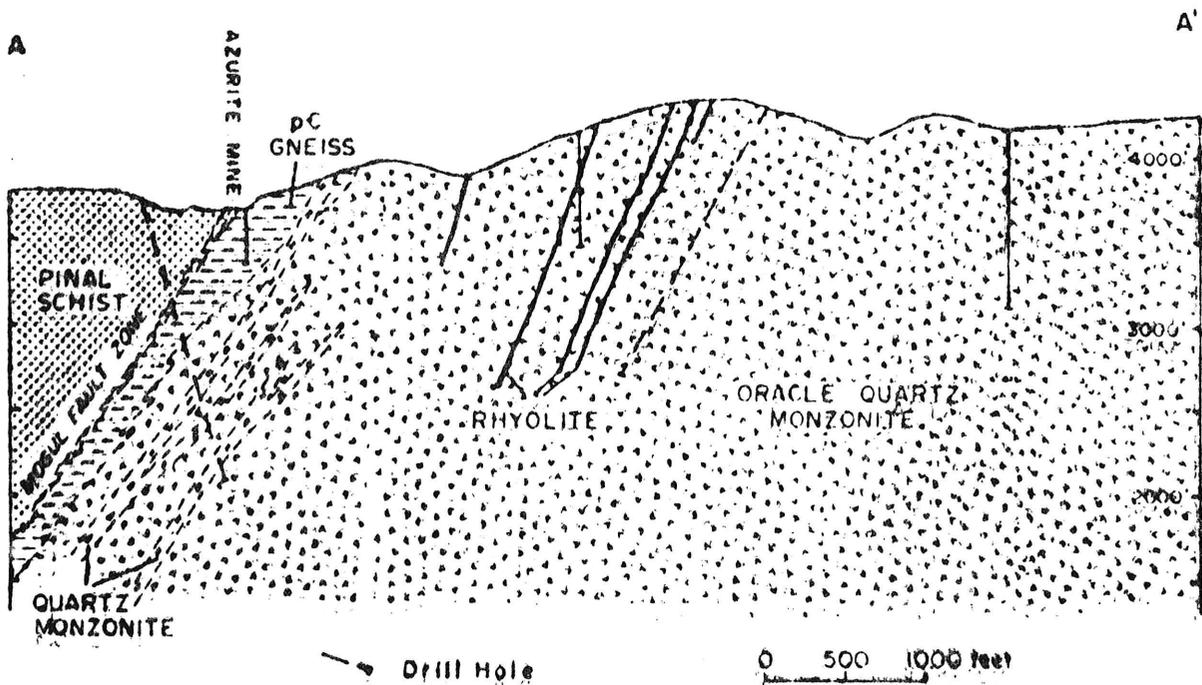


Fig. 3. Geologic cross section A-A', looking west

Existing Equipment

LITTLE HILL MINE

EQUIPMENT

- Complete crushing and screening plant with two jaw crushers, screens and conveyors
- Chicago Pneumatic 500 CPM Air Compressor
- Gardner Denver Air Track drill
- 46A-D8 Caterpillar with dozer and ripper
- Caterpillar #12 motor grader
- Caterpillar #944 loader 2 yd
- Caterpillar #930 loader 2¼ yd
- Caterpillar #950 loader 3½ yd
- Caterpillar #931 track loader 1 yd
- 2 Caterpillar # 631 scrapers 25 yd
- Bay City Crane 25 tons
- Mack truck with semi dump trailer
- Kenworth truck with semi dump trailer
- Auto car truck with semi dump trailer
- Dodge 10 wheel dump truck
- Dodge power wagon
- Ford pickup
- CJ5 Jeep
- Service truck with welder and etc.
- Trommel, with feeder, conveyor and sluices
- 3 6" water pump
- 2 Kohler generator sets
- 1 30 KW generator sets
- Shop - with two welders, steam cleaner and misc tools and equipment
- Office
- Warehouse
- Guard house
- Lapidary shop with saws and polishers
- 3 homes

EQUIPMENT NEEDED FOR 100 TPD -- LEAD & SILVER

Primary crusher	\$ 80,000
Ore bins	100,000
Conveyors	50,000
Feeders	30,000
Fine Grind Mill	150,000
Classification	75,000
Concentrators	150,000
Water pumps and tanks	50,000
Mill building	100,000
Electrical	30,000
Generators set	50,000
Ore truck	25,000
Pickup truck	10,000
Mining equipment, hoists, mucking machines, drills, rails & ore cars, air compressors, etc.	500,000
Misc	<u>50,000</u>
	\$1,450,000

LITTLE HILL MINE

Water

Estimated cost for building the dam on 80 acre lake and pipe line to mill site is \$3,500,000.

Old placer mining canals, dam abutments, pits, trenches, tunnels, and other evidences of past activity can be found throughout the area. The Procrastinator Group covers the area where past placer activity was most intense in the era prior to 1941. Considerable sluicing, hydraulicking, and dry washing was performed between 1872 and 1941. It is impossible to ascertain how much gold was removed by Spaniards and Mexicans prior to the American occupation. Cañada del Oro placers are officially credited with about 600 ounces of gold, but unofficial reports range up to 15,000 ounces, including that removed by Mexicans and Spaniards.



CARLSON SURVEYORS

Registered Land Surveyors

6960 East Mesa Grande

Tucson, Arizona 85715

298-3878

December 1, 1980

That portion of Sections 4, 5, 6, 7, 8, 9, 10, 14, 15, 16, 17, 18, 22, 23 and 26 of Township 10 South, Range 15 East and portions of Sections 1 and 12 of Township 10 South, Range 14 East, Gila and Salt River Base and Meridian, Pinal County, Arizona, more particularly described as follows: Beginning at the Quarter Corner common to Sections 15 and 22, said point being a G.L.O. Brass Cap; thence $S01^{\circ} 07' 30''E$, a distance of 416.41 feet to the Northwest corner of Copper Rose claim as recorded in Mineral Survey #4702, said corner being a 2 inch brass cap and said point being the TRUE POINT OF BEGINNING;

Thence $S24^{\circ} 28' 35''W$ along the West line of Copper Rose claim, a distance of 1499 feet to the Southwest corner of said claim, said point being a 2 inch brass cap;

Thence East along the South line of said Copper Rose claim, a distance of 299.75 feet to a 2 inch brass cap, said point being the Northwest corner of Zipper claim as recorded in Mineral Survey #4702;

Thence $S24^{\circ} 28' 35''W$ along the West line of Zipper and Zipper Lead claims, as recorded in Mineral Survey #4702, a distance of 1199 feet to a 2 inch brass cap, said point being the Southwest corner of Zipper Lead;

Thence East along the South line of Zipper Lead and Lead Reef claims, as recorded in Mineral Survey #4702, a distance of 2997.50 feet to a 2 inch brass cap, said point being the Southeast corner of Lead Reef and said point also being the Northwest corner of Amphitheatre #4 claim, as recorded in Mineral Survey #4702;

Thence $S24^{\circ} 28' 35''W$ along the West line of Amphitheatre #4, Amphitheatre #5 and Good Chance claims, as recorded in Mineral Survey #4702, a distance of 1798.50 feet to a 2 inch brass cap, said point being the Southwest corner of Good Chance;

Thence East along the South line of Good Chance, a distance of 1499.50 feet to a 2 inch brass cap, said point being the Southeast corner of Good Chance and also being the West End Center of Iron Cap claim, as recorded in Mineral Survey #4687;

Thence $S24^{\circ} 28' 35''W$ along the West line of Iron Cap, a distance of 299.75 feet to a 2 inch brass cap, said point being the Southwest corner of Iron Cap;

Thence $S84^{\circ} 46' 50''E$ along the South line of Iron Cap, a distance of 103.83 feet to a 2 inch brass cap, said point being the Northwest corner of Old Soldine claim, as recorded in Mineral Survey #4661;

Thence $S24^{\circ} 28' 35''W$ along the West line of Old Soldine, a distance of 599.85 feet to a 2 inch brass cap, said point being the Southwest corner of Old Soldine;

Thence $S84^{\circ} 47' 40''E$ along the South line of Old Soldine, a distance of 1245.09 feet to a point of intersection with the West line of Pretty Fair #1 claim, as recorded in Mineral Survey #4661;

Thence S4° 18' 55"E along the West line of Pretty Fair #1, a distance of 1437.37 feet to a 2 inch brass cap, said point being the Southwest corner of Pretty Fair #1;

Thence S77° 52'E along the South line of Pretty Fair #1, a distance of 600.00 feet to a 2 inch brass cap, said point being the Southeast corner of Pretty Fair #1;

Thence N10° 24' 40"W along the East line of Pretty Fair #1, a distance of 80.68 feet to a point of intersection with the South line of Pretty Fair claim as recorded in Mineral Survey #4661;

Thence S89° 00'E along the South line of Pretty Fair, a distance of 1447.33 feet to a 2 inch brass cap, said point being the Southeast corner of Pretty Fair;

Thence N10° 24' 40"W along the East line of Pretty Fair, a distance of 600 feet to a 2 inch brass cap, said point being the Northeast corner of Pretty Fair;

Thence N89° W along the North line of Pretty Fair, a distance of 644.33 feet to a point of intersection with the East line of Sandy claim;

Thence N24° 28' 35"E along the East line of Sandy, Old Soldine #1 recorded in Mineral Survey #4661, Iron Cap Extension recorded in Mineral Survey #4687, Suzie Extension, Suzie #1, Suzie #2, Suzie #3 and Suzie #4 claims, a distance of 4469.61 feet to a 2 inch brass cap, said point being the Northeast corner of Suzie #4;

Thence N64° 33' 30"W along the North line of Suzie #4, a distance of 1491.31 feet to a 2 inch brass cap, said point being the corner common to Suzie #4, Stephen Hall and Sadie claims;

Thence N24° 28' 35"E along the East line of Sadie, a distance of 599.50 feet to a 2 inch brass cap, said point being the Northeast corner of Sadie;

Thence North, a distance of 1099.3 feet, more or less, to a point of intersection with the North line of Section 23;

Thence Westerly along the North line of Section 23, a distance of 3405.3 feet, more or less, to the Northwest Corner of Section 23, said point being a marked stone;

Thence N00° 01'W along the East line of Section 15, a distance of 763.8 feet to a point of intersection with the East line of Gem #1 claim as recorded in Mineral Survey #4702;

Thence N52° E along the East line of Gem #1, a distance of 468.14 feet to a 2 inch brass cap, said point being the Northeast corner of Gem #1;

Thence West along the North line of Gem #1, a distance of 368.98 feet to a point of intersection with the East line of Section 15;

Thence N00° 01'W along the East line of Section 15, a distance of 2089 feet, more or less, to a point of intersection with the South line of Silica Reef claims; said point being the Southwest corner of Silica Reef #3;

Thence N89° 59'E along the South line of Silica Reef #3, a distance of 1500 feet to the Southeast corner of Said claim;

Thence Northerly along the East line of Silica Reef #1, #2 and #3, a distance of 1800 feet to the Northeast corner of Silica Reef #1;

Thence Westerly along the North line of Silica Reef #1, a distance of 1500 feet to the East line of Section 15;

Thence N00° 01'W along the East line of Section 15, a distance of 1450 feet, more or less, to the Northeast corner of Section 15, said point being a G.L.O. brass cap;

Thence Westerly along the North line of Section 15, a distance of 5280 feet, more or less, to the corner common to Sections 9, 10, 15 and 16, said corner being a G.L.O. brass cap;

Thence Northerly along the line common to Sections 9 and 10, to a point of intersection with the South line of Denver #1 a Patented Mining Claim recorded under Mineral Survey #1546;

Thence S67° 51'E along the South line of said Denver #1 to a 4" x 4" x 4' post, said point being the Southeast corner of said Denver #1, said point also being the Southwest corner of Denver #2 a patented mining claim recorded under Mineral Survey #1546;

Thence S64° 18'E along the South line of said Denver #2, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Southeast corner of said Denver #2;

Thence N21° 15'E along the East line of said Denver #2, a distance of 600 feet, more or less, to a 4" x 4" x 4' post, said point being the Northeast corner of said Denver #2;

Thence N64° 18'W along the North line of said Denver #2, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Denver #2 and also being the Northeast corner of Denver #1;

Thence N67° 51'W along the North line of said Denver #1, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Denver #1 and also being the Northeast corner of Copper Cliff, a patented mining claim recorded under Mineral Survey #1546;

Thence N67° 51'W along the North line said Copper Cliff, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Copper Cliff and also being the Northeast corner of Pittsburgh, a patented mining claim recorded under Mineral Survey #1546, said point also being the Southeast corner of Little Hills #20 claim;

Thence N21° 15'E along the East line of Little Hills 19 and 20 claims, a distance of 1200 feet, more or less, to the Northeast corner of Little Hills #19, said point being a 4" x 4" x 4' post;

Thence N73° 53'W along the North line of Little Hills #19, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Little Hills #19 and also being the Northeast corner of Little Hills #17 claim;

Thence N69° 44'W along the North line of said Little Hills #17, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Little Hills #17 and also being the Northeast corner of Little Hills #15 claim;

Thence N58° 06'W along the North line of said Little Hills #15 to a point of intersection with the East line of Hope #9 claim;

Thence Northerly along the East line of Hope #9, Hope #1 and Hope #2 claims a distance of 1800 feet, more or less, to a 4" x 4" x 4' post, said point being the Northeast corner of Hope #2;

Thence Westerly along the North line of said Hope #2, a distance of 1500 feet, more or less, to a 4" x 4" x 4' post, said point being the Northwest corner of said Hope #2;

Thence Southerly along the West line of said Hope #2 to a point of intersection with the North line of Hope #5 claim;

Thence N65° 38'W along the North line of said Hope #5 to a 4" x 4" x 4' post, said point being the Northwest corner of said Hope #5 and also being the Northeast corner of Hope #6 claim;

Thence N71° 51'W along the North line of Hope #6, a distance of 1500 feet, more or less to a 4" x 4" x 4' post, said point being the Northwest corner of Hope #6

Thence S22° 11'W along the West line of claims Hope #6, #7 and #8, a distance of 1800 feet, more or less, to a 2 inch brass cap, said point being the Southwest corner of Hope #8 and the Northwest corner of Virginia claim and the Northeast corner of Francis claim;

Thence N71° 51'W along the North line of claims Francis and Martha Belle, a distance of 3000 feet, more or less, to a 2 inch brass cap, said point being the Northwest corner of Martha Belle;

Thence S22° 11'W along the West line of said Martha Belle to a point of intersection with the North line of Little Hills Extension #1 claim;

Thence S78° 40'W along the North line of claims Little Hills Extension #1, #2, #3 and #4, a distance of 5176.95 feet to the Northwest corner of Little Hills Extension #4;

Thence S11° 20'E along the West line of Little Hills Extension #4, a distance of 600 feet to the Southwest corner of Little Hills Extension #4;

Thence N78° 40'E along the South line of Claims Little Hills Extension #4, #3, #2 and #1, a distance of 6000 feet to the Southeast corner of Little Hills Extension #1;

Thence N11° 20'W along the East line of Little Hills Extension #1, a distance of 20.22 feet to a point of intersection with the South line of Martha Belle claim;

Thence S71° 51'E along the South line of claims Martha Belle, Francis and Virginia to a 4" x 4" x 4" post, said point being the Northwest corner of Little Hills #1;

Thence S21° 15'W along the West line of claims Little Hills 1 and 2 and Moly #31, #32, #33, #34, #35 and #36, a distance of 4800 feet, more or less, to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southwest corner of Moly #36;

Thence S23° 08' 34"W along the West line of claims Moly Extension #1, #2 and #3, a distance of 1587.64 feet to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southwest corner of Moly Extension #3 and also being the Northwest corner of Gold Dust #8 claim;

Thence S31° 22' 51"W along the West line of claims Gold Dust # 8 and #9, a distance of 1190 feet to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southwest corner of Gold Dust #9;

Thence S88° 47' 25"E along the South line of claims Gold Dust #9 and #5, a distance of 2988.18 feet to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southeast corner of Gold Dust #5 and also being the Southwest corner of Gold Dust #6;

Thence S68° 08' 21"E along the South line of Gold Dust claim #6, a distance of 1480.44 feet to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southeast corner of Gold Dust #6 and also being the Southwest corner of Gold Dust #7 claim;

Thence S77°E along the South line of Gold Dust #7, a distance of 1495 feet, more or less, to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southeast corner of Gold Dust #7;

Thence N32°E along the East line of said Gold Dust #7, a distance of 297.5 feet, more or less, to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southwest corner of Gold Dust #1 claim;

Thence S40° 51' 25"E along the South line of said Gold Dust #1, a distance of 1442.82 feet, more or less, to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southeast corner of Gold Dust #1 and also being the Southwest corner of Gold Dust claim #10;

Thence S70°E along the South line of claims Gold Dust #10, #12 and #14, a distance of 4485 feet, more or less, to a $\frac{1}{2}$ inch steel pin with a 2 inch diameter, $4\frac{1}{2}$ foot PVC post, said point being the Southeast corner of Gold Dust #14 and the Southwest corner of Paradise Extension #17 claim;

Thence S58°E along the South line of Paradise Extension #17, a distance of 100 feet, more or less, to the Southeast corner of said Paradise Extension #17;

Thence N32°E along the East line of Paradise Extension #17 to a point of intersection with the South line of Bridge #1 claim as recorded in Mineral Survey #4701;

Thence $S60^{\circ} 30' 45''E$ along the South line of Bridge #1 to a 2 inch brass cap, said point being the Southeast corner of Bridge #1 and also being the Southwest corner of Humbolt claim as recorded in Mineral Survey #4662;

Thence $S60^{\circ} 30' 45''E$ along the South line of said Humbolt claim, a distance of 1495.71 feet, more or less, to a 2 inch brass cap, said point being the Southeast corner of said Humbolt claim and also being the Southwest corner of Humbolt #1 as recorded in Mineral Survey #4662;

Thence $S57^{\circ} 01' 05''E$ along the South line of Humbolt #1, a distance of 1489.00 feet, more or less, to a 2 inch brass cap, said point being the Southeast corner of Humbolt #1 and also being the Southwest corner of Cabin claim;

Thence Southeasterly along the South line of said Cabin claim to the point of beginning.

EXCEPTING therefrom Perdido claim and Perdido #2 claim located in the Northwest quarter of Section 15 and EXCEPTING Jackrabbit #1 claim located in the Northwest quarter of Section 15 and the Southwest quarter of Section 10 and EXCEPTING Lot 8 of Section 9 and EXCEPTING Esperanza #1 and #2 located in the Northwest quarter of Section 9 and EXCEPTING Esperanza #3 located in the South half of Section 5.