



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: 04/29/2002

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: NORRIS X

ALTERNATE NAMES:
UNION

LA PAZ COUNTY MILS NUMBER: 787

LOCATION: TOWNSHIP 4 N RANGE 13 W SECTION 1 QUARTER S2
LATITUDE: N 33DEG 42MIN 50SEC LONGITUDE: W 113DEG 33MIN 00SEC
TOPO MAP NAME: HOPE - 15 MIN

CURRENT STATUS: UNKNOWN

COMMODITY:
GOLD

BIBLIOGRAPHY:
ADMMR NORRIS X MINE FILE

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

(Prepared by Management)

Under the terms of the mining lease and option agreement, which expires July 28, 1992, the Company is committed to make minimum expenditures of \$200 U. S. per year and to make annual lease payments of \$2400 U.S.. In addition to the lease payments, the Company is required to pay a contingent royalty of 10% of the proceeds from the sale of gold derived from the claims. The Company may, at any time during the lease, purchase the parcel for \$30,000 U.S..

(c) Granting of option

On January 25, 1988, the Company granted a three-year option to Billiton Minerals (U.S.A.), Inc. to purchase an 80% undivided interest in its Gold Hill West prospect, Gold Hill East prospect and Big Horn property. The Company received a \$50,000 U.S. signing bonus upon the approval of the agreement by regulatory authorities. The option was exercisable for a three-year period and if exercised would have resulted in payment of \$500,000 U.S. to the Company. Under the terms of the option agreement, Billiton was required to perform work commitments and reimburse the Company for monthly option payments. Subsequent to May 31, 1988, the option agreement was terminated, and the Company's full interest in the Gold Hill East and West prospects and the Big Horn property was restored.

2. CAPITAL STOCK

(a) Authorized Share Capital

10,000,000 common shares of no par value

(b) Issued and Outstanding

The issued capital stock is as follows:

	<u>Number of Shares</u>	<u>Amount</u>
Balance at November 30, 1987 and May 31, 1988	6,230,738	\$2,297,604

7/25/88

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

(Prepared by Management)

(c) Share Purchase Options

On March 29, 1988 the Company granted 311,536 share purchase options to directors and 311,536 share purchase options to employees. The options are exercisable at \$0.28 per share and will expire March 29, 1993. If exercised, the options would net the Company \$174,460.

(d) Shares Issued as Option Payments

The Company has non-transferable share purchase warrants outstanding which entitle the holders to purchase up to 600,000 shares at a price of \$0.55, exercisable on or before October 14, 1988. If exercised, the warrants would net the Company \$330,000.

4. SUBSEQUENT EVENT

On June 19, 1988 the Gold Hill East and Gold Hill West prospects were released from the Option which allowed Billiton Minerals (U.S.A.), Inc. to purchase an 80% undivided interest in the Gold Hill East and West prospects and the Big Horn property. On July 21, 1988 the Option agreement was terminated, and the Company's full interest in the Big Horn property was restored. See note 2(c).



Notes X (f)

CAN-EX RESOURCES LTD.
BOX 12542. OCEANIC PLAZA
2580 - 1066 W. HASTINGS ST.
VANCOUVER. B.C. V6E 3X2
TEL: (604) 682-2269

PRESIDENT'S LETTER TO SHAREHOLDERS

1987 proved a significant year for the company. Five of Can-Ex's gold properties in S.W. Arizona have been optioned to Billiton Minerals (U.S.A.), Inc., who are currently active in the exploration of these properties. In addition, the company has secured an option to purchase the Socorro Reef Gold Mine and surrounding area. Initial sampling and geologic results have indicated the presence of a large and rich gold and silver bearing formation. Exploration of this area is continuing.

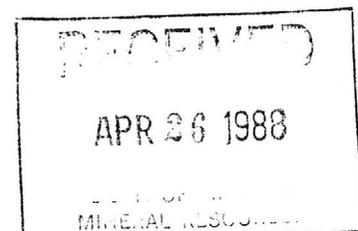
The company has ample funds to conduct its programs. 1988 promises to be an exciting and rewarding year for Can-Ex.

On Behalf of the Board
CAN-EX RESOURCES LTD.

A handwritten signature in cursive script, appearing to read "G.L. Anselmo".

G.L. Anselmo, B.A.
President

April 12, 1988



1. MINERAL PROPERTIES AND DEVELOPMENT

(a) Mineral claims and options

The Company's mineral claims and options consist of the following Arizona and British Columbia properties. Substantially all of the costs incurred to date relate to the Arizona properties.

Arizona properties

Gold Crown prospect

This gold prospect, consists of 10 contiguous mining claims, located in the Big Horn District, Maricopa County, Arizona, U.S.A., and comprises the Gold Crown and Gold Crown Nos. 1 - 9 claims. The property is situated some 20 kilometres south of Aguila, a small village approximately 100 kilometres west of Phoenix on Highway 60.

Pump prospect

This gold prospect consisting of 18 contiguous mining claims is located in the Big Horn District, Maricopa County, Arizona, U.S.A., and comprises the Pump Mine, Pump Mine 1 - 6, and Pump 1 - 11 claims. The property is situated 24 kilometres south of Aguila, Arizona.

Overshot prospect

This property consists of 8 contiguous mining claims located in the Ellsworth Mining Division, La Paz County, Arizona, U.S.A., known as the Overshot and Overshot 2 - 8 claims. The property is a gold prospect situated approximately 15 kilometres south of Salome adjacent to the old Harquahala Mine.

Gold Hill West prospect

This gold prospect consists of 30 mining claims located in the Ellsworth Mining District, La Paz County, Arizona, U.S.A., comprising the Gold Hill West 1 - 8, Gold Hill West 18A through 28A and 30A to 40A. The property is situated some 12 kilometres southeast of Salome, Arizona.

Big Horn property

This gold property consists of 107 full sized and fractional federal lode mining claims and one federal placer mining claim in the Big Horn District, Maricopa County, Arizona, U.S.A. The property was acquired in three separate parcels known as the Mollie D which comprises 71 claims, the Knabe which comprises 23 claims, and the El Tigre which comprises 14 claims. The property is situated approximately 24 kilometres south of Aguila, Arizona.

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1. MINERAL PROPERTIES AND DEVELOPMENT (Continued)

(a) Mineral claims and options (Continued)

	Annual fixed payment <u>U.S. \$</u>	Annual contingent payment <u>U.S. \$</u>	Aggregate payment <u>U.S. \$</u>
Arizona properties			
Gold Crown prospect	\$ 3,600	7.5% of net	\$ 50,000
Pump prospect	3,600	smelter returns in excess of \$3,600	50,000
Overshot prospect	12,000	7.5% of net smelter	1,000,000
Gold Hill West prospect	12,000	returns in excess of \$12,000	1,000,000
Big Horn property			
Mollie D parcel	6,000	7% of net smelter returns in excess of \$6,000	500,000
El Tigre parcel	-	15% of net profits	3,000,000
		Royalty of 2% of net profits subsequent to payment of aggregate amount	
Knabe parcel	-	15% of net profits	2,000,000
		Royalty of 2% of net profits subsequent to payment of aggregate amount	
Socorro Reef property	42,000	5% of net smelter returns	5,500,000
	<u>\$79,200</u>		

The Company has also agreed to issue up to 75,000 shares of the Company to the optionors of the Knabe parcel (see note 3(i)).

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

3. CAPITAL STOCK

(a) Authorized share capital
10,000,000 common shares of no par value

(b) Issued and outstanding
The issued capital stock is as follows:

	<u>Number of shares</u>	<u>Amount</u>
Balance at November 30, 1986	4,099,000	\$1,430,932
Year ended November 30, 1987		
Shares issued		
As option payments for mineral claims (note 3(d))	154,638	86,597
For cash on exercise of share purchase options (note 3(e))	187,100	46,775
For settlement of accounts payable (note 3(f))	200,000	70,000
For cash (note 3(g))	990,000	393,300*
For cash (note 3(h))	<u>600,000</u>	<u>270,000**</u>
Balance at November 30, 1987	<u>6,230,738</u>	<u>\$2,297,604</u>

*Net of commissions of \$18,000

**Net of commissions of 30,000

\$48,000

(c) Escrowed shares

750,000 common shares issued in 1982 for mineral properties (note 1(b)) are subject to an escrow agreement and cannot be released without the consent of regulatory authorities.

(d) Shares issued as option payments

Pursuant to agreements of December 19, 1986, the Company issued 123,611 shares to the optionors of the Gold Hill West, Overshot, Gold Crown and Pump prospects in settlement of option payments owing to December 31, 1986, which total \$49,800 U.S. The Company also issued 31,027 shares in settlement of the January 1, 1987 Knabe parcel property payment of \$12,500 U.S.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. COMMITMENTS

The Company and its subsidiary are committed under various option agreements to make minimum expenditures on all the properties and to make minimum option payments on certain of the properties as disclosed in note 1(a). Under the agreements, the Company and its subsidiary are also required, as discussed in note 1(a), to make further payments to optionors on a basis related to production should the properties be developed.

The Company is also committed under the Knabe property agreement to issue 25,000 shares if the Company has expended \$300,000 U.S. on the property by January 1, 1989.

The Company would be required to issue 600,000 shares if all warrants outstanding at November 30, 1987 were exercised (note 3(h)).

6. SUBSEQUENT EVENT

(a) Property acquisition

On January 24, 1988, the Company acquired an option to purchase the Gold Hill East prospect through the assignment of Tri-Con's interest in an option agreement. The Company has agreed to pay to Tri-Con 5% of net profits derived from operations conducted on the prospect and \$62,750 U.S. as reimbursement for costs incurred by Tri-Con in the acquisition and maintenance of the prospect.

Under the terms of the option agreement, the Company is committed to make minimum expenditures on the property of \$3,000 U.S. per year and to make the following option payments to a maximum aggregate amount to maintain the property in good standing:

<u>Annual fixed payment</u>	<u>Annual contingent payment</u>	<u>Aggregate payment</u>
<u>U.S. \$</u>	<u>U.S. \$</u>	<u>U.S. \$</u>
\$12,000	7.5% of net smelter returns in excess of \$12,000	\$1,000,000
<u> </u>		<u> </u>

6. SUBSEQUENT EVENT (Continued)

(b) Granting of option

On January 25, 1988, the Company granted a three-year option to an independent third party to purchase an 80% undivided interest in its Gold Hill West prospect, Gold Hill East prospect and Big Horn property. Under the terms of the agreement, the Company will receive \$50,000 U.S. upon approval of the agreement by regulatory authorities. The option is exercisable for a three-year period and if exercised will result in payment of \$500,000 U.S. to the Company. The agreement will reduce the Company's future option payments by \$30,000 U.S. and minimum work commitments by \$16,700 U.S. in each of the next three years and all of the Company's committed annual contingent payments on these properties except for 5% of net smelter returns in respect of the Mollie D parcel (notes 1(a) and 6(a)).

Norris X (formerly Union mine)

~~AE 1/2, T. 4N, R. 13W.~~

Sec 1, T 4N, R 13W

MILS # 787

Yuma County

reference: Arizona Dept. of Mineral Resources
Norris X Mine (file)

present owner:

minerals: gold

history of the area:

this is the first mine (gold) located in northern Yuma County. Elboworth, the locator, took out \$27,000 at 8 feet. For many years the property was held by some Mexicans who did very little development work. In 1916 the property was purchased by the Britannia Mining Co. In 1940 the property was owned by C.E. Blount of Salome, Az. Some ore was shipped by leasers.

geology:

monzonite, sedimentary rocks

property includes 1 claim

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

MN-13

Date June 17, 1940

1. Mine Norris X
2. Mining District & County Ellsworth District
Yuma County
3. Former name Union
4. Location Located Sept. 1, 1939
See Book of Mines 37, page 274
5. Owner C. E. Blount
6. Address (Owner) Box 704
Salome, Arizona
7. Operator
8. Address (Operator)
9. President
10. Gen. Mgr.
11. Mine Supt.
12. Mill Supt.
13. Principal Metals Gold
14. Men Employed
15. Production Rate Can produce 50 tons per day.
16. Mill: Type & Cap.
17. Power: Amt. & Type None.
18. Operations: Present Closed for summer or until financed.
19. Operations Planned Installing small (25 ton) mill and pushing development until
100 ton mill can be kept running.
20. Number Claims, Title, etc. One held by right of location.
21. Description: Topography & Geography The claim is situated on the west and southerly slope
of the low range of hills (axis easterly and westerly)
about one and one half miles southerly from the old
townsite of old Harrisburg and is on unsurveyed lands.
22. Mine Workings: Amt. & Condition Four prospect shafts down 40 ft. through two large
blanket ledges all ready to place head frame to continue
operations. Large amounts of visible ore under grounds.
1000 tons of ore on dump that will average over \$15
mill returns.

(over)

23. **Geology & Mineralization** Here a sedimentary series has been covered with a flow of monzonite with present thickness of about 175 ft. The low hills were then pushed up causing a horizontal thrust and shearing of the monzonite, after which the fissuring occurred and the mineralization.
24. **Ore: Positive & Probable, Ore Dumps, Tailings** Several fissures cut the claim from the north west to the north east which have been responsible for the mineralization along the horizontal shearing plains. These planes present ore beds on first test bed from 2 to 6 ft. thick on second bed from 18 to 24 ft. thick and are 300 northerly and southerly and 600 ft. easterly and westerly. This should give around 360,000 tons of ore within 50 ft. of the surface. The fissure should produce many thousands of tons
- 24-A **Vein Width, Length, Value, etc.** (or ore also.)
25. **Mine, Mill Equipment & Flow Sheet**
26. **Road Conditions, Route** Any type of car can be driven to any shaft on the ground. A graded county road leads from Salome to the county line toward Buckeye. About 5 miles from Salome the old Haqua Hala pipe line road strikes southerly to the H.H. reservoir. This road passes near the Norris X.
27. **Water Supply** A well would have to be drilled 80 or 90 ft. near the claim or water would have to be piped $1\frac{1}{2}$ miles from the Centennial Wash. The present H.H. pipe line might be leased.
28. **Brief History** This was the first gold mine located in northern Yuma County. The district was named for the first location (Ellsworth). This location took out \$22,000 at 8 ft. depth after which he died. The ground was then held for many years by some Mexicans who did little or no development work. In 1916 it was purchased by the Britania Mining Co. who sold stock.
29. **Special Problems, Reports Filed** None to be had.
30. **Remarks** Some ore has been shipped by leasers to sampling works, but as the newly mined ore does not show free gold in the pan it was generally supposed that the ore did not carry gold, but the ore on the dumps have oxidized and now show big returns in the pan.
31. **If property for sale: Price, terms and address to negotiate.** Will give interest for installation of a 25 ton mill and sufficient funds for drilling for water and financing proper mine operations with view to enlarging mill to 100 tons capacity or will sell for \$5,000 with small payment down and remainder in small payments over a period of two years. Must have 25% royalties on all ores now on dump. Ore must be milled on or near ground. No present dump ores to be shipped.
32. **Signed**.....
33. **Use additional sheets if necessary.** G. E. Blount

12/25/88 (b)

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)
(Prepared by Management)

Under the terms of the mining lease and option agreement, which expires July 28, 1992, the Company is committed to make minimum expenditures of \$200 U. S. per year and to make annual lease payments of \$2400 U.S.. In addition to the lease payments, the Company is required to pay a contingent royalty of 10% of the proceeds from the sale of gold derived from the claims. The Company may, at any time during the lease, purchase the parcel for \$30,000 U.S..

(c) Granting of option

On January 25, 1988, the Company granted a three-year option to Billiton Minerals (U.S.A.), Inc. to purchase an 80% undivided interest in its Gold Hill West prospect, Gold Hill East prospect and Big Horn property. The Company received a \$50,000 U.S. signing bonus upon the approval of the agreement by regulatory authorities. The option was exercisable for a three-year period and if exercised would have resulted in payment of \$500,000 U.S. to the Company. Under the terms of the option agreement, Billiton was required to perform work commitments and reimburse the Company for monthly option payments. Subsequent to May 31, 1988, the option agreement was terminated, and the Company's full interest in the Gold Hill East and West prospects and the Big Horn property was restored.

2. CAPITAL STOCK

(a) Authorized Share Capital
10,000,000 common shares of no par value

(b) Issued and Outstanding
The issued capital stock is as follows:

	<u>Number of Shares</u>	<u>Amount</u>
Balance at November 30, 1987 and May 31, 1988	6,230,738	\$2,297,604

7/25/88

CAN-EX RESOURCES LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

(Prepared by Management)

(c) Share Purchase Options

On March 29, 1988 the Company granted 311,536 share purchase options to directors and 311,536 share purchase options to employees. The options are exercisable at \$0.28 per share and will expire March 29, 1993. If exercised, the options would net the Company \$174,460.

(d) Shares Issued as Option Payments

The Company has non-transferable share purchase warrants outstanding which entitle the holders to purchase up to 600,000 shares at a price of \$0.55, exercisable on or before October 14, 1988. If exercised, the warrants would net the Company \$330,000.

4. SUBSEQUENT EVENT

On June 19, 1988 the Gold Hill East and Gold Hill West prospects were released from the Option which allowed Billiton Minerals (U.S.A.), Inc. to purchase an 80% undivided interest in the Gold Hill East and West prospects and the Big Horn property. On July 21, 1988 the Option agreement was terminated, and the Company's full interest in the Big Horn property was restored. See note 2(c).

Geology & Mineralization

Here a sedimentary Series has been eroded with a flow of Monzonite, with present thickness of about 175 ft. The low hills were then pushed up causing a horizontal thrust and shearing of the monzonite, after which the pitting occurred and the mineralization.

Ore: Positive & Probable, Ore Dumps, Tailings

Several fissures cut the claim from the south west to the north east which have been responsible for the mineralization along the horizontal shearing planes. These planes present ore hidden on first ~~bed~~ bed from 2 to 6 ft thick on second bed from 18 to 24 ft thick and are 300 North and South, and 600 ft east and west. This should give around 360,000 tons of ore with in 50 ft of the surface. The fissure should produce many thousands of tons of ore also.

Road Conditions, Route

Any type of car can be driven to any spot on the ground. A graded county road leads from Salome to the county line toward Buckeye. About 5 miles from Salome the old Panama State pipe line road strikes southerly to the A.S. reservoir. This road passes near the Morris X.

Water Supply

A well would have to be drilled 80 or 90 ft. near the claim, or water would have to be piped 1/2 mile from the Centennial Wash. The present A.S. pipe line might be leased.

Brief History

This was the first gold mine located in northern Yuma County. The district was named for the first locator, (Ellsworth). This locator took out \$22,000 at 8 ft. depth, after which he died. The ground was then held for many years by some Mexicans who did little or no development work. In 1914 it was purchased by the Panama Mining Co. who sold stock.

Special Problems, Reports Filed

none to be had

Remarks

Some ore has been shipped by leasers to sampling works, but as the newly mined ore does not show free gold in the pan it was generally supposed that the ore did not carry gold, but the ore on the dumps have oxidized and now show big returns in the pan.

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

Will give interest for ~~the~~ installation of 25 ton mill and sufficient funds for drilling for water and financing proper mine operations with view to enlarging mill to 100 tons capacity. or will sell for \$50,000 with small payment down and remainder in small payments over a period of two years. Must have 25% royalties on all ores now on dump. Ore must be milled on or near ground. Signed. No present dump ore to be shipped.

Use additional sheets if necessary.

L. E. Blount

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
OWNERS MINE REPORT

MN-13

Date June 17, 1940

1. Mine Norris X
2. Mining District & County Ellsworth District
Yuma County
3. Former name Union
4. Location Located Sept. 1, 1939
See Book of Mines 37, page 274
5. Owner C. E. Blount
6. Address (Owner) Box 704
Salome, Arizona
7. Operator
8. Address (Operator)
9. President
10. Gen. Mgr.
11. Mine Supt.
12. Mill Supt.
13. Principal Metals Gold
14. Men Employed
15. Production Rate Can produce 50 tons per day.
16. Mill: Type & Cap.
17. Power: Amt. & Type None.
18. Operations: Present Closed for summer or until financed.
19. Operations Planned Installing small (25 ton) mill and pushing development until
100 ton mill can be kept running.
20. Number Claims, Title, etc. One held by right of location.
21. Description: Topography & Geography The claim is situated on the west and southerly slope
of the low range of hills (axis easterly and westerly)
about one and one half miles southerly from the old
townsite of old Harrisburg and is on unsurveyed lands.
22. Mine Workings: Amt. & Condition Four prospect shafts down 40 ft. through two large
blanket ledges all ready to place head frame to continue
operations. Large amounts of visible ore under grounds.
1000 tons of ore on dump that will average over \$15
mill returns.

23. **Geology & Mineralization** Here a sedimentary series has been covered with a flow of monzonite with present thickness of about 175 ft. The low hills were then pushed up causing a horizontal thrust and shearing of the monzonite, after which the fissuring occurred and the mineralization.

24. **Ore: Positive & Probable, Ore Dumps, Tailings** Several fissures cut the claim from the north west to the north east which have been responsible for the mineralization along the horizontal shearing plains. These planes present ore beds on first test bed from 2 to 6 ft. thick on second bed from 18 to 24 ft. thick and are 300 northerly and southerly and 600 ft. easterly and westerly. This should give around 360,000 tons of ore within 50 ft. of the surface. The fissure should produce many thousands of tons

24-A **Vein Width, Length, Value, etc.** (or ore also.)

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

26. **Road Conditions, Route** Any type of car can be driven to any shaft on the ground. A graded county road leads from Salome to the county line toward Buckeye. About 5 miles from Salome the old Haqua Hala pipe line road strikes southerly to the H.H. reservoir. This road passes near the Norris X.

27. **Water Supply** A well would have to be drilled 80 or 90 ft. near the claim or water would have to be piped $1\frac{1}{2}$ miles from the Centennial Wash. The present H.H. pipe line might be leased.

28. **Brief History** This was the first gold mine located in northern Yuma County. The district was named for the first location (Ellsworth). This location took out \$22,000 at 8 ft. depth after which he died. The ground was then held for many years by some Mexicans who did little or no development work. In 1916 it was purchased by the Britania Mining Co. who sold stock.

29. **Special Problems, Reports Filed** None to be had.

30. **Remarks** Some ore has been shipped by leasers to sampling works, but as the newly mined ore does not show free gold in the pan it was generally supposed that the ore did not carry gold, but the ore on the dumps have oxidized and now show big returns in the pan.

31. **If property for sale: Price, terms and address to negotiate.** Will give interest for installation of a 25 ton mill and sufficient funds for drilling for water and financing proper mine operations with view to enlarging mill to 100 tons capacity or will sell for \$5,000 with small payment down and remainder in small payments over a period of two years. Must have 25% royalties on all ores now on dump. Ore must be milled on or near ground. No present dump ores to be shipped.

32. **Signed**.....

33. **Use additional sheets if necessary.** C. E. Blount