



## **CONTACT INFORMATION**

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Arizona Department of Mines and Mineral Resources Mining Collection

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PRINTED: 09/12/2002

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES AZMILS DATA

PRIMARY NAME: ZEBRA

ALTERNATE NAMES:

HAY MOUNTAIN PROJECT

JABA PROJECT

COCHISE COUNTY MILS NUMBER: 742

LOCATION: TOWNSHIP 20 S RANGE 23 E SECTION 34 QUARTER ALL  
LATITUDE: N 31DEG 39MIN 00SEC LONGITUDE: W 109DEG 59MIN 02SEC  
TOPO MAP NAME: HAY MOUNTAIN - 7.5 MIN

CURRENT STATUS: EXP PROSPECT

COMMODITY:

GOLD LODE

SILVER

BIBLIOGRAPHY:

ADMMR ZEBRA FILE FILE

ALSO IN SEC 27, 28, & 29

04/01/98

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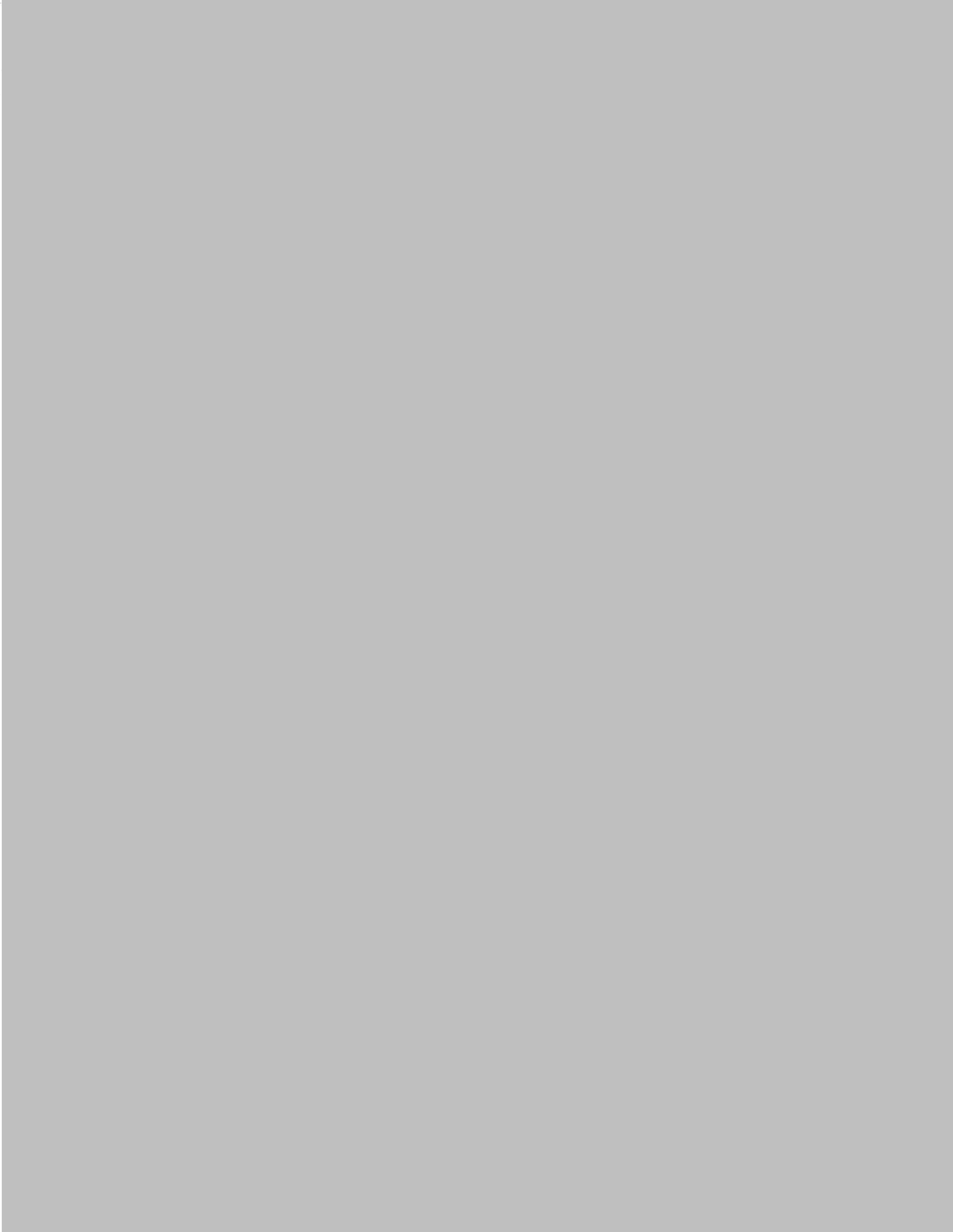
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February 24, 1998

*Zebra (f)  
Cookie*

**DRILLING COMMENCED ON THE JABA INC. AND  
PHELPS DODGE HAY MOUNTAIN JOINT VENTURE**

JABA Inc. (ASE-JBA) is pleased to announce that Phelps Dodge commenced their initial drilling program on the Hay Mountain Joint Venture (news release dated Dec. 1, 1997) on Monday, February 23, 1998. The objectives of this initial drill program are to test geologic, geophysical, and geochemical anomalies that may be indicators of disseminated mineralization. Two reverse circulation drill holes will comprise this initial test. The results of this drilling will be released as soon as practical after completion of both holes and completion of assays and confirmation assays, if indicated.

In addition to the joint venture with Phelps Dodge, JABA recently announced a joint venture with Cyprus Metals Exploration Corp. on the Mammoth Wash project located within the Silver Bell copper mining district in southeastern Arizona (see news release dated Feb. 5, 1998). The Company is also in various stages of negotiation with several other major mining companies and expects to complete additional joint venture agreements in the near future.

James A. Briscoe  
Chief Executive Officer

John M. Guilbert  
Chairman of the Board

The Alberta Stock Exchange has neither approved nor disapproved the information contained herein

January 26, 1998

**JABA APPOINTS VICE PRESIDENT CORPORATE DEVELOPMENT***Zebra (F)  
Cochise*

JABA Inc. (JBA-ASE) is pleased to announce the appointment of Mr. James A. Kasten as Vice President of Corporate Development. Mr. Kasten brings 20+ years of focused, pertinent, exploration-company experience to JABA. He has worked as an exploration geologist for 13 years for major mining companies, spent four years in Financing and Investments and most recently served as Vice President of Corporate Affairs and Investor Relations for two Canadian-listed mineral exploration companies. Mr. Kasten's activities at JABA will include shareholder communications, corporate affairs, financings, and joint venture negotiations, all functions that will enable John Guilbert and Jim Briscoe the time required for the continued identification and development of mineral properties, ensuring the Company's general welfare and progressive, dynamic growth.

As a part of Mr. Kasten's compensation, the Board has proposed granting 200,000 stock options at \$.60 per option with a five year expiration. In addition, the Board has proposed issuing 800,000 options to other directors, officers and employees priced at \$.60 per option with a five year expiration. These options will replace the options which expired January 17, 1998. The granting of these stock options will be subject to approval by the Alberta Stock Exchange.

**Update on Joint Venture with Phelps Dodge**

JABA is a unique mineral exploration company focused on acquiring and joint venturing world-class precious and base metal properties in the mineral-rich district of southeastern Arizona and northern Mexico. The first joint venture agreement was recently finalized (news release dated Dec. 3, 1997) with Phelps Dodge on the Hay Mountain gold property near the famous precious metal mining district of Tombstone, Arizona. Drilling is scheduled to commence pending issue of all required permits. Phelps Dodge is one of the largest mining companies in the world and already operates three large mines in the area, including the Morenci Mine, which accounts for more than 5% of the total copper produced worldwide. JABA is currently in various stages of joint venture negotiations with several other mining companies on a number of the Company's more than 21 available properties.

On behalf of the Board,

James A. Briscoe  
Chief Executive Officer

John M. Guilbert  
Chairman of the Board

The Alberta Stock Exchange has neither approved nor disapproved the information contained herein

December 1, 1997

**JABA-PHELPS DODGE JOINT VENTURE AGREEMENT  
AT THE HAY MOUNTAIN PROJECT  
SOUTHEASTERN ARIZONA  
FINALIZED**

*Zebra (f)  
Cochise*

JABA, Inc. (ASE-JBA) is pleased to announce a joint venture with Phelps Dodge Exploration Corporation on the Hay Mountain gold prospect in southeastern Arizona in an agreement finalized and signed on November 26, 1997.

The Hay Mountain prospect comprises an amalgamation of properties held by JABA and Phelps Dodge. In order to further explore this prospect, JABA and Phelps Dodge have formed a limited liability company in which JABA holds a 40% interest and Phelps Dodge holds a 60% interest and is the operator of the project. In order to maintain its 60% interest, Phelps Dodge must spend \$US 2 million over four years on exploration, and will have a further two years in which to produce a bankable feasibility study. At completion of a positive feasibility study Phelps Dodge will have the option of increasing its interest to 70% by paying JABA \$US1 million. Should Phelps Dodge decide not to incur the required expenditures during the four year exploration period, they would be deemed to have withdrawn from the limited liability company and each companies' respective properties would revert back to sole ownership.

The Hay Mountain property covers approximately 4,700 acres distal to a Laramide porphyry copper-precious metal district near Tombstone, Arizona. The project is based upon recent recognition of bulk-minable gold mineralization in limestones distal to porphyry copper deposits (Barney's Canyon, Utah; Star Pointer, Nevada; El Hueso, Chile). Previous exploration at Hay Mountain, unverified by either JABA or Phelps Dodge, reports a drill indicated resource of 100,000 tons of 3 grams (0.091 ounces) per ton gold. The Hay Mountain prospect has potential for a significant tonnage of disseminated gold mineralization.

JABA, Inc. is a pure exploration company focusing on the southwestern US and northern Mexico, where it holds a portfolio of over 30 high quality projects. JABA has discussions underway with a number of potential partners on these projects, and anticipates announcements of additional joint ventures in the near future. Phelps Dodge is a major multinational producer of base and precious metals, most notably copper.

James A. Briscoe  
Chief Executive Officer

John M. Guilbert  
Chairman of the Board

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**AGREEMENT IN PRINCIPLE FOR JOINT VENTURE OF THE HAY MOUNTAIN PROJECT,  
SOUTHEASTERN ARIZONA**

JABA, Inc. ("JABA" or the "Company") is pleased to announce that an agreement in principle has been reached with Phelps Dodge Exploration Corporation ("Phelps Dodge") for a joint venture of the Hay Mountain gold prospect in southeastern Arizona. The joint venture is subject to ratification of a formal agreement and to regulatory acceptance.

The Hay Mountain prospect is comprised of an amalgamation of properties owned by JABA and Phelps Dodge. Phelps Dodge has an initial 60% interest, and is the operator. Under the terms of the agreement, in order to earn its interest, Phelps Dodge will spend \$US2 million over four years on exploration, and will have a further two years in which to produce a bankable feasibility study. At completion of a positive feasibility study Phelps Dodge will have the option of increasing its interest to 70% by paying JABA \$US1 million.

The Hay Mountain property covers approximately 7,700 acres distal to a Laramide porphyry copper deposit. The project is based upon recent recognition of bulk-minable gold mineralization in limestones distal to porphyries (Barney's Canyon, Utah; Star Pointer, Nevada; El Hueso, Chile). Previous exploration at Hay Mountain has drilled off 100,000 tons of 3 grams per ton gold, with assays up to 33 grams per ton and no closure in any direction. The Hay Mountain prospect has the potential for several hundred thousand to several million ounces of gold.

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Donald A. Sharpe,  
President

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*Zebra Mine file*

Date Printed: 04/01/98

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES

INFORMATION SUMMARY

Information from: **Bob Macer**

Company: Jaba (US), Incorporated

Address: 2766 N. Country Club Road

City, State ZIP: Tucson, Arizona 85716

Phone: 520-327-7440

MINE: **Zebra**

ADMMR Mine File: Zebra

County: **Cochise**

AzMILS Number: 742

SUMMARY

I explained to Mr. Macer my difficulty in figuring out where various Jaba projects are actually located and which, if any, old mines were covered by their projects. He was evasive. He did say that the Hay Mountain project is between Hay Mountain and the Tombstone airport. I believe the Zebra file (Cochise AZMILS 742) in Cochise County is a valid place for the Hay Mountain project releases and data at this time.

Ken A. Phillips, Chief Engineer      Date: April 1, 1998

TRADING SYMBOL:  
**ASE - JBA**



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## JABA'S MAJOR PROPERTIES

### SILVER BELL, ARIZONA

The Silver Bell District is one of the first known to host what would come to be known as porphyry copper deposits, Asarco's Silver Bell Mine. That mine unit, with production and reserves of 250 million tons of 0.7% Cu, comprises at least five separate mineralized centers, one of which, North Silver Bell, has been halved by a left-lateral fault, the buried, undiscovered other half lying on land controlled by JABA. JABA has identified and staked tracts that may yield as many as eight new porphyry centers, all under cover of varying, generally shallow (but of unknown true thickness) cover. Quantitative alteration mapping, and one of the most extensive geochem survey grids in the world, indicates several drill targets, including the faulted half of NSB. Phase I drilling on one of the geochem targets early in 1997 produced perplexingly indifferent results, but not negative ones. Buried systems are almost never struck with the first holes (witness La Escondida), and JABA management plans to apply information from Phase 1 to improve odds for success in Phase 2 drilling. A score of geochem anomalies, structural targets, and projected centers remain to be tested. JABA is extremely optimistic, and is moving properly deliberately, although land-holding costs urge that we 'prove up or drop' before September 1, 1998. **Targets - up to eight porphyry centers, 1 billion pounds copper each.**

### YARDLEY, ARIZONA

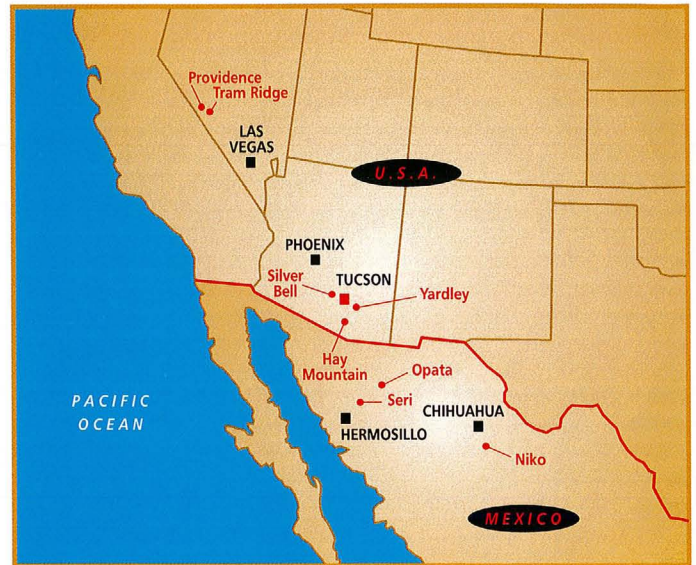
JABA's Yardley prospect has resulted from another application of innovative thinking and aggressive action. A USGS presentation in 1993 showed a strong magnetic anomaly in the San Rafael Valley that JABA claimed because of its location midway between the major mining districts of Cananea and Sierrita/Mission/Pima. Surface geochem is promising, and the geophysics is outstanding. The target is porphyry copper-moly and/or copper-zinc skarn, so a multibillion pound find is reasonable. JABA drill hole Y-97-1, completed in April 97, cut 600 feet of altered volcanics and then 400 feet of copper-anomalous actinolite-magnetic skarn; we confidently await completion of a ground magnetics survey, and final negotiation of a joint venture partner, before further drilling-based Phase 2 exploration. **Target - copper-zinc-gold skarn or porphyry copper-moly, a billion pound equivalent.**

### SERI, STATE OF SONORA, MEXICO

The Seri Project hinges on three items - (1) the known occurrence of substantial SX-EW-prone copper on the property, (2) the presence of a well-developed band of skarn rocks and chalcopyrite-magnetic (copper-iron) mines on the northeast third of the area, and (3) the definition by JABA of broad-scale centrosymmetric geochemical anomalies in Cu, Mo, Pb, Zn, Ag, and Au that indicate that the Seri property is but one quadrant, one quarter of a much larger porphyry copper system than we originally perceived. JABA has expanded its original 400 hectares to 1550 hectares, and is proceeding with geophysical and geologic mapping in anticipation of signing a joint venture agreement to drill the property, which is indeed drill-ready. Copper to 6% and gold to 1 ppm in outcrop have been traced under shallow alluvium by geochemistry, such that the deposit holds the potential of developing into a medium to very large porphyry system with a marginal skarn body on its northeast side. As stated, the next indicated move is to drill the property. **Target - copper-zinc-gold skarn or porphyry deposit, a multibillion-pound equivalent.**

### OPATA, STATE OF SONORA, MEXICO

Opata comprises a 3-mile diameter porphyry copper system with a swath of down-faulted alluvium veneered across it from the northwest to the southeast. The northeast and southwest outcrop crescents comprise silicification phyllic alteration (quartz-sericite-pyrite), and propylitization (epidote-chlorite-carbonate) of pre-ore-age granodiorite perforated with numerous breccia pipes and stockworks. Exposed fringes of phyllic alteration are leached and limonitized, suggesting that supergene copper enrichment occurs below - in fact, one shallow angle-hole probe into one of the breccia pipes revealed chalcocite. Ground magnetics and geochemical sampling corroborate this exploration model. JABA is negotiating with potential joint venture partners to drill a fence of holes through the alluvial graben into a chalcocite blanket below, one that could be stripped and mined or extracted by in situ solution mining. **Target - supergene enrichment blanket on a porphyry copper, a billion pound equivalent.**



TOLL FREE IN NORTH AMERICA: 1-800-863-1551

SUITE 1515 - 700 WEST PENDER STREET, VANCOUVER BRITISH COLUMBIA, CANADA V6C 1G8

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### NIKO, STATE OF CHIHUAHUA, MEXICO

25 kilometers east of the mining town of Naica lies a low range of hills that are the Niko property. Naica hosts a world-class, 25-million-tonne polymetallic copper-zinc-silver orebody in marbled limestone that has been mined continuously and profitably since the late 1800s. JABA staff noted that the Niko hills, shown on the Chihuahua geologic maps as volcanic lithology, were actually white marble startlingly similar to Aurora Hill at Naica. The Niko area has known small-scale mercury mining, and recent geochem shows at least one area that is convincingly anomalous in appropriate metals to suggest that a Naica analog may exist beneath Niko outcrops. Naica revealed itself at the surface only in manganese-oxide-clad calcite veinlets, and a 1000-foot hole anywhere on the Naica property would have cut mineralization. The same veinlets are found at Niko, so JABA management considers the Niko area an exciting prospect for another major deposit discovery. Discussions are underway with a number of potential joint venture partners. **Target - polymetallic vein-manto-chimney, Cu-Zn-Ag carbonate replacement. 25 million tonnes**

### TRAM RIDGE AND PROVIDENCE, NYE COUNTY, NEVADA

The Beatty district in southwestern Nevada has been a gold-productive area since US Civil War days in the 1860's, and it has been the benefactor of recent geologic reinterpretation that has revealed several new orebodies; Barrick's Bullfrog and Montgomery-Shoshone mines, Cordex's Secret Pass and Cathedral's Sterling mines on Bare Mountain. A string of discoveries (Secret Pass, The Mother Lode and Joshua Tree) directly align with a JABA claim block northeast of Beatty that includes opalized, gold-family-element anomalous altered volcanics that may well contain another million-ounce gold-silver orebody. JABA also owns the Providence claims in the Beatty district, a drill-ready block 'on strike' with and abutting Barrick's Montgomery-Shoshone pit. These two settings, and others that JABA controls in the area, are considered highly prospective. **Target - epithermal/detachment fault gold-silver, 3 targets at 1 million ounces each.**

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JABA's predecessor interests have held property in the Tombstone district for almost 20 years and continues to do so with target including porphyry copper (Robbers' Roost, Johnson Ranch, Walnut Creek), polymetallic Zn-Pb-Au-Ag vein and skarn (Downey, Contention), and porphyry-zoned peripheral gold-silver (Hay Mountain). JABA recently announced the formation of a joint venture with Phelps Dodge whereby PD will expend a minimum of US\$2 million over 4 years in exploration through to bankable feasibility to earn 60% upon discovery of large low-grade (?) micron gold that both PD and JABA expect to discover. Geophysics, geochem, and geology brought both companies to active exploration in the area, so a joint venture was indicated and arranged. Co-product silver is likely, and other targets in the Area of Interest will probably be generated. **Target - Carbonate-hosted gold, porphyry peripheral, 1-2 million ounces gold.**

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JABA's chairman is **Dr. John Guilbert**, Professor Emeritus of Economic Geology at the University of Arizona and co-author of the graduate level text THE GEOLOGY OF ORE DEPOSITS. Dr. Guilbert has been instrumental in the discovery and development of some of the world's largest ore deposits including most recently, the Bajo de la Alumbrera in Argentina.

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**Dr. Robert Hodder**, Director, Professor Emeritus of Economic Geology at the University of Western Ontario, and **James J. Alexander**, a Vancouver, B.C. businessman.

## CORPORATE DATA

### TRANSFER AGENT

The RM Trust Company, Calgary Alberta

### AUDITORS

LaBonte-David Chartered Accountants,  
Vancouver, B.C.

### SHARE AUTHORIZED

Unlimited

### SHARES OUTSTANDING

Issued: 17 million  
Fully Diluted: 21 million

### CUSIP# 465930 10 5

### SHARES LISTED

Alberta Stock Exchange: Symbol - JBA

### EXPLORATION OFFICES

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2766 N. Country Club Rd.  
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Telephone: (520) 327-7440  
Facsimile: (520) 327-7450

Compania Minera JABA S.A. de C.V.  
Colonia Pitic, CP. 83150  
Hermosillo, Sonora, Mexico  
Telephone: (62) 159917  
Facsimile: (62) 159733

### FOR FURTHER INFORMATION CONTACT

**Donald A. Sharpe, President**

**Telephone: (604) 602-9002**

**Facsimile: (604) 602-9007**

**E-mail: DSharpe@JABA.COM**

**Toll Free in N.A.: 1-800-863-1551**

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*Zebra (F) Cochise*

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The RM Trust Company, Calgary Alberta

### AUDITORS

LaBonte-David Chartered Accountants,  
Vancouver, B.C.

### SHARE AUTHORIZED

Unlimited

### SHARES OUTSTANDING

Issued: 17 million

Fully Diluted: 21 million

### CUSIP# 465930 10 5

### SHARES LISTED

Alberta Stock Exchange: Symbol - JBA

### EXPLORATION OFFICES

JABA (US) Inc.

2766 N. Country Club Rd.

Tucson, Arizona 85712

Telephone: (520) 327-7440

Facsimile: (520) 327-7450

Compania Minera JABA S.A. de C.V.

Colonia Pitic, CP. 83150

Hermosillo, Sonora, Mexico

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### FOR FURTHER INFORMATION CONTACT

**Donald A. Sharpe, President**

**Telephone: (604) 602-9002**

**Facsimile: (604) 602-9007**

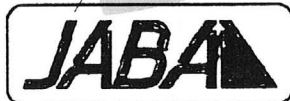
**E-mail: DSharpe@JABA.COM**

**Toll Free in N.A.: 1-800-863-1551**

**TOLL FREE IN NORTH AMERICA: 1-800-863-1551**

**SUITE 1515 - 700 WEST PENDER STREET, VANCOUVER BRITISH COLUMBIA, CANADA V6C 1G8**

**JABA Inc.**  
**Mining Exploration**



ZEBRA Hawkington (file) Cochise Co.

2766 N. Country Club Road  
Tucson, AZ 85716-2204  
(520) 327-7440 Fax (520) 327-7450  
1 (800) 863-1551 www.JABA.com

February 5, 1999

**NEWS RELEASE 99-1**

During the past several months, JABA has been working diligently on a variety of projects and joint venture proposals to other companies.

In Mexico, several companies have been actively evaluating our Niko polymetallic limestone replacement (silver, zinc, lead, copper, gold, molybdenum, & tungsten) project. Approximately 200 additional surface geochem samples as well as proprietary geophysics has been run over the surface. Positive comments have been received but JABA has yet to receive the data. Niko is located approximately 24 kilometers (15 miles) northeast of the producing Naica polymetallic mine, whose production and reserves amount to approximately \$5 to \$8 billion in gross metal value. Niko is also approximately 65 kilometers (40 miles) southwest of the famous Santa Eulalia mining camp, a polymetallic limestone replacement deposit also. Santa Eulalia has produced for more than 100 years, and is still producing from the San Antonio mine whose surface characteristics, i.e., an abundance of manganese veins and manganese filled breccias, are very similar to the surface expressions of Naica and Niko. Just south and contiguous with Santa Eulalia is the Advanced Projects Limited target developed by Dr. Peter Megaw, in which CSAMT geophysical survey lines suggest continuation of the Santa Eulalia type mineralization as well as a target for deeply buried skarn under the volcanics. This project, the Guigui (pronounced Gee-Gee), suggests strong similarities to JABA's Niko project and the success of CSAMT geophysics which has not yet been done at Niko - a much shallower target, is intriguing to JABA.

Other examinations have been made of the Centauro, Opata, and Seri projects. Some geophysics has been performed on these. Positive pronouncements on the projects have been received, but the low price of copper as well as gold is hindering progress. A major is considering one of these projects, and JABA is optimistic that a joint venture with drilling will result.

Over the last three months, 30 years of data has been compiled on JABA's Hay Mountain project using a computer geographic information system (GIS) data base. Those who follow JABA's news releases will remember that JABA had a joint venture with Phelps Dodge on this project, however, Phelps Dodge dropped out upon their corporate decision to drastically curtail almost all exploration within the US and Canada. JABA retained all the property and data generated on the project. Compilation of this data, as well as new aeromagnetic data purchased by JABA indicates that older aeromagnetic anomalies were mis-located, prompting the mis-targeting of all subsequent work. JABA has found that: 1. There is a substantial aeromag high approximately 3.5 miles long, probably representing a porphyry copper-gold style intrusive at relatively shallow depth; 2. This hidden body is surrounded by a distal, sub-micron gold halo, symmetrically arranged around the magnetic high (values as high as approximately 1.5 ounces have been obtained from silicified zones at the surface in the limestone host rock); 3. A circular structural anomaly is apparent on rectified color photo mosaics surrounding both the mag high and the gold zone (this appears to be a structural feature related to the intrusive activity); and 4. Significant soil anomalies in gold, arsenic, and mercury are also present in the distal zone. Jim Briscoe has prepared a comprehensive Power Point slide presentation on the Hay Mountain project encompassing the geologic, geochemical, and geophysical aspects of the property. During the last week in January, in conjunction with the Cambridge House Investment Conference and the Cordilleran Round Up in Vancouver, Jim presented this information to a variety of major and intermediate companies. The information was well received, and JABA expects to be conducting field visits this spring.

The attitude of participants at the conferences in Vancouver was optimistic. There were few that had not experienced a very grim 1998, but there seemed to be signs of an upturn in the new year.

Presentations have also been made or are underway for our projects at: 1. East Silver Bell where a new porphyry copper center with thick leached capping indicating a potentially enriched chalcocite blanket at greater depth was penetrated by 4 RC holes this summer; 2. Yardley where a mag low 1.3 miles long by 0.5 miles wide surrounded by four large mag highs - the entire magnetic anomaly covering approximately 8 square miles - has been defined. This signature suggests a porphyry copper center surrounded by skarn. One RC hole has encountered copper-moly anomalous massive magnetite skarn alteration, confirming that the source of the magnetic highs are originating from skarn; 3. Tombstone-Walnut Creek where geochemical patterns suggest a porphyry copper center with skarn copper, gold, silver, zinc, lead replacement deposits; 4. Beatty, Nevada where a.) the Providence Project forms the east wall of the Barrick Montgomery open pit now dormant, and b.) the Tram Ridge property abuts Rayrock's Mother Lode mine property and lies on the extension of the Mother Lode fault - vein; and 5. At Randsburg, California where JABA claims about the Glamis Gold Rand Project. 6. Apache, Arizona where Drs. Silberman & Armstrong have identified a several kilometers long gold bearing quartz vein that appears to be the feeder to previously mapped gold-bearing jasperoids. We will keep you advised as news of developments occur.

Approximately 100 surface geochem samples have been taken over extensions of mineralization at the Sullivan project. Metal anomalies have yet to be interpreted. Negotiations with the underlying property owner to allow additional metallurgical studies continue.

It is also heartening to note that Excellon, on whose Board of Directors Dr. Guilbert and Jim Briscoe served until 1997, appears, with their partner Apex Silver Mines, to have some positive developments on their Platosa project in Durango State, Mexico. The silver-lead-zinc gold project which is reported to be of substantial size, has been penetrated by four drill holes and assays should be available shortly. Excellon stock has moved from \$.06 CDN to as high as \$.71 CDN before falling back a bit to the low \$.50 CDN range. This project lies 280 kilometers (170 ) miles south of JABA's Niko project along the central Mexico limestone silver - base metal replacement deposit trend. Congratulations to Excellon. JABA controls some 324,000 shares of Excellon Resources Inc.

JABA is pleased to announce that Dr. John Guilbert, Chairman of the Board, will be receiving his prestigious Penrose Gold Medal (News Release November 13, 1998) on March 2 in Denver at the annual meeting of the Society of Economic Geologists (SEG). In addition to the Penrose Medal, John has been selected as SEG International Exchange Lecturer and will be speaking to more than 20 international audiences comprised of professionals and academics in Brazil, Argentina, Chile, Peru, and Ecuador during March and April, focusing his lectures on porphyry copper deposit geology and exploration, which will bring international attention to JABA and JABA's portfolio of projects developed by John and Jim Briscoe.

On behalf of the Board of Directors

*"James A. Briscoe"*

James A. Briscoe, CEO

The Alberta Stock Exchange has neither approved or disapproved the information contained herein.



ZEBRA

COCHISE COUNTY

NJN WR 7/15/83: Richard Renn of Goldsil Resources Ltd. visited. He reported that Goldsil Resources is a new company formed of people who used to be with Energy Reserves Mineral group. The company will go public in Vancouver soon. They have picked up the properties that Energy Reserves used to have such as a potential silver property near Tombstone, located at T20S R23E Secs 27, 28, 33, & 34 (combination State and private leases) on which drilling will commence next week.

-----

CJH WR 8/12/83: Phone call, Jim Sell, Southwestern Exploration Mgr. ASARCO, Tucson, ph: 792-3010, Ext 278, asked about a Zebra property in Cochise County, which according to an article in Skillings Mining Review is being drilled by consolidated Paymaster Resources Ltd, Vancouver, B.C. We have no corresponding mine file. There are two Zebra claims in the BLM microfiche but they are not in Cochise County. Mr. Sell believes the Canadian company may have changed the original property name.

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NJN WR 10/7/83: Richard Renn of Goldsil Resources reported that 1 of 2 targets at their Tombstone Exploration Project is promising. Their drilling encountered a 29' thick mineralized zone in limestone about 50' below the surface.

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NJN WR 3/2/84: Rick Renn (c) geologist with Goldsil Resources (c) reported that their Zebra Property is located in T20S R23E Sec 34 all, 29 NE, 27SW. They had Cissell Drilling of Casa Grande do some rotary work there last summer. Their targets were areas mineralized by Tertiary plugs intruding the Paleozoic sediments.

-----

MG WR 3/2/84: Goldsil Resources, Ltd reports surface rotary drilling and geologic evaluation of their Zebra silver prospect. Results were somewhat encouraging.

*Leha file (Cochise Co.)*

**JABA Inc.**  
**Mining Exploration**



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 Tucson, AZ 85716-2204  
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On behalf of the Board of Directors

*"James A. Briscoe"*

James A. Briscoe, CEO

The Alberta Stock Exchange has neither approved or disapproved the information contained herein.

NEWS RELEASE 98-7

March 27, 1998

**JABA TAKES OVER HAY MOUNTAIN PROJECT AND COLINA  
LLC AS PHELPS DODGE DROPS OUT BECAUSE OF SEVERE  
BUDGET REDUCTIONS RESULTING FROM LOW COPPER  
PRICES**

JABA Inc. (ASE-JBA) reports that the results of the Phelps Dodge (PD) drilling on the Hay Mountain Joint Venture that commenced on Feb. 23 (news release dated Feb. 24, 1998) are in hand. Two shallow reverse circulation (RC) vertical holes were drilled. Assays show minor intercepts of anomalous gold in each but no ore grade values. The PD geologist in charge of the project has stated that the project has outstanding merit and the remaining large area of anomalously high gold sample results have yet to be tested. Recently, PD, because of the current low price of copper, has drastically cut overall budgets, and exploration in particular, for the second time. As a result, regardless of merit or what was represented to JABA when the agreement was signed, PD has withdrawn from the Hay Mountain project and will turn all assets including property and data over to JABA so that JABA will control the Colina LLC (Limited Liability Corporation) into which the property is being transferred. JABA now controls 100% of a land package that is one third larger than when it started the venture, with all assessment work paid for the next year.

A preliminary review by JABA and its consulting geologist (who originated the project for PD, but was retired about three months ago on December 31, 1997) indicates that the minor drilling done by PD tested little of the target as originally conceived. JABA will compile existing data and apply remote sensing, geochemistry, and geophysical technology not applied by PD to more precisely define targets before a second round of drilling. In the second round of drilling, angle holes that will cross vertical veinlets which carry the gold will be used rather than vertical holes. With this more thorough approach, JABA believes the true potential of the area will be revealed. The property is now available for Joint Venture with a partner who espouses the above approach.

James A. Briscoe, CEO  
Chief Executive Officer

John M. Guilbert,  
Chairman of the Board

---

The Alberta Stock Exchange has neither approved nor disapproved the information contained herein

Date Printed: 04/01/98

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES

INFORMATION SUMMARY

Information from: **Bob Macer**

Company: Jaba (US), Incorporated  
Address: 2766 N. Country Club Road  
City, State ZIP: Tucson, Arizona 85716  
Phone: 520-327-7440

**MINE:** Zebra

ADMMR Mine File: Zebra  
County: Cochise  
AzMILS Number: 742

SUMMARY

I explained to Mr. Macer my difficulty in figuring out where various Jaba projects are actually located and which, if any, old mines were covered by their projects. He was evasive. He did say that the Hay Mountain project is between Hay Mountain and the Tombstone airport. I believe the Zebra file (Cochise AZMILS 742) in Cochise County is a valid place for the Hay Mountain project releases and data at this time.

Ken A. Phillips, Chief Engineer      Date: April 1, 1998

LEONARD A. MERCER

*Consulting Petroleum Geologist*

409 MAJESTIC BUILDING  
DENVER 2, COLORADO

BUS. PHONE AMHERST 6-2535

RES. PHONE SKYLINE 6-7205

GOVERNMENT BUTTE STRUCTURE

COCHISE COUNTY

ARIZONA

# LEONARD A. MERCER

*Consulting Petroleum Geologist*

409 MAJESTIC BUILDING  
DENVER 2, COLORADO

BUS. PHONE AMHERST 6-2535

RES. PHONE SKYLINE 6-7205

July 13, 1959

## GOVERNMENT BUTTE STRUCTURE

Cochise County, Arizona

The subject area is located in S.E. Arizona, about ten miles southeast of Tombstone, in the San Pedro Valley. No particular geologic basin has been assigned to the area to my knowledge. The area is bound by surface exposures on uplifts at Bisbee in the Mule Creek Mountains, seven miles southwest; Tombstone Hills eight miles northeast and the Dragoon Mountains eighteen miles north-northeast. Geological survey Professional Paper #281 covers the area.

### STRATIGRAPHY OF POTENTIAL OIL RESERVOIRS

Horquilla Limestone: 1000' thick. Bedded limestone. Some beds quite fossiliferous. Pennsylvanian and Permian age.

Escabrosa Limestone: 900' thick. Predominantly limestone. Some sand northeast. None southwest. Mississippian age.

Martin Limestone: Average 275' thick. Predominantly limestone, fossiliferous. Two sandstone beds are 44' thick and 50' thick to the north and northeast. None to the southwest. Devonian in age. See generalized cross section noted page 28.

Abrigo Limestone: 840' thick. Predominantly limestone and dolomite. Two principal sands, one 32' thick and the other 44' thick; found in the Dragoon Mountains up to 50' beds of coarsely crystalline limestone. Sands shale out to the south and west; originally classed as Cambrian, now thought to be equivalent of Ellenberger.

### GENERAL TECTONICS

There are four main structural deformations in the area. Pre Cambrian, Post Paleozoic and Pre Cretaceous, Post Cretaceous-Pre Plistocene and Quaternary. The Pre Cambrian structure is revealed in the Pinal Schist and has no bearing on this area petroleum-wise. Its general strike of foliation is northeast.

Post Paleozoic and Pre-Cretaceous: East-west trend structure formed during this period, with good unconformity appearing between the Epitaha formation and Cretaceous. This line of folding and faulting is probably much older than stated when you consider the stratigraphic change from north to south in lower Paleozoic formations.

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*Consulting Petroleum Geologist*

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Post Cretaceous - Pre Plistocenes: This line of folding and thrusting came from the northeast and the folds are aligned northwest to southeast. This is the dominant structural deformation of the area and gives it its present form.

Quaternary: The filling of the present valleys covering existing structure.

## GOVERNMENT BUTTE STRUCTURE

Page 127-128

The regional dip of the area is to the north and east. The individual structure has probably 1500' of closure on a good 2000' of regional uplift. In effect the structure is an anticlinal Horst with a very narrow thrust graben along its south steep side that is nearly vertical. Please note that the exposure on the principal closure is the Earp and Horquilla formation, on the east closure the south side has very steep dip bringing Cretaceous to the surface and further south Devonian and Cambrian rocks appear on the surface. This gives the graben over 3000' of fault closure plus good south dip on the principal structure. I cannot close the west high but this is because it is obscured by Tertiary overlapping the graben, onto the Horquilla formation. The formations dip away from this structural high in all directions for better than ten miles, which should give it adequate accumulation area. The enclosed map is very generally form contoured to give you the general structural configuration only. No attempt is made to give structural closure or to contour localized faulting.

In addition to the structure there is a strong suggestion that considerable stratigraphic change will take place around the structural edge, and is why there is so much acreage involved. Page 128.

Two wells have been drilled in the area; one four miles northeast drilled to a depth of 3555', believed to have bottomed in the top of the Devonian, Martin limestone. We were able to obtain these samples and Dr. Ken Smith of Continental Oil Company ran the samples. These samples were over one year old by the time we got them. Please note the staining from 2195 to 2655 and the consistent stain from 2525 to 2600. This is good, live oil that would still fluoresce and cut. The porosities look good. A drill stem test was taken 2570-90 which recovered 450' of oil cut mud. No pressures were recorded; no completion was attempted. It is the opinion of Dr. Smith that this could have made a well if it had been correctly treated. It is important that this is a promotional well having drilled over a two year period, with cable tools to a depth of 2455 and from



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2455 to 3570 with rotary tools. The drilling was constantly interrupted while the operator promoted more money. A well drilled in Section 23 would be about 1100' higher structurally than the Southwest Oil Company well. Enclosed is a Sample log as interpreted by Dr. Smith of Continental Oil and an Electric log of the Southwest well located in Section 5, T. 21S, R. 24E.

In addition to the staining found in the Southwest Oil Company well, there are active oil seeps on the surface in the northeast part of T. 21S, R. 23E. Because of the extreme summer heat, evaporation takes place very fast and solid petroleum gilsonite is found in abundance.

### ACREAGE

There are about 35,000 acres of state and federal lands with leases dated generally from November 1957 to May 1958. The above is available with a drilling commitment, \$5.00 per acre and a 5% overriding royalty. I recognize that all of the acreage is not desirable, and within limits, the acreage may be selected to a lesser amount; or an alternate proposal with drilling interest will be considered.

Respectfully submitted,

  
LEONARD A. MERCER

LAM:fc

8906 - Fossil collection from measured section; located by surveying  
 (8481) - Fossil collection from nearby areas; located with reference to mapped contacts

Bisbee (Ransome, 1904)      Tombstone Hills (This report)      Dragon Mountains (This report)      Little Dragon Mountains (This report and Cooper, 1951)      Clifton-Morenci (Lindgren, 1905)

Martin limestone measured 2 1/4 miles south of Black Diamond Peak. Escabrosa limestone measured west of Golden Rule mine

Measured 1 1/2 miles northeast of Seven Dash Ranch house Escabrosa and Black Prince limestone measured by J. R. Cooper on ridge in SE 1/4 sec. 9, T. 15 S., R. 22 E.

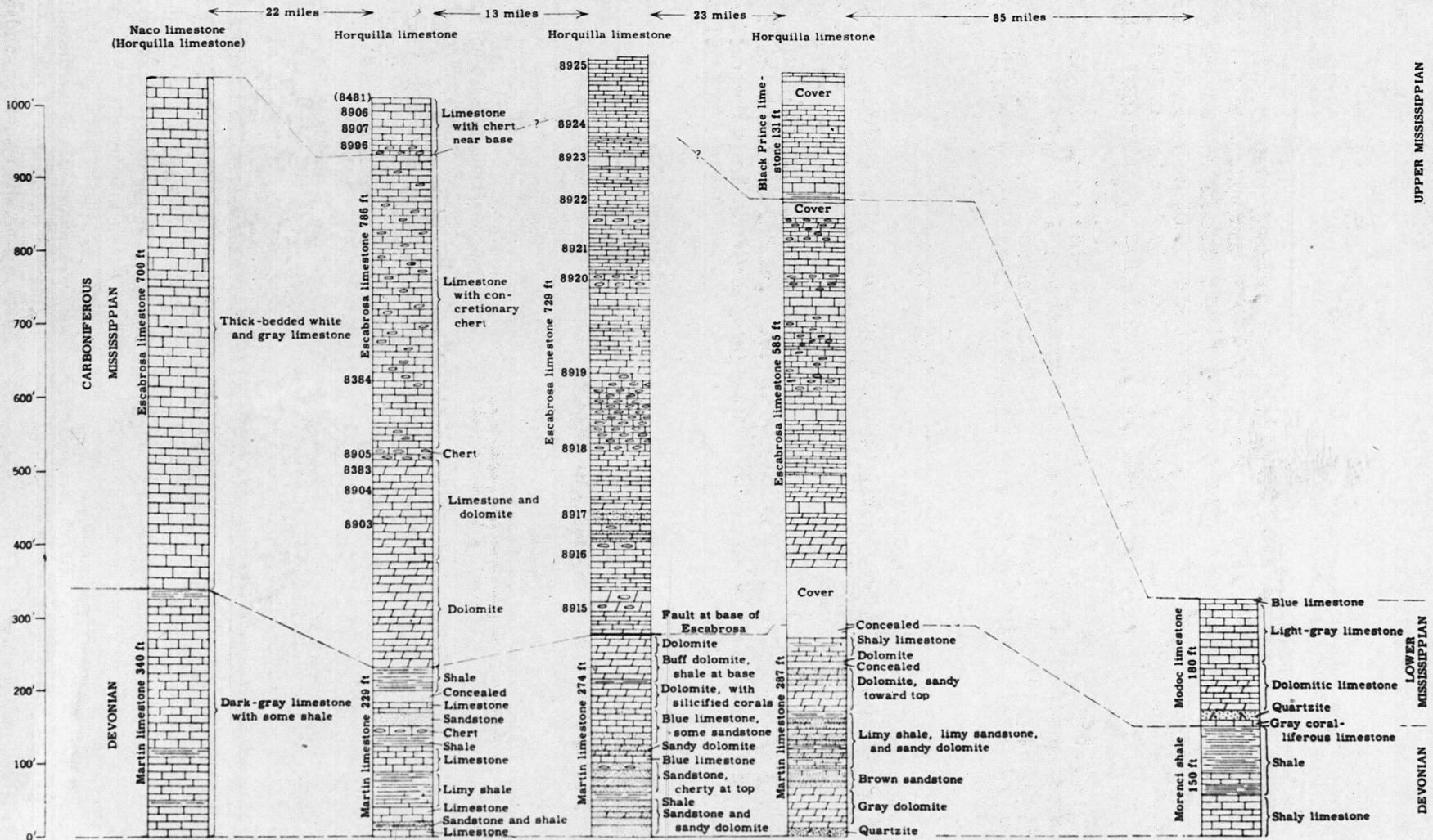


FIGURE 3.—Correlation of some Devonian and Mississippian sections in southeastern Arizona.

Southwest Oil Co. No. 1 Davis Clark  
NE NE Section 5, T21S, R24E  
Cochise County, Arizona

March 19, 1959

Sample Tops:

Recent Alluvium	Surface to 200'
Cretaceous Bisbee Group	
(Mural Limestone)	200'
(Morita Formation)	600'
Permian Earp Formation	1150'
Pennsylvanian Horquilla ls.	1575'
Mississippian Escabrosa ls.	2400'
Devonian Martin ls. (?)	3335'

Above tops are based on lithology, as compared with surface sections described by Gilluly (U. S. G. S. Prof. Paper 281, General Geology of Central Cochise County, Arizona). The section penetrated from a depth of 200 feet to 1150 feet, compares favorably with Gilluly's description of the Mural limestone and Morita formation, which are, in reality, members of the Bisbee formation, or group.

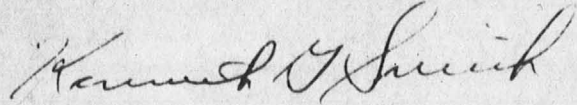
Beneath the Cretaceous-Paleozoic unconformity, the well apparently penetrated a limestone and shale section of the Permian Earp formation, and went into the Pennsylvanian Horquilla limestone, at a depth of 1575 feet. This top is based on the beginning of a continuous limestone section deeper in the well.

Top of the Mississippian Escabrosa Limestone was picked at a depth of 2400 feet, beneath a section of 150 feet of interbedded limestone and red shale, a phenomenon that is common to the Pennsylvanian-Mississippian boundary in this part of the Rocky Mountains. The actual tops may come higher, above some black and green shale beds at 2340, but, as in the case of the Pennsylvanian top, this one was again picked on the beginning of another thick continuous limestone section.

At 3335 feet, the well penetrated a gray dolomite section, which is questionably called the Devonian Martin formation. According to average thickness of measured Mississippian sections in the area, this would be a logical pick. However, it should be pointed out that in some measured sections in Cochise County, there is a thick dolomite section in the lower part of the Escabrosa limestone. The well bottomed in this dolomite at a Total Depth of 3570 feet.

Scattered oil shows were found in dense to fairly porous limestones, with poor to fair fluorescence and cut, in the zone from 2195 to 2655 feet. A drill stem test of the interval 2570-90 recovered 450 feet of oil cut mud, but no pressures were recorded and no additional tests, or a completion, were attempted.

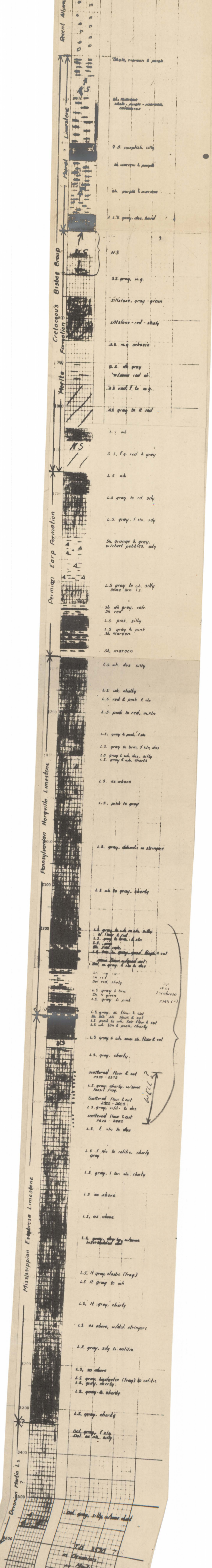
The tops picked in this well are based on lithology only, and fossils may change them slightly in the Paleozoic section. Geologically, however, the tops picked would agree with what might be expected in this area, based on the position of the well with respect to the local geology as mapped by Gilluly.



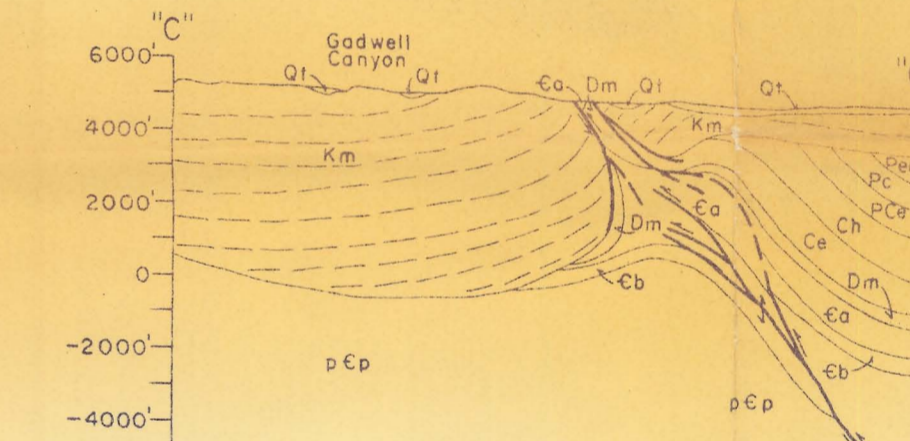
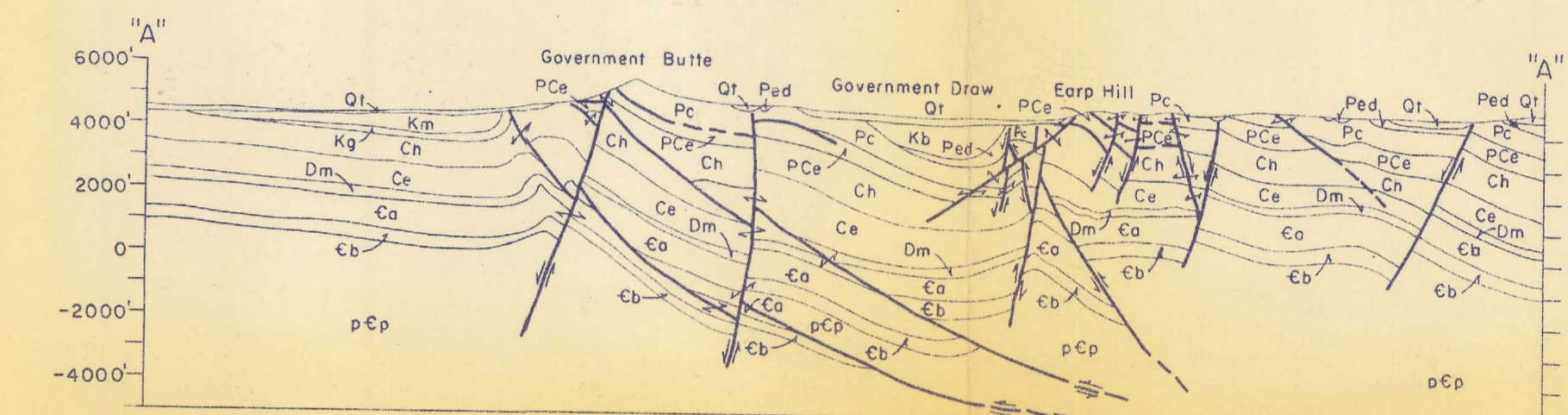
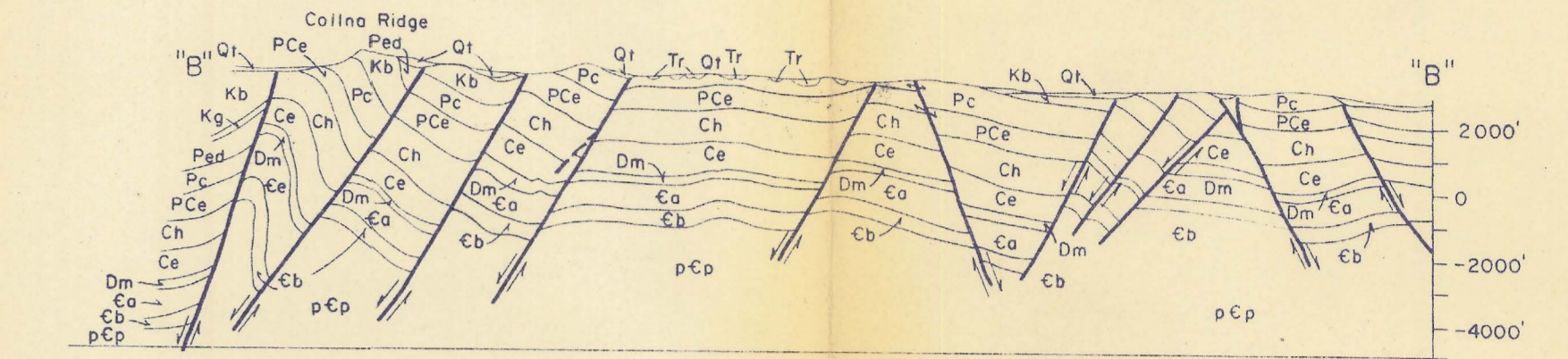
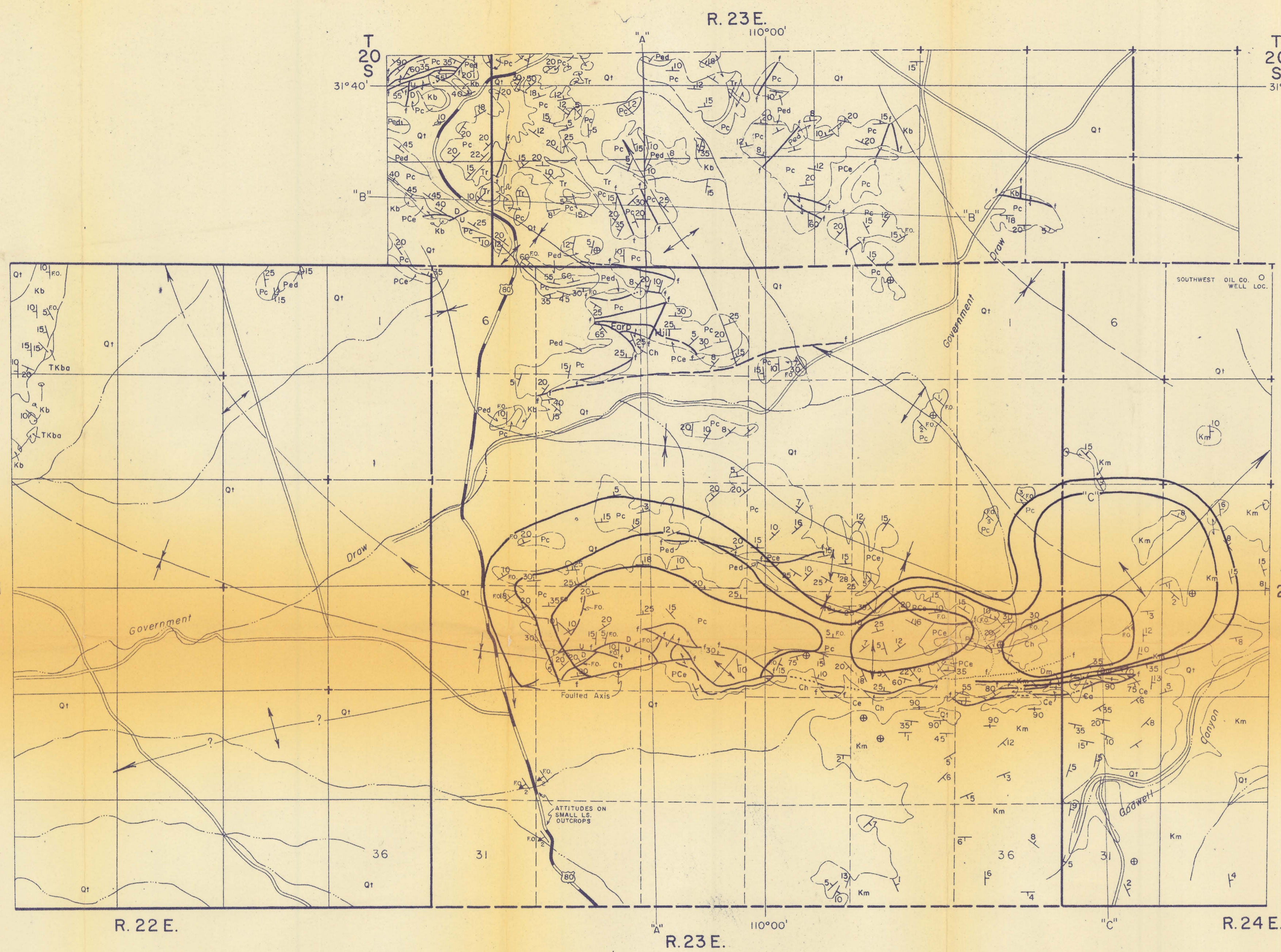
Kenneth G. Smith  
Geologist

KCS-HP

STATE Arizona FLEV. 4600  
 COUNTY Cochise  
 COMPANY Southwest Oil Co.  
 FARM Davis Clark NE 1/4  
 LOCATION N 29 E Sec 5, T 21 S,  
R 29 E  
 T 3570 Cash to 2455  
Retry 2455 - 3570  
samples Run by N G Smith  
March, 1937

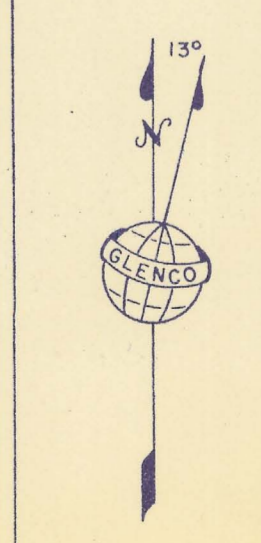
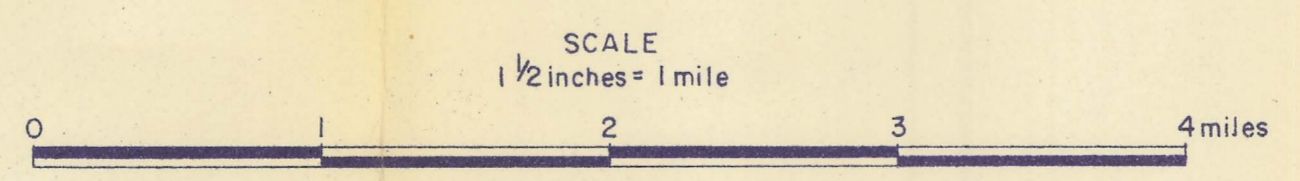






- LEGEND**
- |     |                              |         |                                  |           |                                   |
|-----|------------------------------|---------|----------------------------------|-----------|-----------------------------------|
| Qt  | Alluvium & Gila conglomerate | Tr      | Intrusive rhyolite               | — — — —   | Strike and dip of beds            |
| Kb  | Bisbee formation             | TKba    | Bronco Volcanics                 | — — — —   | Strike and dip of overturned beds |
| Kg  | Giance conglomerate          | Km      | Morita                           | — — — —   | Strike of vertical beds           |
| Ped | Epitaph dolomite             | ⊕       | Horizontal beds                  | - - - - - | Fault, dashed where inferred      |
| Pc  | Colina limestone             | — — — — | Anticline, dashed where inferred | — — — —   | Syncline, dashed where inferred   |
| PCe | Earp formation               |         |                                  |           |                                   |
| Ch  | Horquilla limestone          |         |                                  |           |                                   |
| Ce  | Escabrosa limestone          |         |                                  |           |                                   |
| Dm  | Martin limestone             |         |                                  |           |                                   |
| Ca  | Abrigo limestone             |         |                                  |           |                                   |
| Eb  | Bolsa quartzite              |         |                                  |           |                                   |
| pCp | Pinal schist                 |         |                                  |           |                                   |

REFERENCE: PROFESSIONAL PAPER 281



**GEOLOGIC STRUCTURAL MAP**  
**OF A PORTION OF**  
**COCHISE COUNTY, ARIZONA**  
 PREPARED BY  
**GLOBAL ENTERPRISES CORPORATION**  
 800 PETROLEUM CLUB BUILDING  
 DENVER, COLORADO  
 1958