

Made for H. R. Norman

Tempe, Arizona.....Jan. 30....., 1972..

NO. _____

BY _____
Registered Assayer.

CHARGE \$ 3.50 *2/1*

Arizona Testing Laboratories

817 West Madison · Phoenix, Arizona 85007 · Telephone 254-6181

For Mr. Jerome Joffe
353 Park Avenue
Highland Park, ILL. 60035

Date October 13, 1978

ASSAY CERTIFICATE

LAB NO.	IDENTIFICATION	OZ. PER TON		PERCENTAGES			
		GOLD	SILVER	COPPER			
8138	Spanish Mine -dump	0.02					
	Daisy-floor near short shaft,side drift	0.02					
	Daisy - hopper	0.01	nil				
	Daisy-inside and around	0.07	trace				
	Little Daisy - sulfide ore	26.	8.5				
	Little Daisy - 1st line Conc.	38.	29.				

Lab Number: 10/13/78 8138

Little Daisy - Sulfide Ore

Dump material
Selective sample
Pyrite material

mitted,

NG. LABOR

Claude E. McLean, Jr.

Claude E. McLean, Jr.



ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd.
Phoenix, AZ 85018

DATE 14 September 1977
LAB No. 15151

Diversified # 2

RESULTS

Gold	5.89 oz/ton
Silver	0.88 "

Lab Number 15151
Spanish Mine Ore
East Drift, limonite material
Head ore assay

Respectfully submitted,
ARC LABORATORIES

John F. Sickafosse
John F. Sickafosse
Technical Director



D.K. MARTIN & ASSOCIATES

Mining Administration
and
Development

4728 North 21st Avenue
Phoenix, Arizona 85015
(602) 246-9573

DOUG MARTIN

LITTLE
DAISY
MINE
GROUP

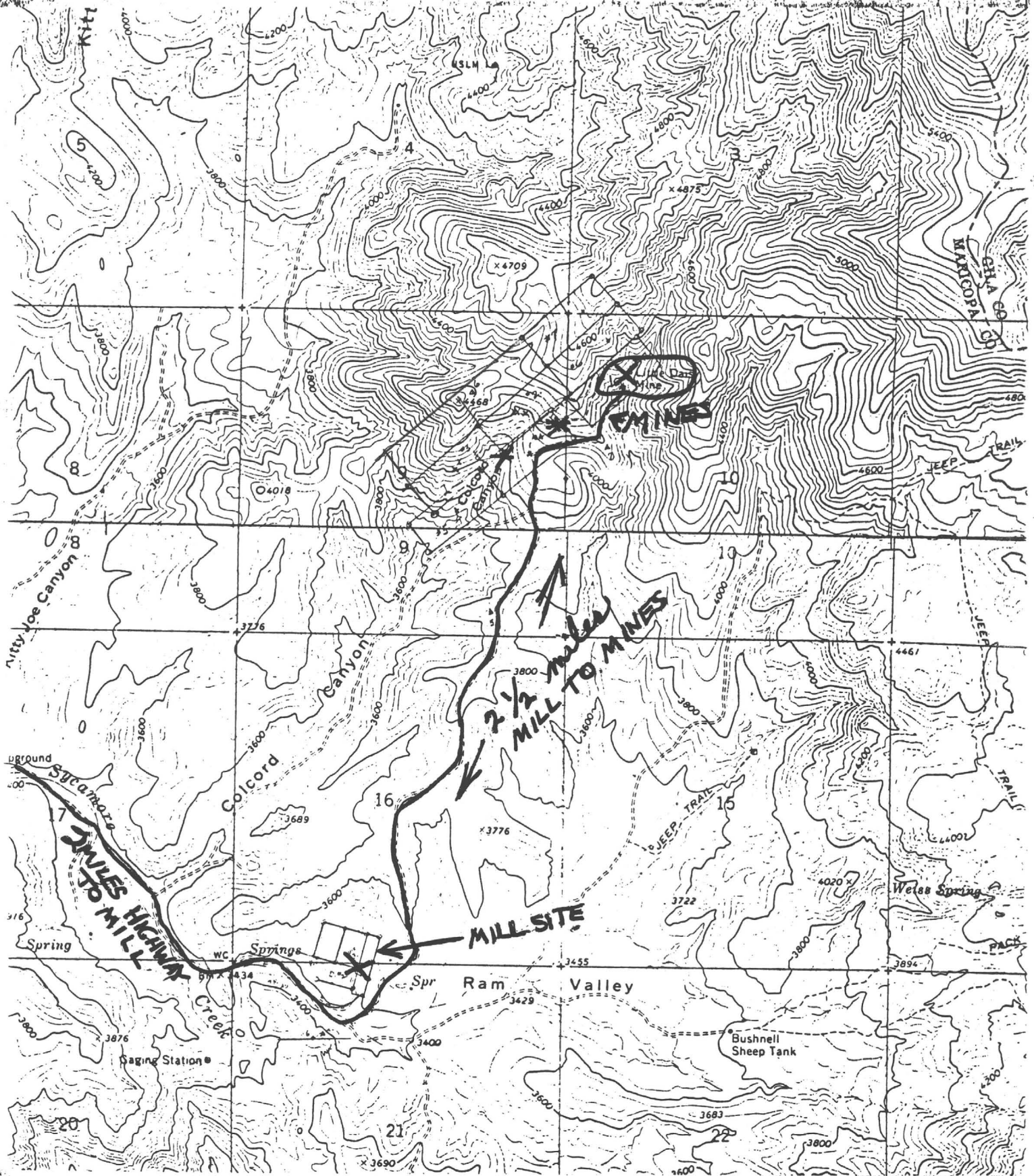
SUNFLOWER DISTRICT

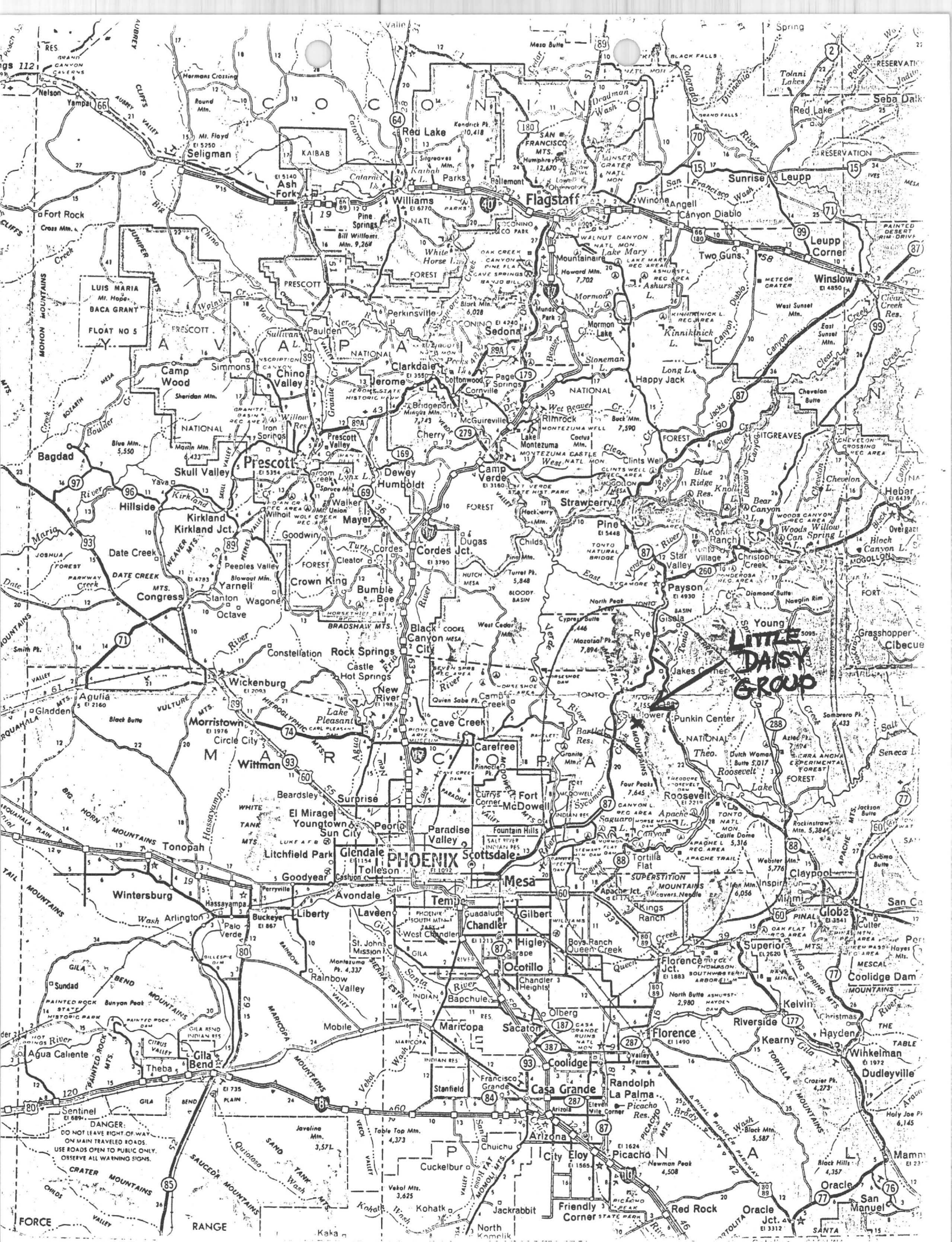
TONTO NATIONAL FOREST

MARICOPA COUNTY

ARIZONA

↑
MOUNT ORD





**LITTLE
DAISY
GROUP**

CRATER MOUNTAINS
DANGER:
DO NOT LEAVE RIGHT OF WAY
ON MAIN TRAVELED ROADS.
USE ROADS OPEN TO PUBLIC ONLY.
OBSERVE ALL WARNING SIGNS.

ASARCO

Southwestern Ore Purchasing Department

A. J. Kroha
Manager
J. N. Lambe
Assistant Manager

June 8, 1979

Mr. Walter Knott
P. O. Box 688
Payson, AZ 85541 ,

Dear Mr. Knott:

Our El Paso Plant has assayed the samples from the Little Daisy mine and reports the following results:

	Oz per Ton		Percent								PPM
	<u>Au</u>	<u>Ag</u>	<u>Pb</u>	<u>Cu</u>	<u>Zn</u>	<u>SiO2</u>	<u>Fe</u>	<u>CaO</u>	<u>Al2O3</u>		<u>Hg</u>
1st line-											
last drift	75.82	26.9	48.1	1.0	.1	7.2	20.1	1.0	1.1	14,600	
2nd line											
drift	2.48	1.9	4.3	0.7	.1	68.0	8.9	1.2	4.5	348	
Last drift	.44	0.5	2.0	0.6	.1	74.0	6.1	1.1	5.2	182	

The mercury content of sample marked "1st line-last drift" is too high to consider treatment at our smelters.

Yours very truly,


A. J. Kroha

Arizona Testing Laboratories

815 West Madison • Phoenix, Arizona 85007 • Telephone 254-6181

For: Little Daisy Mine

Date: March 22, 1978

Lab. No.: 6413

Received: ---

Marked: 1st Line Clean Cut, 40 mesh

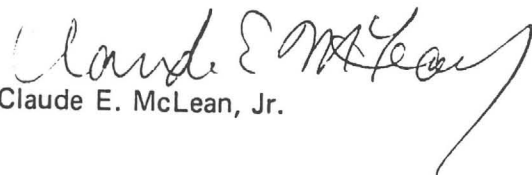
Submitted by: same

REPORT OF QUALITATIVE SPECTROGRAPHIC EXAMINATION

<u>ELEMENT</u>	<u>APPROXIMATE PERCENT</u>
Boron	0.01
Silicon	2.0
Aluminum	4.0
Manganese	0.6
Magnesium	0.3
Lead	Major Constituent
Chromium	0.3
Copper	2.0
Iron	Major Constituent
Bismuth	1.0
Beryllium	0.001
Calcium	2.0
Vanadium	0.005
Yttrium	0.01
Ytterbium	0.001
Sodium	0.1
Titanium	0.2
Silver	0.1
Zirconium	0.8
Nickel	0.07
Gold	0.07

Respectfully submitted,

ARIZONA TESTING LABORATORIES


Claude E. McLean, Jr.



BRC

BAHAMIAN REFINING CORPORATION

CUSTOM REFINERS, COMPLETE ANALYSIS & FLOWSHEET DESIGN

9222 N. 14TH AVE., PHOENIX, ARIZ. 85021
TELEPHONE (602) 279-9702

April 4, 1978

Re: Little Daisy Mining & Milling Co.

Dear Mr. Knott:

Your concentrate is one of the best submitted to us this year and we are very interested in entering into a contract on your entire production

As you said, the samples submitted to us were not the best but were adequate for a preliminary work up.

Due to the latest EPA ruling and regulations this ore cannot be smelted due to the 40# per ton of mercury and the high (15.5%) sulfur and 22% lead contents. However, it is very amenable to Hydrometallurgical recovery.

We have obtained a 54.75% recovery efficiency in just a one hour autoclave extraction, breaking down the sulfide and cinnabar into the spent pulp getting a separate lead drop of 99% purity, and putting all the metals into solution for the electrowinning stage. This stage will recover the Gold, Silver, Copper, Zinc, and other precious metals in the solution.

I am anxiously awaiting your top line production after making the flow sheet changes recommended.

Sincerely,



Fred Finell, Jr.

mountain states research & development

a division of Mountain States Mineral Enterprises, Inc. P. O. BOX 17960, INTERSTATE 10 & VAIL RD., TUCSON, ARIZONA 85731 (602) 792-2800

March 10, 1980

Mr. Walter Knott
c/o Demetra's Kitchen
233 1/4 East McDowell
Phoenix, Arizona

REF: Project 2177
Cyanidation Tests - Gold Ore

Dear Mr. Knott:

Three preliminary cyanidation tests have been completed on the sample of gold ore that you delivered to us on February 20, 1980.

Objective of the tests was to determine if the gold is soluble in cyanide solution, particularly at coarse sizes. In other words, will the ore be amenable to heap leaching methods, or will it be necessary to use fine grinding.

Analysis of a representative minus 10-mesh head sample was as follows:

<u>Ounces per Ton</u>	
<u>Au</u>	<u>Ag</u>
0.054	0.12

Twenty four hour bottle leaching tests were run on samples of ore:

1. Crushed to minus 3/8-inch.
2. Crushed to minus 10-mesh.
3. Ground to minus 65-mesh.

Results are tabulated below, and are detailed in the attached test data sheets.

<u>Size</u>	<u>Test No.</u>	<u>Calc. Head</u>		<u>Leach Residue Assay</u>		<u>Recovery in Preg. Soln.</u>			
		<u>oz./ton</u>		<u>oz./ton</u>		<u>oz./ton</u>		<u>Percent</u>	
		<u>Au</u>	<u>Ag</u>	<u>Au</u>	<u>Ag</u>	<u>Au</u>	<u>Ag</u>	<u>Au</u>	<u>Ag</u>
Minus 3/8-inch	1	0.045	0.09	0.037	0.07	0.008	0.02	17.8	22.2
Minus 10-mesh	2	0.042	0.13	0.017	0.09	0.025	0.04	59.5	30.8
Minus 65-mesh	3	0.042	0.12	0.002	0.06	0.040	0.06	95.2	50.0



LITTLE DAISY MINE

MARICOPA COUNTY
SUNFLOWER DIST.

The Daisy Group (between the National & the Ord) is being cleaned up and Carlson's old mill is being revamped to handle gold ore. Tests are underway to determine whether cyanidation or gravity concentration will be best suited to the ore.

L.A.SMITH - Weekly Report - 6-5-59

C.O. Carlson, Payson, Arizona reported that he and two others are cleaning up the Little Daisy gold property. Some gold values have been found in a quartz stringer lode in schist. Carlson stated that he plans to begin quick-silver operations on the Red Bird about November 1st.

L. A. SMITH - Cf - Sunflower 10-7-59

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date February 3, 1960

District Sunflower Dist., Maricopa

Engineer Lewis A. Smith

Subject: THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKE REPRESENTATION AS TO THE ACCURACY
OF INFORMATION OF THESE DOCUMENTS.

C.O. Carlson has been opening up and repairing the older part of the Little Daisy and is now installing a gasoline hoist and skip. He has developed a small reserve of fair ore (\$25.00 to 35.00) and has encountered a few small high grade pockets. He plans to use his old gravity mill, now located at his home $1\frac{1}{2}$ miles north of the Bee Line Highway on Sycamore Creek, and to add a ball mill. The road has been reopened after it was severely damaged by recent heavy rains. He has two men working for him. A. A. Fredrickson, 7045 N 12th St., Phoenix, is affiliated with him in the venture. Carlson also has raised 25 feet from the end of the south drift in ore.

Grady Harrison, who with Lovelace and Tom Russell, used to operate the mine, stated that the old workings included a 65 foot inclined shaft and 200 feet of underground lateral work. He stated, also, that the mine is inclined to be pockety and erratic, but some pockets were very high grade. They had a mill $1\frac{1}{2}$ miles below the Daisy which employed pan-amalgamation. This mill, as far as is now known, has been largely dismantled. Original mill was built by Harry Burton.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine **Little Daisy**

Date **September 29, 1961**

District **Sunflower Dist., Maricopa County**

Engineer **Lewis A. Smith**

Subject: **Interview with C.O. Carlson (9-27-61) (Supplementary)**

Minerals: Gold, silver, lead.

Work: Mr. Carlson reports that the old workings are now open down to the 350 foot level in a winze which was sunk from a 350 foot-adit. The winze is in 300 feet from the portal and is 100 feet south of the main vein. The winze has 4 levels at 100, 200, 250 and 350 feet, respectively. The main shaft was sunk on the main vein to a depth of 450 feet and the collar is about 95 feet above the adit which connects with it. The 100 and 200 levels of the winze are connected to this shaft. The 250 and 350 levels do not reach the shaft but did reach the vein which, most of the way down, is vertical. The 250 foot level cut a 45° dipping vein which carries lead (galena) (4-6% lead) and gold (\$60.00 per ton) with some silver (4 ounce per ton). This same vein encountered on the 350 foot level and here it was composed of red iron oxide and pyrite which carries up to \$40.00 gold. This vein ranges from 2-6 feet wide where exposed. According to Carlson's measurements this vein should intersect the main vein at about 50-70 feet below the 350 level. The two bottom levels reached the vein and encountered relatively low-grade ore (\$15 to \$25 to the ton). Carlson plans to winze down to pick up the vein intersection, since he feels that his would be a fine locus for ore accumulation. The main shaft passed through three lenses of ore with narrow bottle necks between them. At the bottlenecks the rock (schist) was severely shattered but more strongly or densely silicified. It is assumed by him, that these bottlenecks represent flat pre-mineral shears which are probably roughly parallel to the 45° veins. It is evident that the widest parts of the lenses of ore immediately underlie the bottlenecks. The main vein follows the contact between a dense hard diorite and a medium bedded schist. The lenses are formed in the schist, but little ore is found in the diorite. The schist is severely metamorphosed and altered by the mineral solutions. Generally the vein, as it passes through the bottlenecks is narrow (up to 2 feet) whereas it reaches 3-9 feet in width in the lenses. Since similar flat shearing is not uncommon in the Sunflower area, Mr. Carlson appears to be right as to their influence on ore accumulation. The rising hydrothermal solutions easily could have been damed by the shear planes causing the lenses to develop. The veins trends NE-SW and the shear planes are at an oblique angle to the main vein. The lenses are tapered from bottom to top with the wide part being at the top against the inferred shear planes. Mr. Carlson said that the shears show only as iron stained bands in the surface rocks, and the 45 degree vein does not, to his knowledge, outcrop. Mr. Carlson also stated that longitudinal development has not been extensive so that eventually he hopes to develop more lenses along the strike. Considerable high-grade ore was mined many years ago by Tom Russell's grandfather from three lenses. One pocket ran very high (reportedly over \$10,000 per ton). Tom Russell said some ore ran around \$2,000 to \$2,500. The canyon which runs south of the main vein has yielded very good placer gold. Carlson reported that the narrow bottlenecks are very low grade. A condition which is not too common. Considerable ore, running \$12.00 up to \$40.00 has been developed.

A new mill has just about been completed. It will employ gravity concentration, followed later by flotation to separate galena. The best gold is

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine LITTLE DAISY
District Sunflower, Maricopa County
Subject: Concentrate Values

Date June 18, 1979
Engineer Ken A. Phillips

KAP

Walter Knott reported on concentrate assay results on his Little Daisy Mine.
The samples were assayed by ASARCO.

	FIRST LINE TABLE CONCENTRATES	SECOND LINE TABLE CONCENTRATES	TABLE MIDDLINGS
Gold (Tr.oz./ton)	75.82	2.48	0.44
Silver (Tr.oz./ton)	26.9	1.9	0.5
Lead (%)	48.1	4.3	2.0
Copper (%)	1.0	0.7	0.6
Zinc (%)	0.1	0.1	0.1
SiO ₂ (%)	27.2	68.0	74
Iron (%)	20.1	8.9	6.1
CaO (%)	1.0	1.2	1.1
Al ₂ O ₃ (%)	1.1	4.5	5.2
Mercury (ppm)	14,600 (1.46%)	348	182

KAP:mw

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA FIELD ENGINEERS REPORT

Mine Little Daisy

Date November 13, 1978

District Sunflower - County, Maricopa

Engineer Ken A. Phillips

Subject: Present activities and field interview. (The interview was held with the owner in Phoenix, not at the property). Owner, Walter Knott, c/o Denetra's Kitchen, 2334 E. McDowell, Phoenix.

Mr. Knott reported he is presently processing gold lead ore from dumps, outcrops and open trenches. Ore is hauled to the mill from the workings in a 1 ton two wheeled trailer pulled by a jeep. Ore is dumped onto a 5" grizzly, plus 5 inches being broken with a double jack, and falls into the coarse ore bin. Coarse ore is fed to a 5"x7" jaw crusher. The jaws discharge onto a conveyor which feeds a 2'x4' rod mill, the rod mill discharges onto a 40 mesh screen with the oversize being returned to the mill. The -40 mesh material is deposited onto a 2'x6' (approx.) amalgamation plate. The ground ore passes over the amalgamation plate and onto a 4'x12' homemade Wilfrey type table. The table concentrate is collected and stored for shipment to smelters. The table middlings and tailings are combined and passed over a second amalgamation plate, then over a second table. The second table concentrate is combined with the first and tailings sent to disposal.

The head run 0.40 Au, 0.80 Ag, 1.5 Pb to as high as 1.2 Au, 4.0 Ag, 11% Pb and from assay reports average in the somewhere between 0.7 Au and 1.0 Au. The concentrates run between 20 and 50 Tr. oz. of gold per ton and the tails from .01 oz. to .06 oz. Au. with an average near 0.02. The heads, cons., tails and middlings are regularly sampled during operation and the samples sent for fire assay.

The mill is capable of handling around 10 tons daily, but production is less due to haulage method. Mining, loading, hauling, unloading by hand and mill operation is done by Knott with occasional part time labor. He is presently in need of money to improve his mining and haulage or to step up sampling and drilling to delineate a larger deposit. He is looking at the possibility of either taking in investors or joint venturing with a drilling company.

Inspiration has indicated they would take his concentrate and pay for the gold and what little copper is available. He is contacting the lead smelter at ASARCO, El Paso, they might pay for the lead.

He has proposed an improvement in his mill flowsheet, a copy is attached. However, there appears too little room for improvement.

Between 15 and 30 tons of ore has been milled at the property by the present owner. He has accumulated about one ton of lead-gold concentrate.

ARIZONA DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT
OF THE CONTENTS OF THESE DOCUMENTS.

Mine **LITTLE DAISY GROUP**

Date **June 5, 1959**

District **Sunflower District, Maricopa County**

Engineer **LEWIS A. SMITH**

Subject: **Interview with C. O. Carlson 6-3-59**

FILED

JUN 30 1959

Claims: **4 - unpatented
Frederickson**

Owners: **A.A. Frederickson and Co., 7045 N. 12th St., & C. O. Carlson, Payson, Arizona**

10

Location: **Sec. 1, T. 6 N., R. 9 E.**

A/C Topog. sheet Reno Pass

Work: Consists of 6 levels (40 ft., 75 ft., 120 ft., 170 ft., 270 ft., and 325 ft.). The 75' level is connected to an adit. A shaft extends vertically downward from the 75 foot or adit level to below the 325 foot level. The levels from the 270 foot upward are connected by a group of vertical and inclined raises which follow the ore zone which pitches ^{north} westward down to the 170 level where it steepens up to nearly vertical. The 170 level is the most extensive. It follows the ore body for 200 feet turns south for 240' and follows the west trending south vein for about 200 feet. Stopes are above the 75 foot level. The north ore zone varies from 15 feet near the 75' level to as much as 50 feet on the 270 level. The ore length and width is variable and the length is known for several hundred feet.

GEOLOGY: Ore lies in two veins (north and south) which strike nearly E-W. and have variable dips. They dip northward at steep angles. The main ore shoots are in schist, which appears to be high in hornblende contact, and are centered near the vein intersections with the granite schist contact. Blebs of quartz and local stringers carry gold. The average ore runs 0.14 oz in gold but hot spots run up to 6.16 oz in gold. The 0.14 oz material concentrates to about 3.76 oz gold with a tail of 0.02 oz gold. The ore thus far developed runs between 0.04 and 0.18 oz gold. Work on an old mill at Carlson's place is proceeding. A new crusher and ball mill are to be installed. The tests indicate that the gold is free in limonite, but is quite fine in grain size, and that it will separate on tables. However, tests by cyanidation will be run before either method of adopted. No appreciable quicksilver has been observed in the oxidized material. Sulphide is largely limited to pyrite but sphalerite is suspected. Carlson stated that it was his opinion that the gold was introduced with the pyrite, This is most probably true as this is a very common association.

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

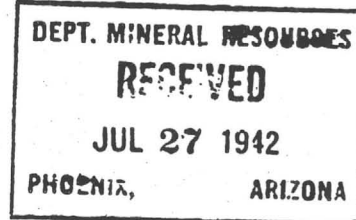
W

SURVEY OF OPERATING MINES

July 25, 1942

By: Fred H. Perkins

LITTLE DAISY MINE



Problems:

This is a gold mine and due to their inability
to get supplies, closed down May 25, 1942.

ARIZONA DEPARTMENT OF MINERAL RESOURCES
MINERAL BUILDING, FAIRGROUNDS
PHOENIX, ARIZONA

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

March 10, 1958

To the Owner or Operator of the Arizona Mining Property named below:

↓ Little Daisy Mine	↓ Gold
(Property)	(ore)

We have an old listing of the above property which we would like to have
brought up to date.

Please fill out the enclosed Mine Owner's Report form with as complete detail
as possible and attach copies of reports, maps, assay returns, shipment returns
or other data which you have not sent us before and which might interest a
prospective buyer in looking at the property.

Frank P. Knight

FRANK P. KNIGHT,

ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd.
Phoenix, AZ 85018

DATE 9 September 1977

LAB No. 15137

Diversified # 2

RESULTS

	Gold	Silver
Sandy material in peanut butter jar	7.35 oz/T	1.13 oz/T

Lab Number 15137

Spanish Mine Dump
Bottom edge75 lbs tabled
Assayed 1st run

Respectfully submitted,
ARC LABORATORIES

John Sickafosse
John P. Sickafosse Ph.D.
Technical Director

ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd
Phoenix, AZ 85018

DATE 6-2-77

LAB No. 14459

Diversified # 2

RESULTS

Gold 43.9 oz/ton

Silver 10.2 "

Lab Number 14459

Spanish Mine Dump
Top Center(Pulverized 1 ton, sluiced,
assayed 1st run)

Respectfully submitted,
ARC LABORATORIES

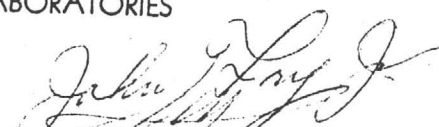

John T. Long, Jr.

EXHIBIT A

85 502895

LITTLE DAISY GROUP

Sunflower Mining District
Maricopa County, Arizona

<u>Claim Name</u>	<u>Loc Date</u>	<u>Book</u>	<u>Page</u>	<u>AMC#</u>	<u>(changed from)</u>
Little Daisy # 1 Amended	11/25/77 05/05/83	12565 83-182687	544	17136	(Little Daisy #1)
Little Daisy # 2 Amended	11/25/77 05/05/83	12565 83-182688	549	17141	(Little Daisy #6)
Little Daisy # 3 Amended	11/25/77 05/05/83	12565 83-182689	550	17142	(Little Daisy #7)
Little Daisy # 4	05/05/83	83-215585		201104	
Little Daisy # 5	05/05/83	83-215586		201105	
Little Daisy # 6	05/05/83	83-215587		201106	
Little Daisy # 7	05/05/83	83-215588		201107	
Little Daisy # 8	05/05/83	83-215589		201108	
Little Daisy # 9	05/05/83	83-182682		196356	
Little Daisy #10	05/05/83	83-182683		196357	
Little Daisy #11	05/05/83	83-215590		201109	
Little Daisy #12	05/05/83	83-182684		196358	
Golden Rule # 1	05/05/83	83-182685		196359	
Golden Rule # 2 Amended	11/25/77 05/05/83	12565 83-182693	548	17140	(Little Daisy #5)
Golden Rule # 3 Amended	11/25/77 05/05/83	12565 83-182694	546	17138	(Little Daisy #3)
Golden Rule # 4	05/05/83	83-215594		201113	
Golden Rule # 5	05/05/83	83-215595		201114	
Golden Rule # 6	05/05/83	83-215596		201115	
Golden Rule # 7	05/05/83	83-215597		201116	
Golden Rule # 8	05/05/83	83-215598		201117	
Golden Rule # 9	05/05/83	83-215599		201118	
Golden Rule #10	05/05/83	83-215600		201119	
Golden Rule #11	05/05/83	83-215601		201120	
Golden Rule #12	05/05/83	83-182686		196360	

RECEIVED
BUREAU OF LANDS

OCT 17 1985

7-15-85
FBI/DOJ

(Continued)

Exhibit A (continued)
 Little Daisy Mine Group
 Page Two

85 502895

<u>Claim Name</u>	<u>Loc Date</u>	<u>Book</u>	<u>Page</u>	<u>AMC #</u>	<u>(changed from)</u>
Spanish # 1 Amended	11/25/77 05/05/83	12565 83-182690	551	17143	(Little Daisy #8)
Spanish # 2 Amended	11/25/77 05/05/83	12565 83-182691	547	17139	(Little Daisy #4)
Spanish # 3 Amended	11/25/77 05/05/83	12565 83-182692	545	17137	(Little Daisy #2)
Spanish # 4	05/05/83	83-215591		201110	
Spanish # 5	05/05/83	83-215592		201111	
Spanish # 6	05/05/83	83-215593		201112	

RECEIVED

OCT 1 1985

PHOTO COPY

STATE OF ARIZONA, } ss. I hereby certify that the within instrument was filed and recorded
County of _____, 19____, at _____ M.
In Docket No. _____, Page _____, at the request of _____

Fee No.:

AFF LABOR (AL)

When recorded mail to:

D. K. MARTIN & ASSOC.
4728 NO. 21st AVENUE
PHOENIX, ARIZONA 85013

Witness my hand and official seal

RECORDED
SEP 30 '85
KEITH
County Recorder
FEE 5.00

OFFICIAL RECORDS
COUNTY, ARIZONA

County Recorder
Fee: \$ 3 L.U.

By _____
Deputy Recorder

AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK

State of Arizona

County of MARICOPA

AMC# 17136 Through 17143
196356 Through 196360
201104 Through 201120

1. L. W. Dickson
Name
P. O. Box 615
Address
Queen Creek, Arizona 85242
City State Zip

being duly sworn according to law deposes and says that they are a citizen of the United States more than eighteen years of age and that all of the facts set forth in this affidavit are true and correct according to the best of their knowledge, information and belief.

2. That they are personally acquainted with the mining claim named Little Daisy Mine Group
(See Exhibit A) situate in the Sunflower Mining District,
MARICOPA County, Arizona, the location of which is recorded in the office of
(See Exhibit A)
the County Recorder of that County in Book _____, Page _____. Notice of
location is posted in Section 3,4,9,10,16, Township 6 N, Range 9 E, G&SRB&M.
3. That between the dates of September 1, 1984 and August 31, 1985
at least Three Thousand One Hundred (\$ 3,100.00)
dollars worth of work and improvements were done and performed upon this claim not including
location work.
4. The work and improvements were made by and at the expense of _____
D. K. Martin, owners of the mine for the
purpose of complying with the laws of the United States pertaining to assessments or annual work.
5. W. Knott, D. K. Martin & Associates, S. C. Brown Geological Consultants,
International Bullion Corp, Ram Valley Mining Company, B.R.X. Minerals, Inc.
were the names of the persons employed by the owner who labored to do the work and improvements.
6. The work and improvements done were Repair and maintain existing access routes,
Sample both above and under ground, Process ores, tails and samples to
determine most efficient method of recovery of precious metals, Assay all
samples and processing results

Dated September 5, 1985

LW Dickson
Signature

PHOENIX, ARIZONA
7:45 A.M.

OCT 21 1985

RECEIVED
BIM AZ STATE OFFICE

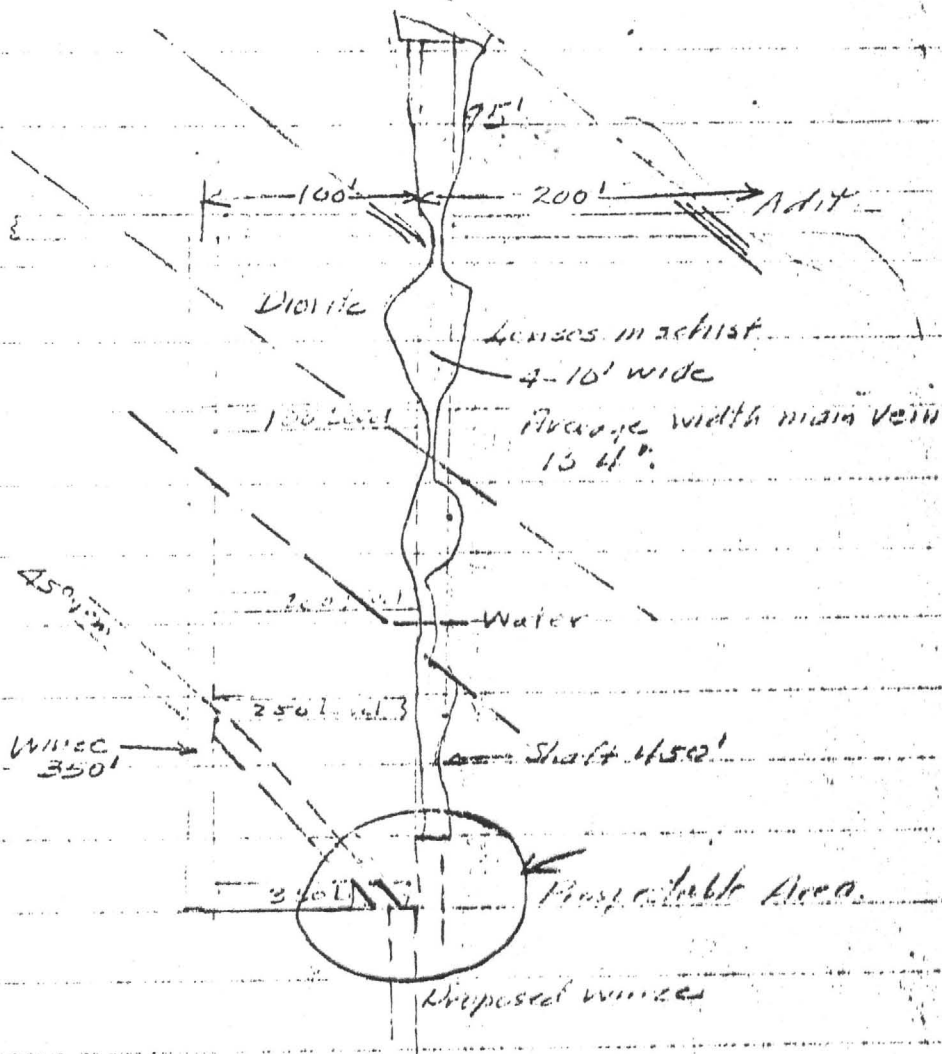
Subscribed to and sworn before me, a Notary Public, this 5th day of September
1985, by _____

My Commission expires My Commission Expires Jan. 22, 1987

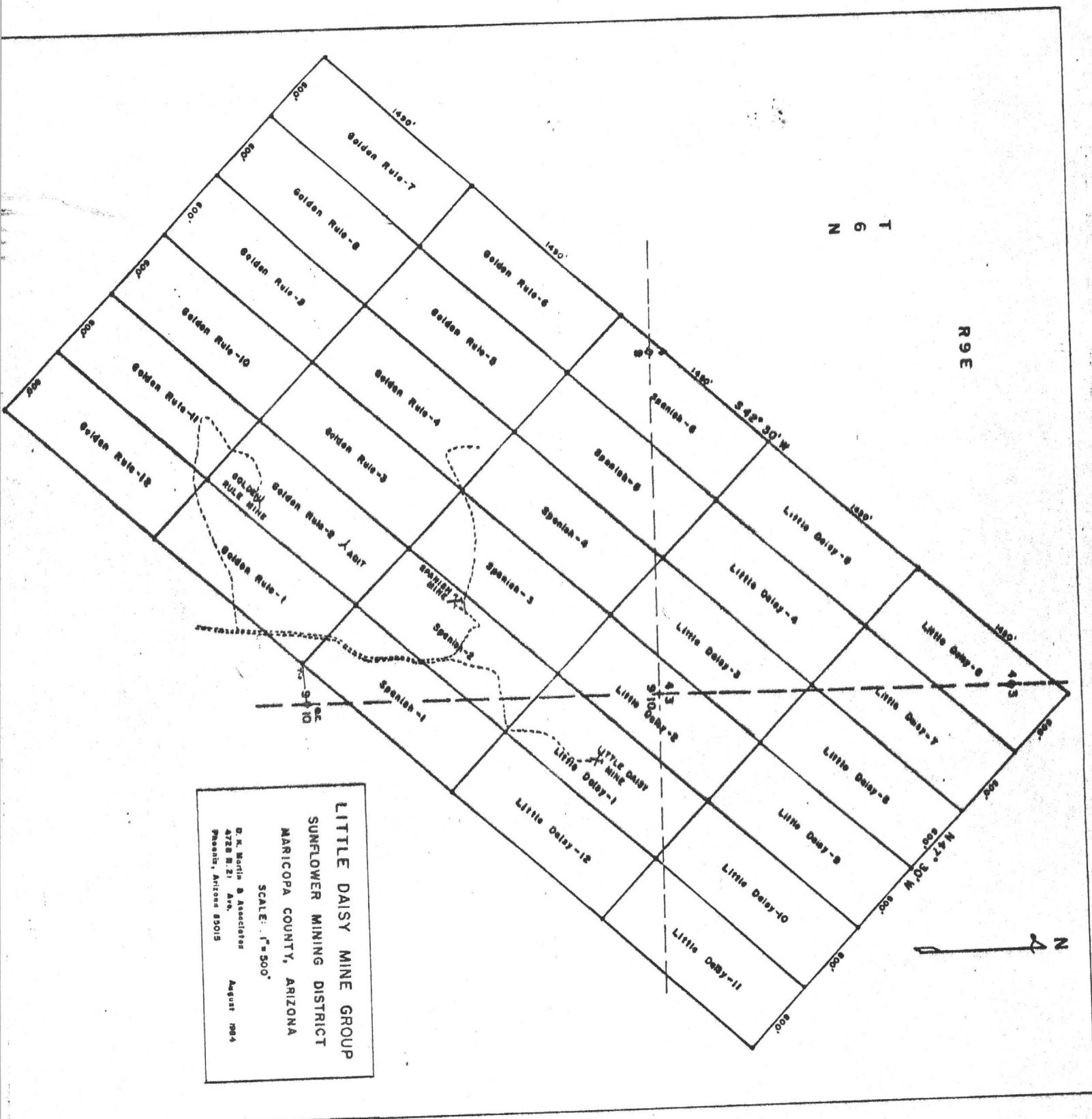
Stephen K. Martin
Notary Public

STATE OF MINERAL RESOURCES
MAKES NO STATEMENT AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

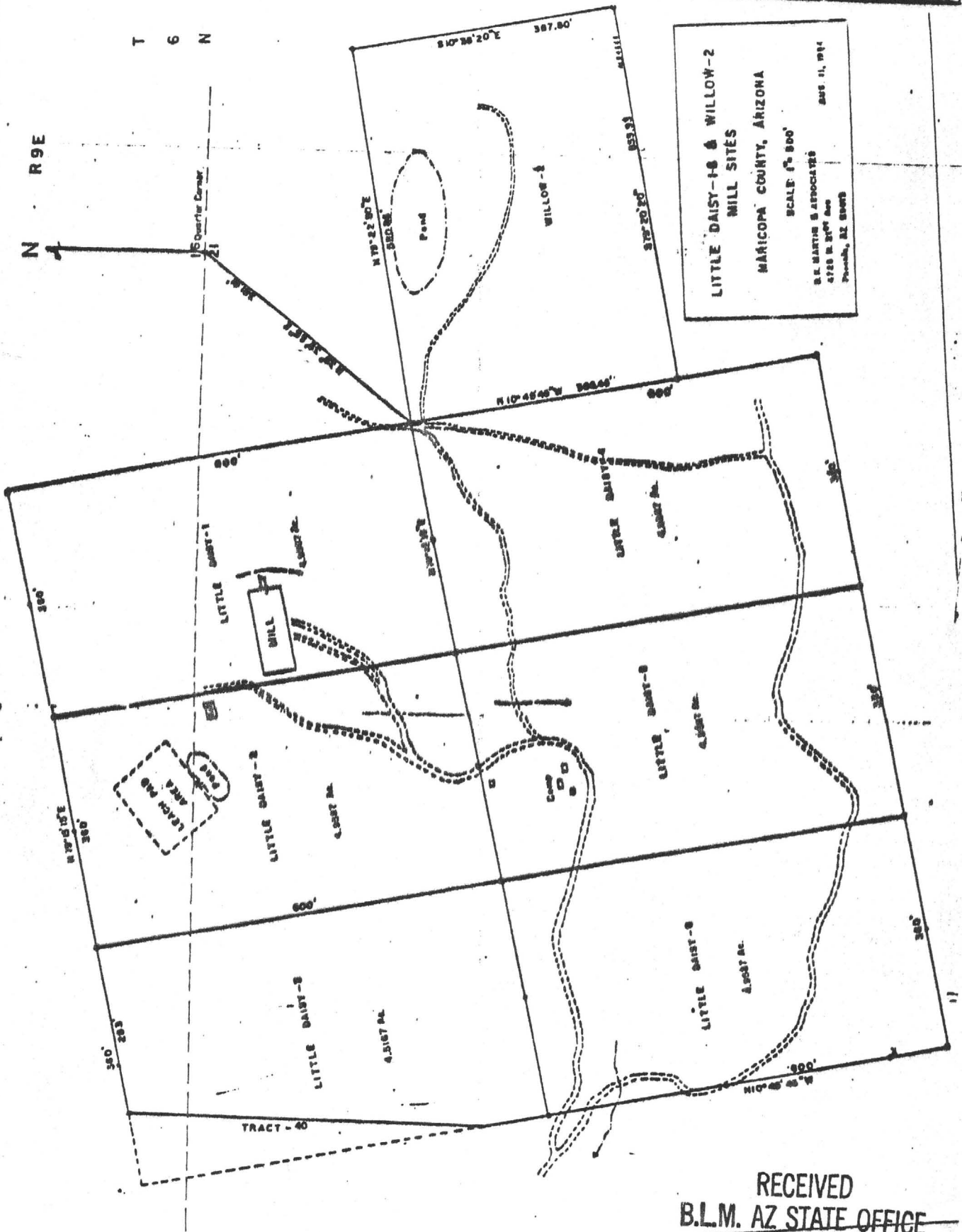
Little Daisy N-S Cross Section



1940



LITTLE DAISY MINE GROUP
 SUNFLOWER MINING DISTRICT
 MARICOPA COUNTY, ARIZONA
 SCALE: 1"=500'
 D. K. Morris & Associates
 4728 N. 12th Ave.
 Phoenix, Arizona 85015
 August 1984



LITTLE DAISY-18 & WILLOW-2
 MILL SITES
 MARICOPA COUNTY, ARIZONA
 SCALE 1" = 500'
 B.L. MARTIN & ASSOCIATES
 4725 N. 24th Ave.
 Phoenix, AZ 85018
 AUG 11, 1984

RECEIVED
 B.L.M. AZ STATE OFFICE

SEP 19 1984

07.45 A.M.
 PHOENIX, ARIZONA

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date July 4, 1981

District Sunflower, Maricopa

Engineer Ken A. Phillips *KAP*

Subject: Cyanide leach operation visit in the company of H. Mason Coggin

*Ann
Note
CN Opn.*
Wally ^{knott} has started a cyanide heap leach operation just west of his Little Daisy mill. He has constructed a 100' x 100' pad on which he has heaped ore 75' x 50' x 2'. The ore is from the Spanish Mine dump (part of the Little Daisy) and is estimated by Mr. Knott to contain 0.05 tr. oz. gold/ short ton. The ore is hauled about one mile. Leach solution containing 1.5 pounds NaCN per ton and lime for ph control is sprinkled on the heap using rainbird sprinklers at a rate of about 20 gallons per minute. It was suggested he change from rainbird sprinklers to "Bagdad wigglers" as clogging was a major problem with the rainbirds.

Gold and silver are recovered from the leach solution by use of an Escapole Plant (modified Merrill-Crowe) using zinc. Lead acetate is added to enhance precipitation. The Escapole plant uses diatomaceous earth (DE) filters which often require cleaning. Three DE filters in series have been added to the pregnant solution flow line in advance of the Escapole plant.

Mr. Knott explained that it has taken him over a year to get the leach facility in operation. He has been particularly hampered by lack of acceptable labor and poor treatment of equipment by his workers.

DAISY - ANDI

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 6/28 1978

F. Flores

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	SiO ₂	Al ₂ O ₃	Pb	ZN
920	LITTLE DAISY From Ore Bin	0.05	0.10	0.08			0.0	0.2
921	" " " " "	0.10	0.80	1.02	X		0.2	0.2
922	" " " " "	0.05	0.05	0.02			0.0	0.2
923	" " Above Ore Bin	0.05	0.10	0.03			0.0	0.2
924	" " Gen Sample - Drift Back	0.05	0.10	0.03			0.0	0.1
925	" " Waste Dump	0.05	0.05	0.01			0.0	0.1
926	" " Adit 2' Vein	0.05	0.05	0.01			0.0	0.1
927	" " Workings above Daisy	0.05	0.20	0.03			0.0	0.1
928	" " 10' wide Below adit	0.05	0.15	0.05			0.0	0.2
929	" " Spanish Mine Gen Dump Shaft	0.10	0.05	0.10	78.6	6.6	0.0	0.2
930	" " Above cavity	0.05	0.10	0.005	77.8	7.5	0.0	0.1
931	" " Dump sample of Workings	0.05	0.10	0.01	82.6	1.9	0.0	0.1
932	" " Atz Outcrop NE @	0.05	0.05	0.01			0.0	0.1
933	" " Golden Pile Dump	0.05	0.20	0.03			0.0	0.1
934	" " Little Daisy mill shaft	0.05	0.10	0.02			0.0	0.1
935	" " Little Daisy mill shaft	0.05	0.20	0.05			0.0	0.1
936	" " Little Daisy mine " 50-75T	0.05	0.05	0.03			0.0	0.1

S. M. Kalsb
CHIEF CHEMIST

SC-100

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 7/25 1978

FRANK Flores

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb
921	LITTLE DAISY MINE HI Drift	—	0.20	0.13	
922	" " W of Cave Back of Drift	0.10	0.10	0.02	
923	" " 10' West of Vert shaft	0.20	0.50	0.15	✓
924	" " Rest of Vein 1'±	0.10	0.20	0.06	0.3
925	" " Float From Back of Drift W of Cave	—	0.10	0.04	

mountain states research & development

a division of Mountain States Mineral Enterprises, Inc. P. O. BOX 17960, INTERSTATE 10 & VAIL RD., TUCSON, ARIZONA 85731 (602) 792-2800

March 10, 1980

Mr. Walter Knott
c/o Demetra's Kitchen
2334 East McDowell
Phoenix, Arizona

REF: Project 2177
Cyanidation Tests - Gold Ore

Dear Mr. Knott:

Three preliminary cyanidation tests have been completed on the sample of gold ore that you delivered to us on February 20, 1980.

Objective of the tests was to determine if the gold is soluble in cyanide solution, particularly at coarse sizes. In other words, will the ore be amenable to heap leaching methods, or will it be necessary to use fine grinding.

Analysis of a representative minus 10-mesh head sample was as follows:

Ounces per Ton	
Au	Ag
0.054	0.12

Twenty four hour bottle leaching tests were run on samples of ore:

1. Crushed to minus 3/8-inch.
2. Crushed to minus 10-mesh.
3. Ground to minus 65-mesh.

Results are tabulated below, and are detailed in the attached test data sheets.

Size	Test No.	Calc. Head		Leach Residue Assay		Recovery in Preg. Soln.			
		oz./ton		oz./ton		oz./ton		Percent	
		Au	Ag	Au	Ag	Au	Ag	Au	Ag
Minus 3/8-inch	1	0.045	0.09	0.037	0.07	0.008	0.02	17.8	22.2
Minus 10-mesh	2	0.042	0.13	0.017	0.09	0.025	0.04	59.5	30.8
Minus 65-mesh	3	0.042	0.12	0.002	0.06	0.040	0.06	95.2	50.0



DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy Date November 13, 1978

District Sunflower - County, Maricopa Engineer Ken A. Phillips

Subject: Present activities and field interview. (The interview was held with the owner in Phoenix, not at the property). Owner, Walter Knott, c/o Denetra's Kitchen, 2334 E. McDowell, Phoenix.

Mr. Knott reported he is presently processing gold lead ore from dumps, outcrops and open trenches. Ore is hauled to the mill from the workings in a 1 ton two wheeled trailer pulled by a jeep. Ore is dumped onto a 5" grizzly, plus 5 inches being broken with a double jack, and falls into the coarse ore bin. Coarse ore is fed to a 5"x7" jaw crusher. The jaws discharge onto a conveyor which feeds a 2'x4' rod mill, the rod mill discharges onto a 40 mesh screen with the oversize being returned to the mill. The -40 mesh material is deposited onto a 2'x6' (approx.) amalgamation plate. The ground ore passes over the amalgamation plate and onto a 4'x12' homemade Wilfrey type table. The table concentrate is collected and stored for shipment to smelters. The table middlings and tailings are combined and passed over a second amalgamation plate, then over a second table. The second table concentrate is combined with the first and tailings sent to disposal.

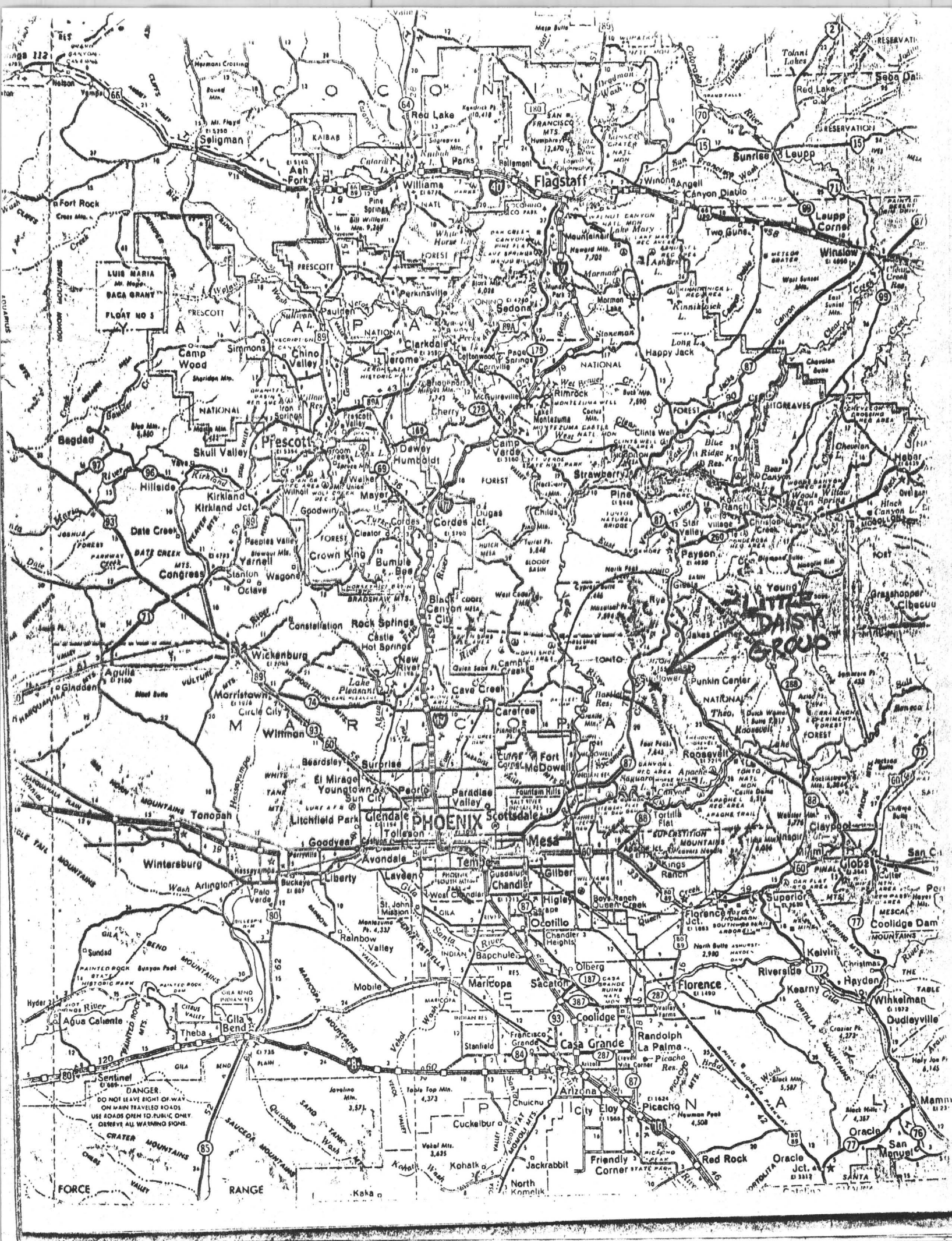
The head run 0.40 Au, 0.80 Ag, 1.5 Pb to as high as 1.2 Au, 4.0 Ag, 11% Pb and from assay reports average in the somewhere between 0.7 Au and 1.0 Au. The concentrates run between 20 and 50 Tr. oz. of gold per ton and the tails from .01 oz. to .06 oz. Au. with an average near 0.02. The heads, cons., tails and middlings are regularly sampled during operation and the samples sent for fire assay.

The mill is capable of handling around 10 tons daily, but production is less due to haulage method. Mining, loading, hauling, unloading by hand and mill operation is done by Knott with occasional part time labor. He is presently in need of money to improve his mining and haulage or to step up sampling and drilling to delineate a larger deposit. He is looking at the possibility of either taking in investors or joint venturing with a drilling company.

Inspiration has indicated they would take his concentrate and pay for the gold and what little copper is available. He is contacting the lead smelter at ASARCO, El Paso, they might pay for the lead.

He has proposed an improvement in his mill flowsheet, a copy is attached. However, there appears too little room for improvement.

Between 15 and 30 tons of ore has been milled at the property by the present owner. He has accumulated about one ton of lead-gold concentrate.



ASSAY CERTIFICATE 'A'

DATE 5/14 19 79

SPANISH
PAINE

CHIEF CHEMIST

55 100

ASARCO

Southwestern Ore Purchasing Department

A. J. Kroha

Manager

J. N. Lambe

Assistant Manager

June 8, 1979

Mr. Walter Knott
P. O. Box 688
Payson, AZ 85541

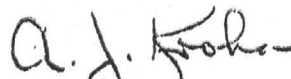
Dear Mr. Knott:

Our El Paso Plant has assayed the samples from the Little Daisy mine and reports the following results:

	<u>Oz per Ton</u>		<u>Percent</u>							<u>PPM</u>
	<u>Au</u>	<u>Ag</u>	<u>Pb</u>	<u>Cu</u>	<u>Zn</u>	<u>SiO2</u>	<u>Fe</u>	<u>CaO</u>	<u>Al2O3</u>	<u>Hg</u>
1st line- last drift	75.82	26.9	48.1	1.0	.1	7.2	20.1	1.0	1.1	14,600
2nd line drift	2.48	1.9	4.3	0.7	.1	68.0	8.9	1.2	4.5	348
Last drift	.44	0.5	2.0	0.6	.1	74.0	6.1	1.1	5.2	182

The mercury content of sample marked "1st line-last drift" is too high to consider treatment at our smelters.

Yours very truly,


A. J. Kroha

ASSAY CERTIFICATE 'A'

DATE 9/20 1978

P. M. Kalyan
CHIEF CHEMIST

SE-1005

Arizona Testing Laboratories

815 West Madison · Phoenix, Arizona 85007 · Telephone 254-6181

For: Little Daisy Mine

Date: March 22, 1978

Lab. No.: 6413

Received: ---

Marked: 1st Line Clean Cut, 40 mesh

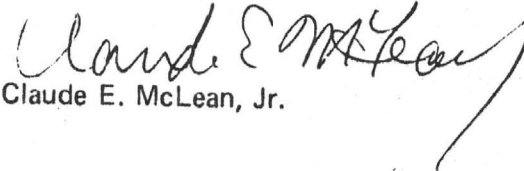
Submitted by: same

REPORT OF QUALITATIVE SPECTROGRAPHIC EXAMINATION

<u>ELEMENT</u>	<u>APPROXIMATE PERCENT</u>
Boron	0.01
Silicon	2.0
Aluminum	4.0
Manganese	0.6
Magnesium	0.3
Lead	Major Constituent
Chromium	0.3
Copper	2.0
Iron	Major Constituent
Bismuth	1.0
Beryllium	0.001
Calcium	2.0
Vanadium	0.005
Yttrium	0.01
Ytterbium	0.001
Sodium	0.1
Titanium	0.2
Silver	0.1
Zirconium	0.8
Nickel	0.07
Gold	0.07

Respectfully submitted,

ARIZONA TESTING LABORATORIES


Claude E. McLean, Jr.

DATE 9/25 19 78

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.			
1	Concentrate	0.70	6.40	38.2			

DATE 10/10 1978

WALLY KNOTT

<u>WALLY KNOTT</u>					
<u>NO.</u>	<u>LOCATION AND REMARKS</u>	<u>CU %</u>	<u>AG OZ.</u>	<u>AU OZ.</u>	
	40' LEVEL - DAISY MINE	0.10	0.10	0.02	
	SHORT SHAFT - DAISY MINE	0.20	0.30	0.26	

DATE 4/30 1977

14/11/1940

[illegible]

S. M. Kalaf

ASSAY CERTIFICATE 'A'

DATE 1954

ASSAY CERTIFICATE 'A'

DATE 7/7 19 78

ASSAY CERTIFICATE 'A'

DATE 6/15 1972

My student
performed well

S. M. Kaly
CHIEF CHEMIST

ASSAY CERTIFICATE 'A'

DATE 2/10 19 78

CHIEF CHEMIST

SE-1005

ASSAY CERTIFICATE 'A'

DATE 2/15 19 78

S. M. Kalyf
CHIEF CHEMIST



ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd
Phoenix, AZ 85018

DATE 9 September 1977

LAB No. 15137

Diversified # 2

RESULTS

Sandy material in
peanut butter jar

Gold

7.35 oz/T

Silver

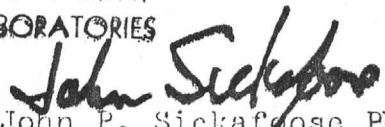
1.13 oz/T

Lab Number 15137

Spanish Mine Dump
Bottom edge

75 lbs tabled
Assayed 1st run

Respectfully submitted,
ARC LABORATORIES


John P. Sickafosse Ph.D.
Technical Director

ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd
Phoenix, AZ 85018

DATE 6-2-77

LAB No. 14459

Diversified # 2

RESULTS

Gold 43.9 oz/ton

Silver 10.2 "

Lab Number 14459

Spanish Mine Dump
Top Center(Pulverized 1 ton, sluiced,
assayed 1st run)

Respectfully submit
ARC LABORATORIES

John T.
John T.



ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd.
Phoenix, AZ 85018

DATE 14 September 1977

LAB No. 15151

Diversified # 2

RESULTS

Gold	5.89 oz/ton
Silver	0.88 "

Lab Number 15151
Spanish Mine Ore
East Drift, limonite material
Head ore assay

Arizona Testing Laboratories

817 West Madison · Phoenix, Arizona 85007 · Telephone 254-6181

For Mr. Jerome Joffe
353 Park Avenue
Highland Park, ILL. 60035

Date October 13, 1978

ASSAY CERTIFICATE

LAB NO.	IDENTIFICATION	OZ. PER TON		PERCENTAGES			
		GOLD	SILVER	COPPER			
8138	Spanish Mine -dump	0.02					
	Daisy-floor near short shaft,side drift	0.02					
	Daisy - hopper	0.01	n11				
	Daisy-inside and around	0.07	trace				
	Little Daisy - sulfide ore	26.	8.5				
	Little Daisy - 1st line Conc.	38.	29.				

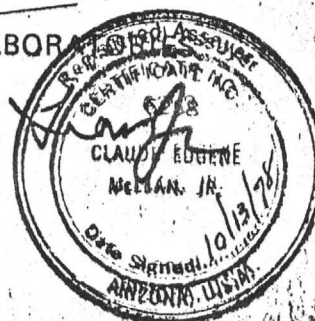
Lab Number: 10/13/78 8138

Little Daisy - Sulfide Ore

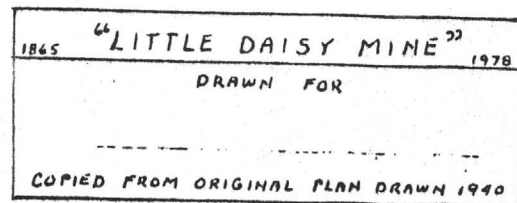
Dump material
Selective sample
Pyrite material

Claude E. McLean, Jr.

Claude E. McLean, Jr.



SUNFLOWER, ARIZONA

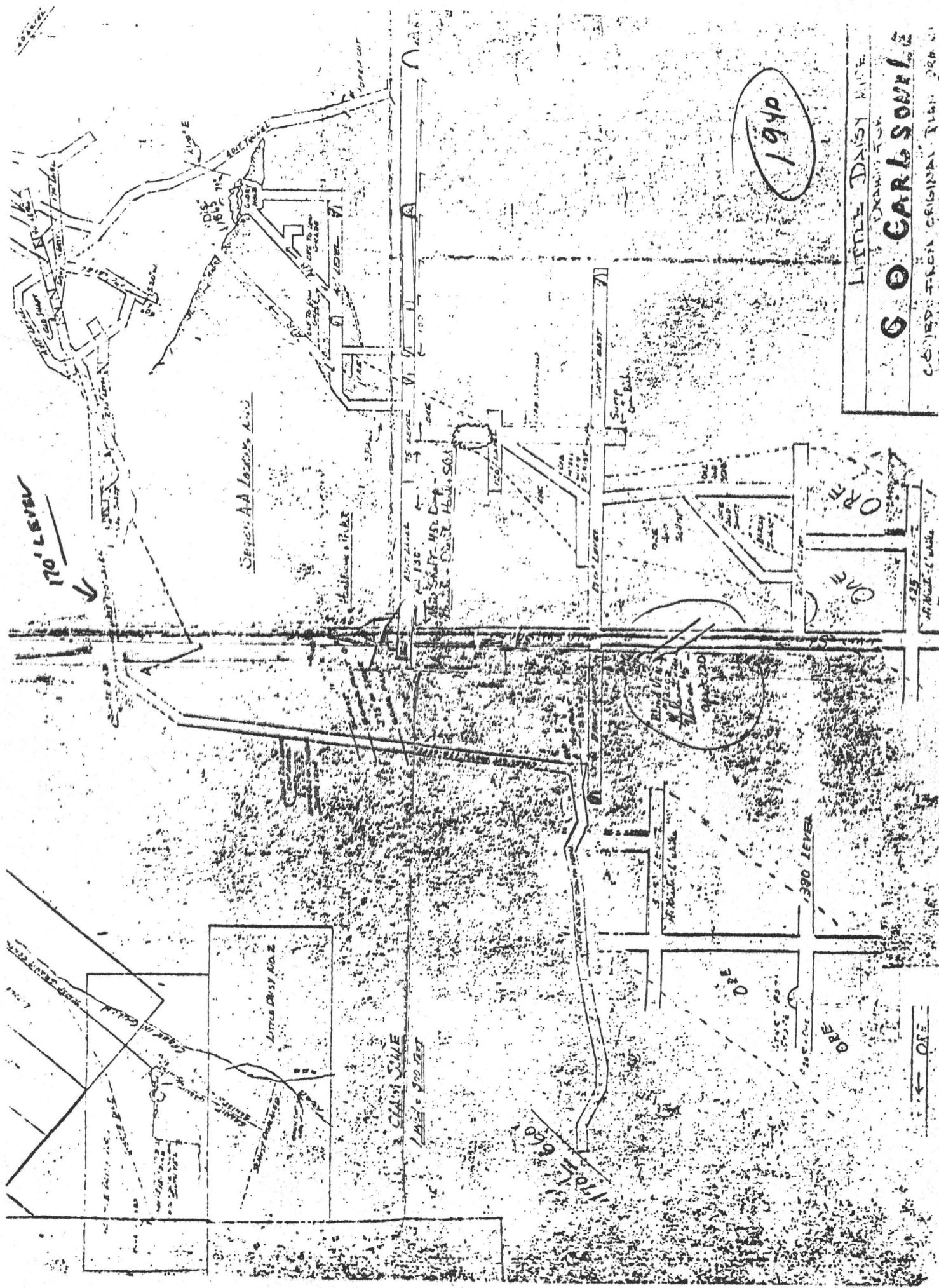


1865 "LITTLE DAISY MINE" 1978
DRAWN FOR

COPIED FROM ORIGINAL PLAN DRAWN 1990

1940

LITTLE DAISY WIFE
EXAMINE FOR
G O CARLSON
COPIED FROM ORIGINAL FILED 204

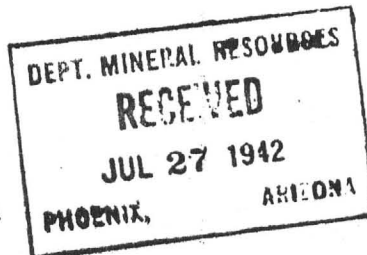


DEPARTMENT OF MINERAL RESOURCES
MAINTAINING THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.
SURVEY OF OPERATING MINES

By: FRED H. PERKINS

July 25, 1942

LITTLE DAISY MINE



Owners: ✓ Tom Daniels
✓ Grady Harrison
✓ Tom Russell
Co-partnership

Address: Post Office Box 918, Mesa, Arizona
Tom Daniels, Manager

1941 Production for the year \$50,000 in gold only.
This property has a deisel plant and generator
which drives a compressor and hoist and a complete
mill of 25 ton capacity.

The development consists of a 500' vertical shaft
and about 700' of a drift on the 100' level and
300' of drifts elsewhere on the property. A com-
plete mining outfit makes this a nice operation.

An average of 6 men employed.

1942 Production from January to May 25, 1942, was \$3,500
in gold.

Because of misunderstanding among owners and their
inability to get supplies, the mine closed down May 25,
1942.

An average of 8 men employed.

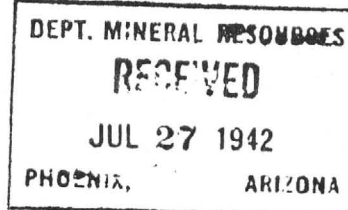
W

SURVEY OF OPERATING MINES

July 25, 1942

By: Fred H. Perkins

LITTLE DAISY MINE



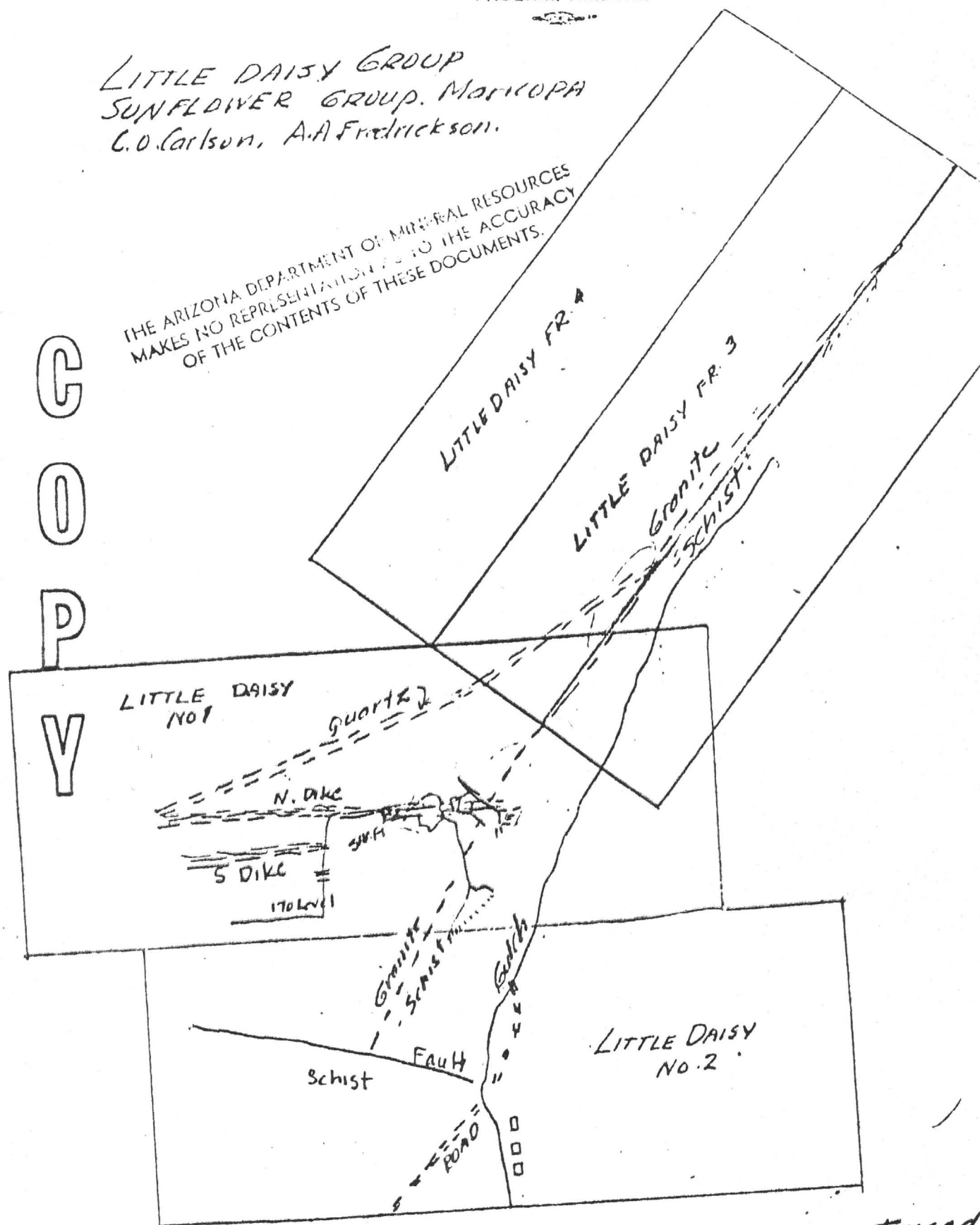
Problems:

This is a gold mine and due to their inability
to get supplies, closed down May 25, 1942.

LITTLE DAISY GROUP
SUNFLOWER GROUP. MORIKOPA
C.O. Carlson, A.A. Fredrickson.

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

C
O
P
Y



Maps Traced
Luns Albert - Jan
Maps Returned.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

Mine **LITTLE DAISY GROUP**
District **Sunflower District, Maricopa County**
Subject: **Interview with C. O. Carlson 6-3-59**

Date **June 5, 1959**

Engineer **LEWIS A. SMITH**

FILED

JUN 30 1959

Claims: 4 - unpatented
Frederickson

Owners: A.A. Frederickson and Co., 7045 N. 12th St., & C. O. Carlson, Payson, Arizona

10

Location: Sec. 1, T. 6 N., R. 9 E.

A/C Topog. sheet Reno Pass

Work: Consists of 6 levels (40 ft., 75 ft., 120 ft., 170 ft., 270 ft., and 325 ft.). The 75' level is connected to an adit. A shaft extends vertically downward from the 75 foot or adit level to below the 325 foot level. The levels from the 270 foot upward are connected by a group of vertical and inclined raises which follow the ore zone which pitches westward down to the 170 level where it steepens up to nearly vertical. The 170 level is the most extensive. It follows the ore body for 200 feet turns south for 240' and follows the west trending south vein for about 200 feet. Stopes are above the 75 foot level. The north ore zone varies from 15 feet near the 75' level to as much as 50 feet on the 270 level. The ore length and width is variable and the length is known for several hundred feet.

GEOLOGY: Ore lies in two veins (north and south) which strike nearly E-W. and have variable dips. They dip northward at steep angles. The main ore shoots are in schist, which appears to be high in hornblende contact, and are centered near the vein intersections with the granite schist contact. Blebs of quartz and local stringers carry gold. The average ore runs 0.14 oz in gold but hot spots run up to 6.16 oz in gold. The 0.14 oz material concentrates to about 3.76 oz gold with a tail of 0.02 oz gold. The ore thus far developed runs between 0.04 and 0.18 oz gold. Work on an old mill at Carlson's place is proceeding. A new crusher and ball mill are to be installed. The tests indicate that the gold is free in limonite, but is quite fine in grain size, and that it will separate on tables. However, tests by cyanidation will be run before either method of adopted. No appreciable quicksilver has been observed in the oxidized material. Sulphide is largely limited to pyrite but sphalerite is suspected. Carlson stated that it was his opinion that the gold was introduced with the pyrite. This is most probably true as this is a very common association.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date February 3, 1960

District Sunflower Dist., Maricopa

Engineer Lewis A. Smith

Subject:

C.O. Carlson has been opening up and repairing the older part of the Little Daisy and is now installing a gasoline hoist and skip. He has developed a small reserve of fair ore (\$25.00 to 35.00) and has encountered a few small high grade pockets. He plans to use his old gravity mill, now located at his home $1\frac{1}{2}$ miles north of the Bee Line Highway on Sycamore Creek, and to add a ball mill. The road has been reopened after it was severely damaged by recent heavy rains. He has two men working for him. A. A. Fredrickson, 7045 N 12th St., Phoenix, is affiliated with him in the venture. Carlson also has raised 25 feet from the end of the south drift in ore.

Grady Harrison, who with Lovelace and Tom Russell, used to operate the mine, stated that the old workings included a 65 foot inclined shaft and 200 feet of underground lateral work. He stated, also, that the mine is inclined to be pockety and erratic, but some pockets were very high grade. They had a mill $1\frac{1}{2}$ miles below the Daisy which employed pan-amalgamation. This mill, as far as is now known, has been largely dismantled. Original mill was built by Harry Burton.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date September 29, 1961

District Sunflower Dist., Maricopa County

Engineer Lewis A. Smith

Subject: Interview with C.O. Carlson (9-27-61) (Supplementary)

Minerals: Gold, silver, lead.

Work:

Mr. Carlson reports that the old workings are now open down to the 350 foot level in a winze which was sunk from a 350 foot-adit. The winze is in 300 feet from the portal and is 100 feet south of the main vein. The winze has 4 levels at 100, 200, 250 and 350 feet, respectively. The main shaft was sunk on the main vein to a depth of 450 feet and the collar is about 95 feet above the adit which connects with it. The 100 and 200 levels of the winze are connected to this shaft. The 250 and 350 levels do not reach the shaft but did reach the vein which, most of the way down, is vertical. The 250 foot level cut a 45° dipping vein which carries lead (galena) (4-6% lead) and gold (\$60.00 per ton) with some silver (4 ounce per ton). This same vein encountered on the 350 foot level and here it was composed of red iron oxide and pyrite which carries up to \$40.00 gold. This vein ranges from 2-6 feet wide where exposed. According to Carlson's measurements this vein should intersect the main vein at about 50-70 feet below the 350 level. The two bottom levels reached the vein and encountered relatively low-grade ore (\$15 to \$25 to the ton). Carlson plans to winze down to pick up the vein intersection, since he feels that this would be a fine locus for ore accumulation. The main shaft passed through three lenses of ore with narrow bottle necks between them. At the bottlenecks the rock (schist) was severely shattered but more strongly or densely silicified. It is assumed by him, that these bottlenecks represent flat pre-mineral shears which are probably roughly parallel to the 45° veins. It is evident that the widest parts of the lenses of ore immediately underlie the bottlenecks. The main vein follows the contact between a dense hard diorite and a medium bedded schist. The lenses are formed in the schist, but little ore is found in the diorite. The schist is severely metamorphosed and altered by the mineral solutions. Generally the vein, as it passes through the bottlenecks is narrow (up to 2 feet) whereas it reaches 3-9 feet in width in the lenses. Since similar flat shearing is not uncommon in the Sunflower area, Mr. Carlson appears to be right as to their influence on ore accumulation. The rising hydrothermal solutions easily could have been dammed by the shear planes causing the lenses to develop. The veins trends NE-SW and the shear planes are at an oblique angle to the main vein. The lenses are tapered from bottom to top with the wide part being at the top against the inferred shear planes. Mr. Carlson said that the shears show only as iron stained bands in the surface rocks, and the 45 degree vein does not, to his knowledge, outcrop. Mr. Carlson also stated that longitudinal development has not been extensive so that eventually he hopes to develop more lenses along the strike. Considerable high-grade ore was mined many years ago by Tom Russell's grandfather from three lenses. One pocket ran very high (reportedly over \$10,000 per ton). Tom Russell said some ore ran around \$2,000 to \$2,500. The canyon which runs south of the main vein has yielded very good placer gold. Carlson reported that the narrow bottlenecks are very low grade. A condition which is not too common. Considerable ore, running \$12.00 up to \$40.00 has been developed.

A new mill has just about been completed. It will employ gravity concentration, followed later by flotation to separate galena. The best gold is

OF THE CONTENTS OF THESE DOCUMENTS.

Cont'd from page 1

often associated with Wulfenite and galena. His estimates are that silver will run 3-4 ounces. Practically no copper is present. Since the lead, silver and gold are apparently closely associated a gravity plant should do well.

A visit is planned on 10-4-61.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO RECOMMENDATION AS TO THE ACCURACY

FIELD ENGINEERS REPORT

OF THE CONTENTS OF THESE DOCUMENTS.

Mine Little Daisy Mill

Date October 3, 1961

District Sunflower District, Maricopa Co.

Engineer Lewis A. Smith

Subject: Mill visit and conference with C.O. Carlson

The mill is located one mile via Hwy 87 north and thence $1\frac{1}{2}$ miles southeast by country road. The mill is $\frac{3}{4}$ mile north of the Irl Conway ranch house. The Little Daisy mill is about $1\frac{3}{4}$ miles from the Little Daisy mine which lies northeast of the mill.

The accompanying flow sheet is an approximate description of the mill. The feed consists of three types of material.

- (1) Vein quartz with vugs and stringers lined by yellow to red limonite. The gold in this is free, while the lead is in the form of vanadinite, wulfenite, cerussite and anglesite, and some relict galena. This type contains less quartz than type 3.
- (2) Massive pyrite ore (partly oxidized) with contained gold. Galena in tiny bunches, is locally present. This type came in below the 250 foot level in a 45 degree dipping vein which is calculated to intersect the main vein below the 350 foot level.
- (3) Schist ore which is banded by quartz stringers and swelled bunches of quartz. The quartz follows the schist laminae. This type down to the 250 foot level is almost entirely oxidized.

The type 2, or sulphides, will be floated.

Carlson was running lead-zinc-copper mixed sulphide ore from the Bradshaws at the time of the visit.

LITTLE DAISY MINE

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO RECOMMENDATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

MARICOPA COUNTY

INFORMATION IS NOT ALL FIRST HAND
SO ACCURACY NOT GUARANTEED

Mr. Carlson stated that he calculated that a mill head of \$50 per ton would have to be maintained at the Little Daisy mill in order to make money. The last run averaged a little over this figure. The ore was extracted from a heavy pyritic area near the bottom of the mine. The ore contains quartz, calcite, some limonite along with the more or less massive pyrite. Carlson is trying to tie up a new discovery of quicksilver near Tonopah, Nevada. The ore runs 20 pounds per ton in quicksilver and consists of a quartzitic sandstone well impregnated with cinnabar. While the reserves have not been calculated they are believed to be large. If this materializes, Carlson plans to suspend Little Daisy operations for the present.

LAS Memo 6-6-62

Mr. Carlson plans to begin operations at the Little Daisy mine and mill, October 29. Some recent exploratory work has developed a few thousand tons of ore which assayed \$60 in gold per ton. Carlson figures that he can produce and market the concentrates for \$45 to \$50 per ton. The ore contains about half of free gold which is affiliated with iron oxides. The remainder is contained in pyrite. Extraction by gravity flotation methods is calculated at 85-87 percent. Carlson believes that the stope area has a good chance of yielding a considerable volume of ore as time goes on. Some relatively high-grade pockets and lenses are mined sparingly for sweetener. Assays for silica and alumina are being run to determine if this better ore will be suitable for flux. Several "bugs" have been ironed out at the mill and the mine road has been improved. LAS Memo 10-24-62

The mill was operating on the gravity (table) side and a string of pyritic-gold concentrate was being obtained. According to Carlson this material is fairly good, \$50-\$60 per ton. The partners mine and build a reserve at the mill head, and then mill this. This alternating procedure is repeated etc. The recovery is good, according to Carlson. The ore while occasionally having a "hot" pocket, is generally of mill grade. At present the mining is confined to relatively large lense below the adit level. LAS Memo 6-27-63

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

FIELD ENGINEERS REPORT

THE ARIZONA
MINERAL RESOURCES

Mine Little Daisy Mine & Mill Date February 7, 1962
District Sunflower District - Maricopa County Engineer Lewis A. Smith
Subject: Telephone conversation with C.O. Carlson

A telephone conversation with C.O. Carlson revealed that he was operating the Little Daisy mine and mill and that he had some good ore (\$25 to \$30). The mill is doing well. He has three men working for him. The ore is coming from the 300 ft. level. A visit to his house was made and it was learned that he was in Phoenix to get an engine repair part so that the plant was temporarily idle. The mill is operating on stocked ore and Carlson said he had developed a fair reserve of sulphide ore (pyrite and gold). The workman contacted at Carlson's said that the mill will be operating again soon, if the part is found.

VALLEY ASSAY OFFICE AND ORE TESTING LABORATORY MEMORANDUM OF ASSAY

Tempe, Arizona Jan. 30, 1972

Made for H. R. Norman

SAMPLE NO.	PER TON OF 2000 POUNDS AVOIRDUPOIS										COPPER, OR		LEAD, OR																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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BY [Signature] Registered Assayer.

NO. CHARGE \$ 3.50

77.13

Nov 17 " 39

Ore being sampled from (Eand) 0.16 5.60

Ore across drift 75' East from drift 2.36 82.6

4" quartz on hanging wall 0.04 1.4
Drift. set on South Vain 0.00

18" quartz in face South Vain 18' in 0.02 0.7

Rhyolite & light South Vain Trace -
(next to hanging wall)

gold	cal per ton	
0.32	6.40	10 ft below surface 400' of Shaft
0.40	8.00	2 ft wide " " " "
2.76	55.20	50 ft level 4 ft wide.
1.94	38.80	E side of shaft at collar
2.48	49.60	w " " " 4 ft wide
16.84	336.80	between shaft & water
5.58	111.60	bank.
1.08	21.60	Re 2 sand & lime from gibson
0.68	13.20	concentrates
1.96	39.20	2 ft wide 25 ft East of shaft
		Grab samples.
		Ore showing copper & Pb with
		E. side of shaft at collar

Year	Month	Inv	Ch	By	# Gross	
1935	Apr.	24.33	1.87	.80	1663 ⁰⁰	
"	Oct	18.8	.85	1.15	466 ⁰⁰	over
"	Dec.	22.0	.96	.95	603 ⁰⁰	"
"	Nov	32.0	1.34	.70	243 ⁰⁰	"
"	Oct	20.0	1.16	1.5	685 ⁰⁰	"
1936	Jan	40	1.54	.6	1881 ⁰⁰	"
"	Aug	26	1.87	.8	1.414 ⁰⁰	"
"	Aug	32	1.38	.4	1.305 ⁰⁰	"
"	June	35	.66	.5	625 ⁰⁰	"
"	Dec	31	.97	.8	1029 ⁰⁰	"
"	Dec	25	.59	.8	392 ⁰⁰	"
1937	Sept	31	.96	.8	1000 ⁰⁰	"
"	March	35	.79	.8	982 ⁰⁰	"
1941	June	43	1.52	2.0	2114 ⁰⁰	Consent
1939	April		34.22		825 ⁰⁰	Bullion
"	May		111.48		1.038 ⁰⁰	"
"	March	9.3	2.45	3.45	683 ⁰⁰	Cover
					16.748	

VALLEY ASSAY OFFICE
AND ORE TESTING LABORATORY
MEMORANDUM OF ASSAY

Made for H. R. Norman

Tempe, Arizona.....Jan.....18....., 1973..

SAMPLE NO.	PER TON OF 2000 POUNDS AVOIRDUPOIS								COPPER, OR			LEAD, OR			ZINC, OR			TOTAL	
	GOLD, PLATINUM				SILVER														
	AT	PER OUNCE			AT	PER OUNCE			AT	PER LB.		AT	PER LB.		AT	PER LB.			
	OZS.	100's	\$	Cts.	OZS.	100's	\$	Cts.	%	\$	Cts.	%	\$	Cts.	%	\$	Cts.	\$	Cts.
1	2.	62			0.	30													
REMARKS:																			

REGISTERED ASSAYER

L. LEE

BOYER

DEC 31, 1917

ARIZONA, U.S.A.

NO.

CHARGE \$ 6.00 Pd.

BY J. H. Rye
Registered Assayer.

EXHIBIT A

85 502895

LITTLE DAISY GROUP

Sunflower Mining District
Maricopa County, Arizona

<u>Claim Name</u>	<u>Loc Date</u>	<u>Book</u>	<u>Page</u>	<u>AMC#</u> (changed from)
Little Daisy # 1 Amended	11/25/77 05/05/83	12565 83-182687	544	17136 (Little Daisy #1)
Little Daisy # 2 Amended	11/25/77 05/05/83	12565 83-182688	549	17141 (Little Daisy #6)
Little Daisy # 3 Amended	11/25/77 05/05/83	12565 83-182689	550	17142 (Little Daisy #7)
Little Daisy # 4	05/05/83	83-215585		201104
Little Daisy # 5	05/05/83	83-215586		201105
Little Daisy # 6	05/05/83	83-215587		201106
Little Daisy # 7	05/05/83	83-215588		201107
Little Daisy # 8	05/05/83	83-215589		201108
Little Daisy # 9	05/05/83	83-182682		196356
Little Daisy #10	05/05/83	83-182683		196357
Little Daisy #11	05/05/83	83-215590		201109
Little Daisy #12	05/05/83	83-182684		196358
Golden Rule # 1	05/05/83	83-182685		196359
Golden Rule # 2 Amended	11/25/77 05/05/83	12565 83-182693	548	17140 (Little Daisy #5)
Golden Rule # 3 Amended	11/25/77 05/05/83	12565 83-182694	546	17138 (Little Daisy #3)
Golden Rule # 4	05/05/83	83-215594		201113
Golden Rule # 5	05/05/83	83-215595		201114
Golden Rule # 6	05/05/83	83-215596		201115
Golden Rule # 7	05/05/83	83-215597		201116
Golden Rule # 8	05/05/83	83-215598		201117
Golden Rule # 9	05/05/83	83-215599		201118
Golden Rule #10	05/05/83	83-215600		201119
Golden Rule #11	05/05/83	83-215601		201120
Golden Rule #12	05/05/83	83-182686		196360

RECEIVED
AT THE MARICOPA COUNTY

OCT 17 1985

7-15-85
FBI-MARICOPA

(Continued)

85 502895

<u>Claim Name</u>	<u>Loc Date</u>	<u>Book</u>	<u>Page</u>	<u>AMC #</u>	(changed from)
Spanish # 1 Amended	11/25/77 05/05/83	12565 83-182690	551	17143	(Little Daisy #8)
Spanish # 2 Amended	11/25/77 05/05/83	12565 83-182691	547	17139	(Little Daisy #4)
Spanish # 3 Amended	11/25/77 05/05/83	12565 83-182692	545	17137	(Little Daisy #2)
Spanish # 4	05/05/83	83-215591		201110	
Spanish # 5	05/05/83	83-215592		201111	
Spanish # 6	05/05/83	83-215593		201112	

RECEIVED

OCT 11 1985

PER 100 100

STATE OF ARIZONA, County of _____	} ss.	I hereby certify that the within instrument was filed and recorded _____, 19____, at _____ M.	Fee No.: _____
In Docket No. _____	Page _____	at the request of _____	AFF LABOR (AL)
When recorded mail to: D. K. MARTIN & ASSOC. 4728 NO. 21st AVENUE PHOENIX, ARIZONA 85013		Witness my hand and official seal _____	<div style="border: 1px solid black; padding: 5px;"> RECORDED SEP 30 1985 KEITH H. ... County Recorder FEE 5.00 Deputy Recorder </div>
		By _____	

AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK

State of Arizona }
County of MARICOPA } ss. AMC# 17136 Through 17143
196356 Through 196360
201104 Through 201120

1. L. W. Dickson
Name
P. O. Box 615
Address
Queen Creek, Arizona 85242
City State Zip

being duly sworn according to law deposes and says that they are a citizen of the United States more than eighteen years of age and that all of the facts set forth in this affidavit are true and correct according to the best of their knowledge, information and belief.

2. That they are personally acquainted with the mining claim named Little Daisy Mine Group
(See Exhibit A) situate in the Sunflower Mining District,
MARICOPA County, Arizona, the location of which is recorded in the office of
(See Exhibit A) the County Recorder of that County in Book _____, Page _____. Notice of
location is posted in Section 3,4,9,10,16, Township 6 N, Range 9 E, G&SRB&M.
3. That between the dates of September 1, 1984 and August 31, 1985
at least Three Thousand One Hundred (\$ 3,100.00)
dollars worth of work and improvements were done and performed upon this claim not including
location work.
4. The work and improvements were made by and at the expense of _____
D. K. Martin, owners of the mine for the
purpose of complying with the laws of the United States pertaining to assessments or annual work.
5. W. Knott, D. K. Martin & Associates, S. C. Brown Geological Consultants,
International Bullion Corp. Ram Valley Mining Company, B.R.X. Minerals, Inc.
were the names of the persons employed by the owner who labored to do the work and improvements.
6. The work and improvements done were Repair and maintain existing access routes,
Sample both above and under ground, Process ores, tails and samples to
determine most efficient method of recovery of precious metals, Assay all
samples and processing results

Dated September 5, 1985

LW Dickson
Signature

PHOENIX, ARIZONA

OCT 21 1985

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BIM AZ STATE OFFICE

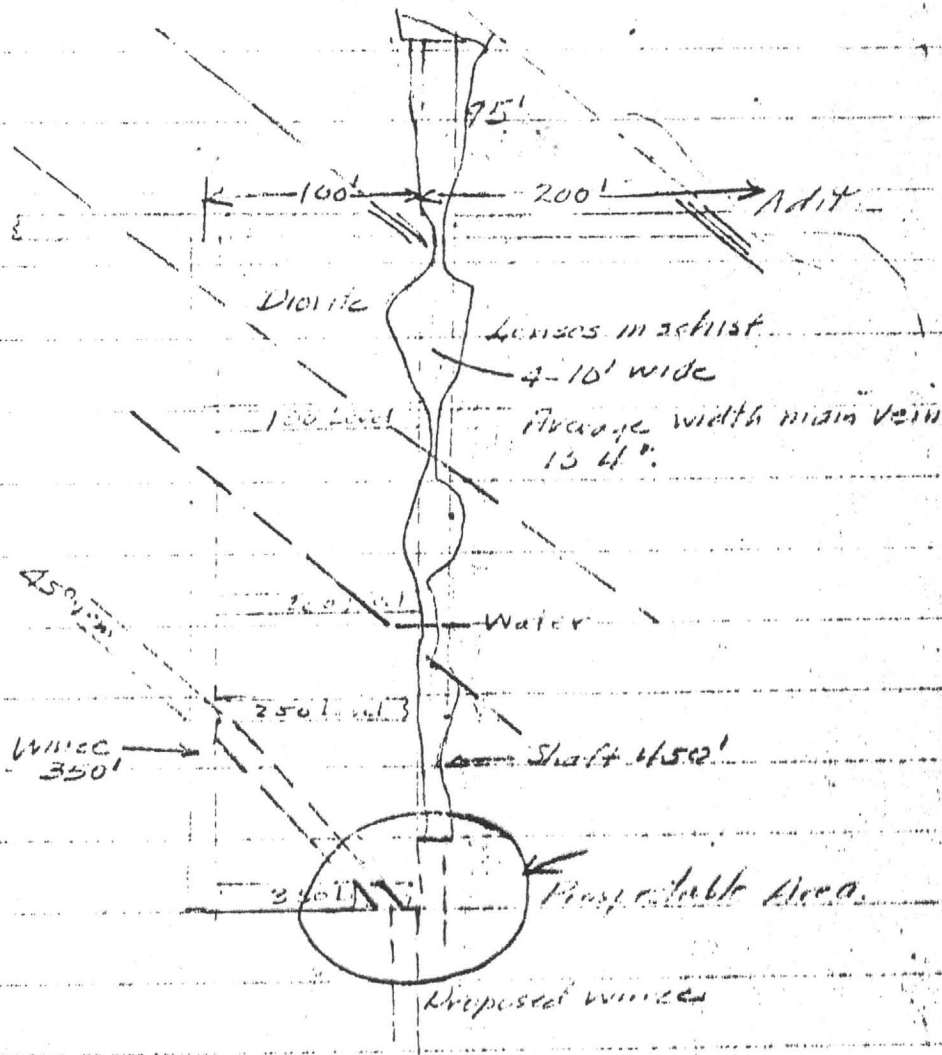
Subscribed to and sworn before me, a Notary Public, this 5th day of September
19 85, by _____

My Commission expires My Commission Expires Jan. 22, 1987

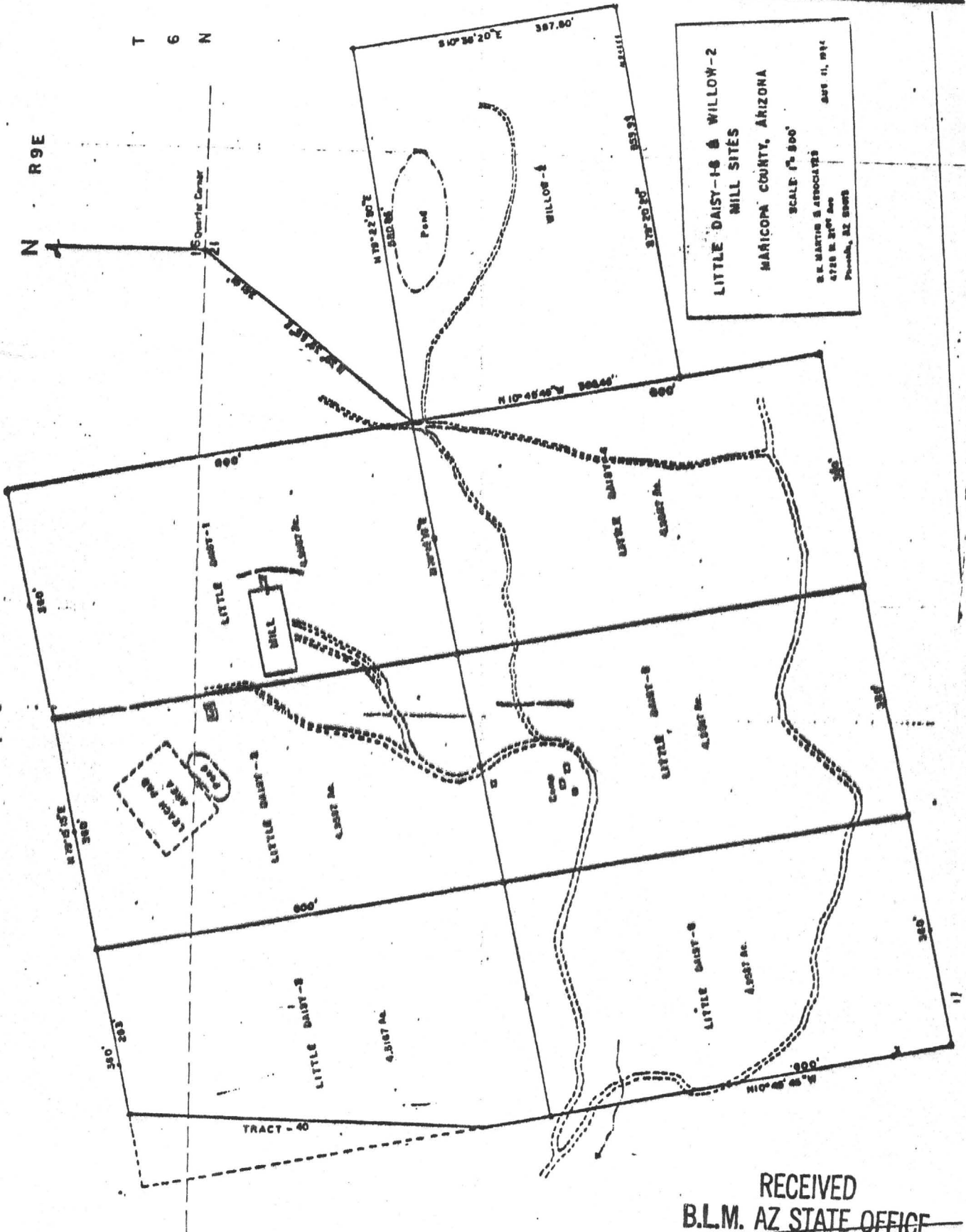
[Signature]
Notary Public

STATEMENT OF MINERAL RESOURCES
MADE AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

Little Daisy
N-S Cross Section



1940



LITTLE DAISY-18 & WILLOW-2
 MILL SITES
 MARICOPA COUNTY, ARIZONA
 SCALE 1" = 800'
 B.L. MARTIN & ASSOCIATES
 4720 N. 24th Ave
 Phoenix, AZ 85018
 AUG 11, 1984

RECEIVED
 B.L.M. AZ STATE OFFICE

SEP 19 1984

07.45 A.M.
 PHOENIX, ARIZONA

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date July 4, 1981

District Sunflower, Maricopa

Engineer Ken A. Phillips *KAP*

Subject: Cyanide leach operation visit in the company of H. Mason Coggin

*Ann
Note
CN Opn.*
Wally ^{knott} Knott has started a cyanide heap leach operation just west of his Little Daisy mill. He has constructed a 100' x 100' pad on which he has heaped ore 75' x 50' x 2'. The ore is from the Spanish Mine dump (part of the Little Daisy) and is estimated by Mr. Knott to contain 0.05 tr. oz. gold/ short ton. The ore is hauled about one mile. Leach solution containing 1.5 pounds NaCN per ton and lime for ph control is sprinkled on the heap using rainbird sprinklers at a rate of about 20 gallons per minute. It was suggested he change from rainbird sprinklers to "Bagdad wigglers" as clogging was a major problem with the rainbirds.

Gold and silver are recovered from the leach solution by use of an Escapole Plant (modified Merrill-Crowe) using zinc. Lead acetate is added to enhance precipitation. The Escapole plant uses diatomaceous earth (DE) filters which often require cleaning. Three DE filters in series have been added to the pregnant solution flow line in advance of the Escapole plant.

Mr. Knott explained that it has taken him over a year to get the leach facility in operation. He has been particularly hampered by lack of acceptable labor and poor treatment of equipment by his workers.

DAISY - ANDI

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 6/28 1978

F. FLORES

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	SiO ₂	AL ₂ O ₃	Pb	Fe
...	LITTLE DAISY From ore Bin	0.05	0.10	0.08			0.0	0.2
...	" " " " "	0.10	0.80	1.02	X		0.2	0.2
...	" " " " "	0.05	0.05	0.02			0.0	0.2
...	" " above ore Bin	0.05	0.10	0.03			0.0	0.2
...	" " Gen Sample - Diff Back	0.05	0.10	0.03			0.0	0.1
...	" " Waste Dump	0.05	0.05	0.01			0.0	0.1
...	" " Adit 2' Vein	0.05	0.05	0.01			0.0	0.1
...	" " 10' wide	0.05	0.20	0.03			0.0	0.1
...	" " Workings above Daisy	0.05	0.15	0.05			0.0	0.2
...	" " Below adit	0.05	0.05	0.10	78.6	6.6	0.0	0.2
...	SPANISH MINING Gen Dump Shaft	0.05	0.10	0.005	77.8	7.5	0.0	0.1
...	" " Above Caudin	0.05	0.10	0.005	77.8	7.5	0.0	0.1
...	" " Dump Sample of 1.000	0.05	0.05	0.01	82.6	1.9	0.0	0.1
...	" " 1/2 Outcrop NE @	0.05	0.05	0.01			0.0	0.1
...	GOLDEN PALE Dump	0.05	0.20	0.02			0.0	0.1
...	LITTLE DAISY mill shuffler	0.05	0.10	0.02			0.0	0.1
...	LITTLE DAISY mill shuffler	0.05	0.20	0.05			0.0	0.1
...	LITTLE DAISY mill shuffler	0.05	0.05	0.02			0.0	0.1

S. M. Kalsb
CHIEF CHEMIST

SC-1000

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 7/25 1978

FRANK FLORES

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb
920	LITTLE DAISY MINE Ht Opht	—	0.20	0.13	
921	SPANISH MINE W of Cave	0.10	0.10	0.02	
922	SPANISH MINE Back of Drift	0.20	0.50	0.15	✓
923	SPANISH MINE 10' West of Vent shaft	0.10	0.20	0.06	0.3
924	SPANISH MINE Rost of Vein 4'±	—	0.10	0.04	
925	SPANISH MINE Float. From Back of Drift W of Cave	—	0.10	0.04	

mountain states research & development

a division of Mountain States Mineral Enterprises, Inc. P. O. BOX 17960, INTERSTATE 10 & VAIL RD., TUCSON, ARIZONA 85731 (602) 792-2800

March 10, 1980

Mr. Walter Knott
c/o Demetra's Kitchen
2334 East McDowell
Phoenix, Arizona

REF: Project 2177
Cyanidation Tests - Gold Ore

Dear Mr. Knott:

Three preliminary cyanidation tests have been completed on the sample of gold ore that you delivered to us on February 20, 1980.

Objective of the tests was to determine if the gold is soluble in cyanide solution, particularly at coarse sizes. In other words, will the ore be amenable to heap leaching methods, or will it be necessary to use fine grinding.

Analysis of a representative minus 10-mesh head sample was as follows:

Ounces per Ton	
Au	Ag
0.054	0.12

Twenty four hour bottle leaching tests were run on samples of ore:

1. Crushed to minus 3/8-inch.
2. Crushed to minus 10-mesh.
3. Ground to minus 65-mesh.

Results are tabulated below, and are detailed in the attached test data sheets.

Size	Test No.	Calc. Head		Leach Residue Assay		Recovery in Preg. Soln.			
		oz./ton		oz./ton		oz./ton		Percent	
		Au	Ag	Au	Ag	Au	Ag	Au	Ag
Minus 3/8-inch	1	0.045	0.09	0.037	0.07	0.008	0.02	17.8	22.2
Minus 10-mesh	2	0.042	0.13	0.017	0.09	0.025	0.04	59.5	30.8
Minus 65-mesh	3	0.042	0.12	0.002	0.06	0.040	0.06	95.2	50.0



DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date November 13, 1978

District Sunflower - County, Maricopa

Engineer Ken A. Phillips

Subject: Present activities and field interview. (The interview was held with the owner in Phoenix, not at the property). Owner, Walter Knott, c/o Denetra's Kitchen, 2334 E. McDowell, Phoenix.

Mr. Knott reported he is presently processing gold lead ore from dumps, outcrops and open trenches. Ore is hauled to the mill from the workings in a 1 ton two wheeled trailer pulled by a jeep. Ore is dumped onto a 5" grizzly, plus 5 inches being broken with a double jack, and falls into the coarse ore bin. Coarse ore is fed to a 5"x7" jaw crusher. The jaws discharge onto a conveyor which feeds a 2'x4' rod mill, the rod mill discharges onto a 40 mesh screen with the oversize being returned to the mill. The -40 mesh material is deposited onto a 2'x6' (approx.) amalgamation plate. The ground ore passes over the amalgamation plate and onto a 4'x12' homemade Wilfrey type table. The table concentrate is collected and stored for shipment to smelters. The table middlings and tailings are combined and passed over a second amalgamation plate, then over a second table. The second table concentrate is combined with the first and tailings sent to disposal.

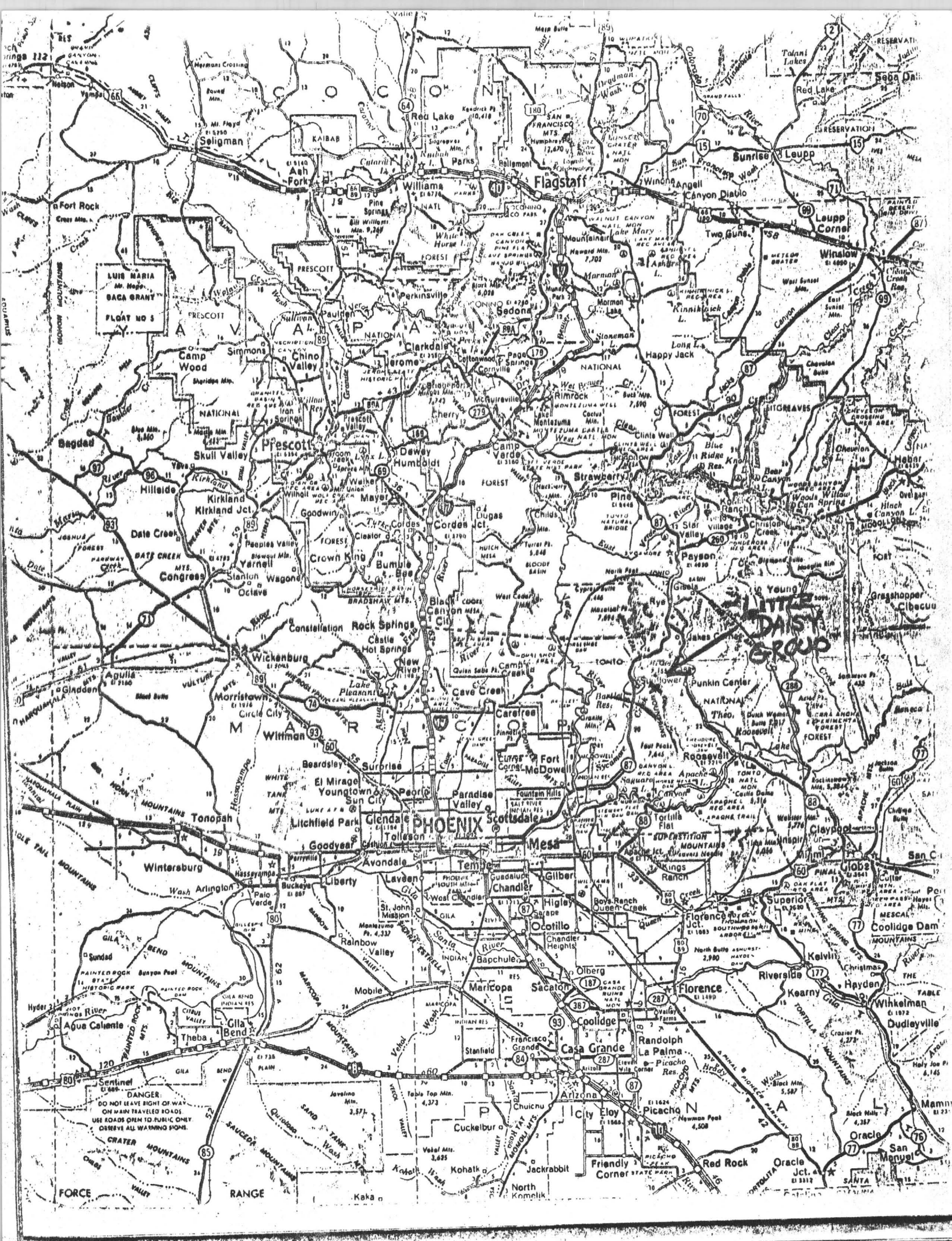
The head run 0.40 Au, 0.80 Ag, 1.5 Pb to as high as 1.2 Au, 4.0 Ag, 11% Pb and from assay reports average in the somewhere between 0.7 Au and 1.0 Au. The concentrates run between 20 and 50 Tr. oz. of gold per ton and the tails from .01 oz. to .06 oz. Au. with an average near 0.02. The heads, cons., tails and middlings are regularly sampled during operation and the samples sent for fire assay.

The mill is capable of handling around 10 tons daily, but production is less due to haulage method. Mining, loading, hauling, unloading by hand and mill operation is done by Knott with occasional part time labor. He is presently in need of money to improve his mining and haulage or to step up sampling and drilling to delineate a larger deposit. He is looking at the possibility of either taking in investors or joint venturing with a drilling company.

Inspiration has indicated they would take his concentrate and pay for the gold and what little copper is available. He is contacting the lead smelter at ASARCO, El Paso, they might pay for the lead.

He has proposed an improvement in his mill flowsheet, a copy is attached. However, there appears too little room for improvement.

Between 15 and 30 tons of ore has been milled at the property by the present owner. He has accumulated about one ton of lead-gold concentrate.



ASSAY CERTIFICATE 'A'

DATE 5-14 19 79

SPANISH
MINE

S. M. Kalaf

CHIEF CHEMIST

55 100

ASARCO

Southwestern Ore Purchasing Department

A. J. Kroha
Manager
J. N. Lambe
Assistant Manager

June 8, 1979

Mr. Walter Knott
P. O. Box 688
Payson, AZ 85541

Dear Mr. Knott:

Our El Paso Plant has assayed the samples from the Little Daisy mine and reports the following results:

	<u>Oz per Ton</u>		<u>Percent</u>							<u>PPM</u>
	<u>Au</u>	<u>Ag</u>	<u>Pb</u>	<u>Cu</u>	<u>Zn</u>	<u>SiO2</u>	<u>Fe</u>	<u>CaO</u>	<u>Al2O3</u>	<u>Hg</u>
1st line-										
last drift	75.82	26.9	48.1	1.0	.1	7.2	20.1	1.0	1.1	14,600
2nd line										
drift	2.48	1.9	4.3	0.7	.1	68.0	8.9	1.2	4.5	348
Last drift	.44	0.5	2.0	0.6	.1	74.0	6.1	1.1	5.2	182

The mercury content of sample marked "1st line-last drift" is too high to consider treatment at our smelters.

Yours very truly,


A. J. Kroha

ASSAY CERTIFICATE 'A'

DATE 9/20 19 78

[illegible]

P. M. Kala?
CHIEF CHEMIST

SE-1005

Arizona Testing Laboratories

815 West Madison · Phoenix, Arizona 85007 · Telephone 254-6181

For: Little Daisy Mine

Date: March 22, 1978

Lab. No.: 6413

Received: ---

Marked: 1st Line Clean Cut, 40 mesh

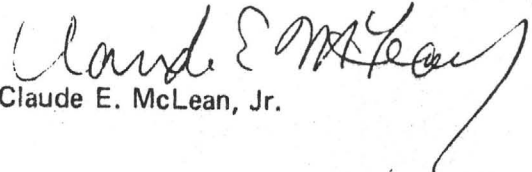
Submitted by: same

REPORT OF QUALITATIVE SPECTROGRAPHIC EXAMINATION

<u>ELEMENT</u>	<u>APPROXIMATE PERCENT</u>
Boron	0.01
Silicon	2.0
Aluminum	4.0
Manganese	0.6
Magnesium	0.3
Lead	Major Constituent
Chromium	0.3
Copper	2.0
Iron	Major Constituent
Bismuth	1.0
Beryllium	0.001
Calcium	2.0
Vanadium	0.005
Yttrium	0.01
Ytterbium	0.001
Sodium	0.1
Titanium	0.2
Silver	0.1
Zirconium	0.8
Nickel	0.07
Gold	0.07

Respectfully submitted,

ARIZONA TESTING LABORATORIES


Claude E. McLean, Jr.

ASSAY CERTIFICATE 'A'

DATE 7/20 19 78

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.			
1	Canada	0.70	6.40	38.2			

ASSAY CERTIFICATE 'A'

DATE 10/10 1978

WALLY KNOTT

[illegible]

ASSAY CERTIFICATE 'A'

DATE 4/30 19 72

12/11/1919

[illegible]

S. M. Kalaf

ASSAY CERTIFICATE 'A'

DATE 19 20

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 7/17 19 78

MAGMA COPPER COMPANY
Superior Division

ASSAY CERTIFICATE 'A'

DATE 6/15 1971

Young students
sawmills - talked

S. M. Kelp
CHIEF CHEMIST

ASSAY CERTIFICATE 'A'

DATE 2/15 19 78

CHIEF CHEMIST

SE-1005

ASSAY CERTIFICATE 'A'

[illegible]

SC- 1005

ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd
Phoenix, AZ 85018

DATE 9 September 1977

LAB No. 15137

Diversified # 2

RESULTS

	Gold	Silver
Sandy material in peanut butter jar	7.35 oz/T	1.13 oz/T

Lab Number 15137

Spanish Mine Dump
Bottom edge75 lbs tabled
Assayed 1st run

Respectfully submitted,
ARC LABORATORIES

John Sickafosse
John P. Sickafosse Ph.D.
Technical Director

ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR:

Walter Knott
4712 E. Osborn Rd
Phoenix, AZ 85018

DATE 6-2-77

LAB No. 14459

Diversified # 2

RESULTS

Gold 43.9 oz/ton
Silver 10.2 "

Lab Number 14459

Spanish Mine Dump
Top Center(Pulverized 1 ton, sluiced,
assayed 1st run)

Respectfully submit
ARC LABORATORIES

John T.
John T.



ARC LABORATORIES

Division of Arizona Research Consultants, Inc.

9236 NORTH 10TH AVE.

PHOENIX, ARIZONA 85021

943-3573

FOR: Walter Knott
4712 E. Osborn Rd.
Phoenix, AZ 85018

DATE 14 September 1977

LAB No. 15151

Diversified # 2

RESULTS

Gold	5.89 oz/ton
Silver	0.88 "

Lab Number 15151
Spanish Mine Ore
East Drift, limonite material
Head ore assay

Arizona Testing Laboratories

817 West Madison · Phoenix, Arizona 85007 · Telephone 254-6181

For Mr. Jerome Joffe
353 Park Avenue
Highland Park, ILL. 60035

Date October 13, 1978

ASSAY CERTIFICATE

LAB NO.	IDENTIFICATION	OZ. PER TON		PERCENTAGES			
		GOLD	SILVER	COPPER			
8138	Spanish Mine - dump	0.02					
	Daisy-floor near short shaft, side drift	0.02					
	Daisy - hopper	0.01	n11				
	Daisy-inside and around	0.07	trace				
	Little Daisy - sulfide ore	26.	8.5				
	Little Daisy - 1st line Conc.	38.	29.				

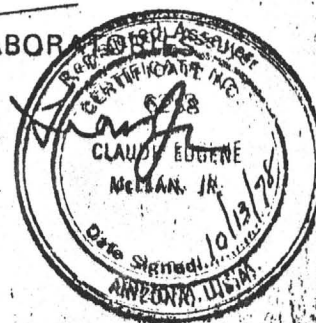
Lab Number: 10/13/78 8138

Little Daisy - Sulfide Ore

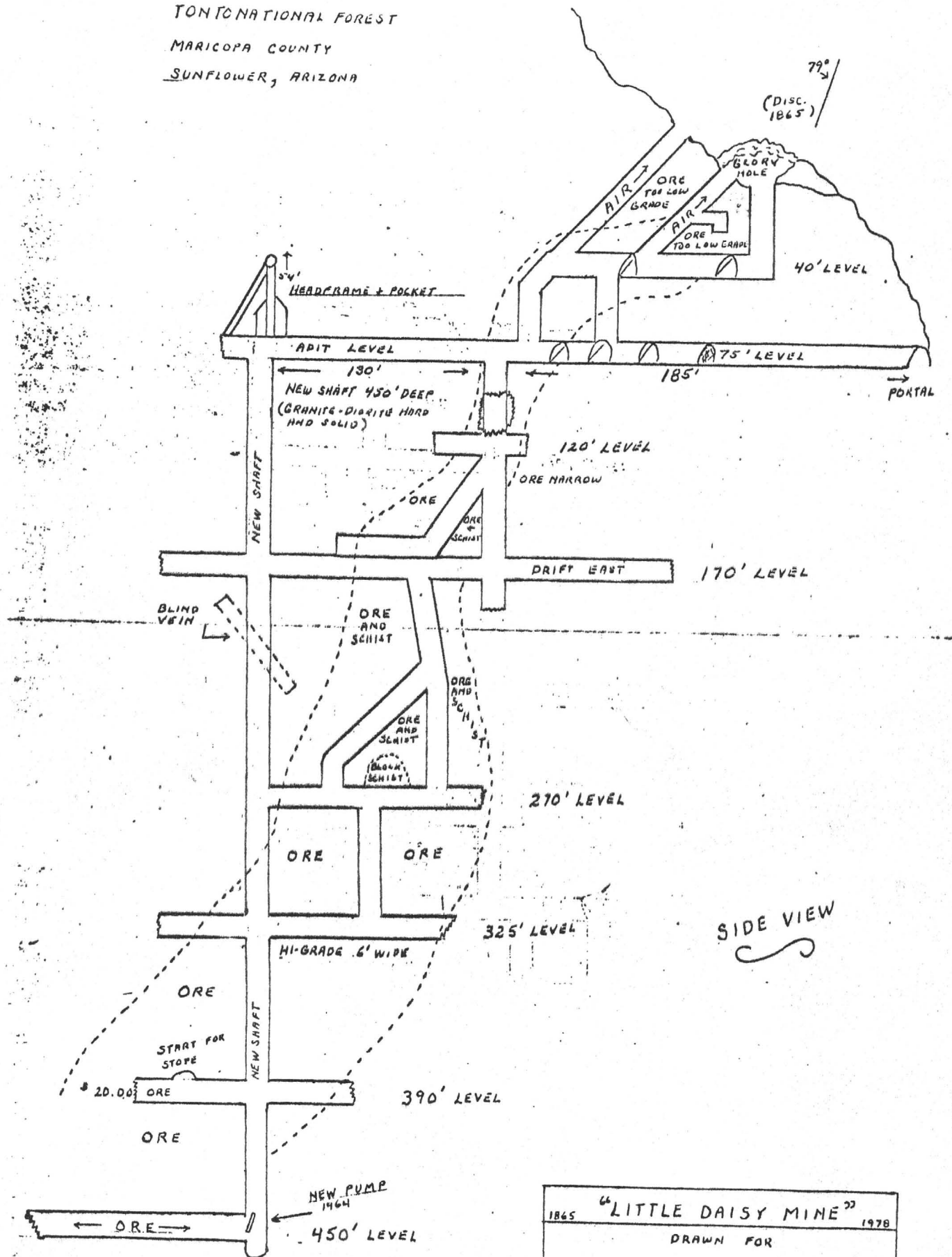
Dump material
Selective sample
Pyrite material

Claude E. McLean, Jr.

Claude E. McLean, Jr.



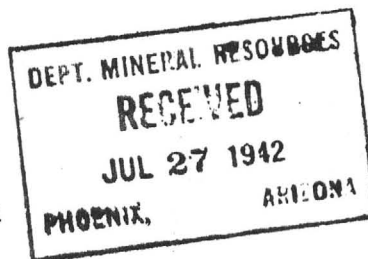
TONTONATIONAL FOREST
 MARICOPA COUNTY
 SUNFLOWER, ARIZONA



1865	"LITTLE DAISY MINE"	1978
DRAWN FOR		
COPIED FROM ORIGINAL PLAN DRAWN 1940		

DEPARTMENT OF MINERAL RESOURCES
MAINTAINING THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.
SURVEY OF OPERATING MINES

By: FRED H. PERKINS



July 25, 1942

LITTLE DAISY MINE

Owners: Tom Daniels
Grady Harrison
Tom Russell
Co-partnership

Address: Post Office Box 918, Mesa, Arizona
Tom Daniels, Manager

1941 Production for the year \$50,000 in gold only.
This property has a deisel plant and generator
which drives a compressor and hoist and a complete
mill of 25 ton capacity.

The development consists of a 500' vertical shaft
and about 700' of a drift on the 100' level and
300' of drifts elsewhere on the property. A com-
plete mining outfit makes this a nice operation.

An average of 6 men employed.

1942 Production from January to May 25, 1942, was \$3,500
in gold.

Because of misunderstanding among owners and their
inability to get supplies, the mine closed down May 25,
1942.

An average of 8 men employed.

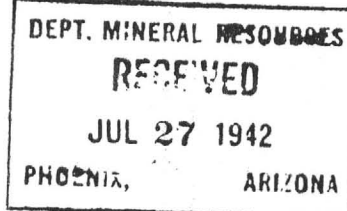
W

SURVEY OF OPERATING MINES

July 25, 1942

By: Fred H. Perkins

LITTLE DAISY MINE



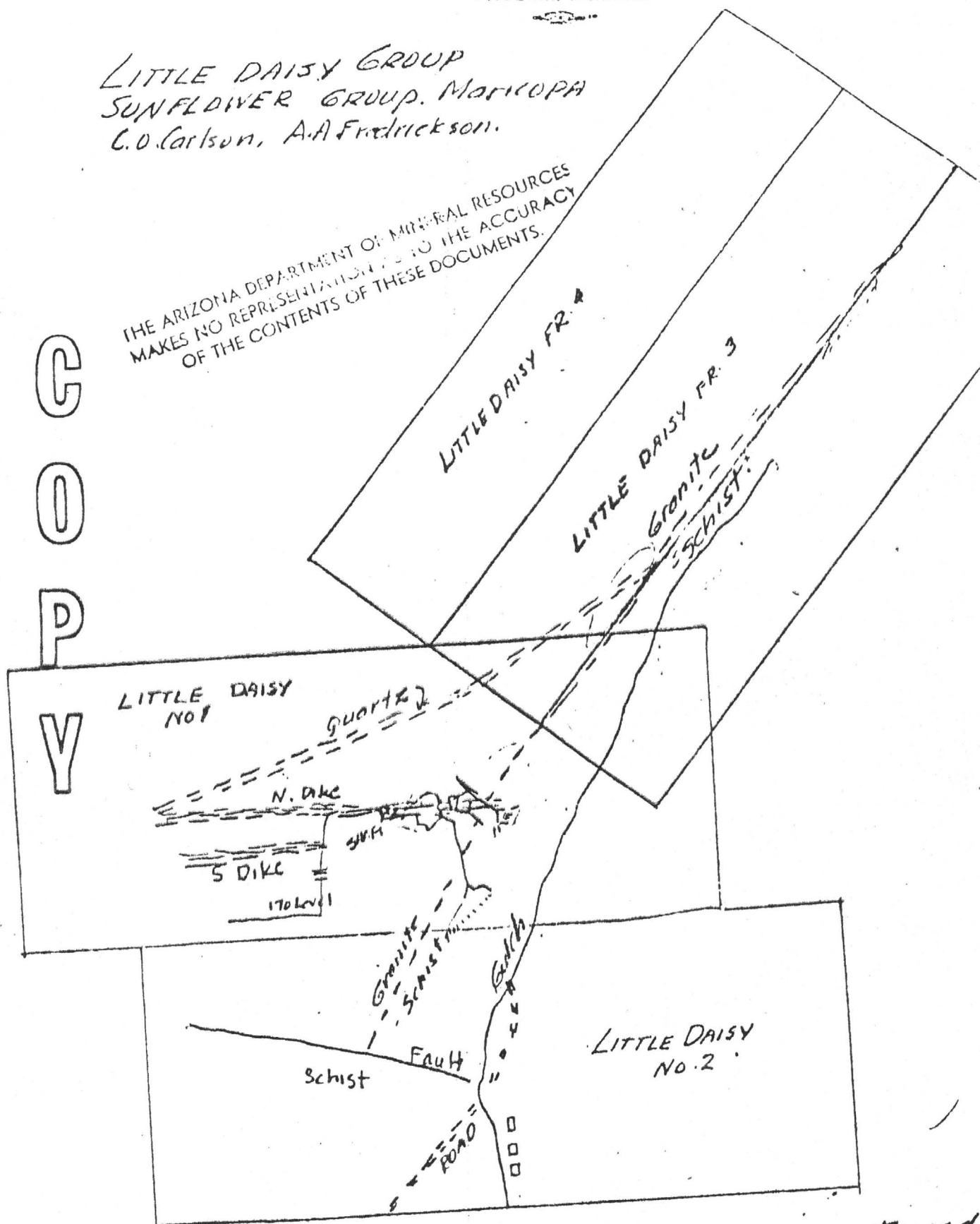
Problems:

This is a gold mine and due to their inability
to get supplies, closed down May 25, 1942.

LITTLE DAISY GROUP
SUNFLOWER GROUP. MORICOPA
C.O. Carlson, A.A. Fredrickson.

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

C
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P
Y



Maps Traced
Lore about - Jan
Maps Returned.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine **LITTLE DAISY GROUP**
District **Sunflower District, Maricopa County**
Subject: **Interview with C. O. Carlson 6-3-59**

Date **June 5, 1959**

Engineer **LEWIS A. SMITH**

FILED

JUN 30 1959

Claims: **4 - unpatented
Frederickson**

Owners: **A.A. Frederickson and Co., 7045 N. 12th St., & C. O. Carlson, Payson, Arizona**

Location: **Sec. 1, T. 6 N., R. 9 E.**

A/C Topog. sheet Reno Pass

Work: Consists of 6 levels (40 ft., 75 ft., 120 ft., 170 ft., 270 ft., and 325 ft.). The 75' level is connected to an adit. A shaft extends vertically downward from the 75 foot or adit level to below the 325 foot level. The levels from the 270 foot upward are connected by a group of vertical and inclined raises which follow the ore zone which pitches downward to the 170 level where it steepens up to nearly vertical. The 170 level is the most extensive. It follows the ore body for 200 feet turns south for 240' and follows the west trending south vein for about 200 feet. Stopes are above the 75 foot level. The north ore zone varies from 15 feet near the 75' level to as much as 50 feet on the 270 level. The ore length and width is variable and the length is known for several hundred feet.

GEOLOGY: Ore lies in two veins (north and south) which strike nearly E-W. and have variable dips. They dip northward at steep angles. The main ore shoots are in schist, which appears to be high in hornblende contact, and are centered near the vein intersections with the granite schist contact. Blebs of quartz and local stringers carry gold. The average ore runs 0.14 oz in gold but hot spots run up to 6.16 oz in gold. The 0.14 oz material concentrates to about 3.76 oz gold with a tail of 0.02 oz gold. The ore thus far developed runs between 0.04 and 0.18 oz gold. Work on an old mill at Carlson's place is proceeding. A new crusher and ball mill are to be installed. The tests indicate that the gold is free in limonite, but is quite fine in grain size, and that it will separate on tables. However, tests by cyanidation will be run before either method of adopted. No appreciable quicksilver has been observed in the oxidized material. Sulphide is largely limited to pyrite but sphalerite is suspected. Carlson stated that it was his opinion that the gold was introduced with the pyrite. This is most probably true as this is a very common association.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date February 3, 1960

District Sunflower Dist., Maricopa

Engineer Lewis A. Smith

Subject:

C.O. Carlson has been opening up and repairing the older part of the Little Daisy and is now installing a gasoline hoist and skip. He has developed a small reserve of fair ore (\$25.00 to 35.00) and has encountered a few small high grade pockets. He plans to use his old gravity mill, now located at his home $1\frac{1}{2}$ miles north of the Bee Line Highway on Sycamore Creek, and to add a ball mill. The road has been reopened after it was severely damaged by recent heavy rains. He has two men working for him. A. A. Fredrickson, 7045 N 12th St., Phoenix, is affiliated with him in the venture. Carlson also has raised 25 feet from the end of the south drift in ore.

Grady Harrison, who with Lovelace and Tom Russell, used to operate the mine, stated that the old workings included a 65 foot inclined shaft and 200 feet of underground lateral work. He stated, also, that the mine is inclined to be pockety and erratic, but some pockets were very high grade. They had a mill $1\frac{1}{2}$ miles below the Daisy which employed pan-amalgamation. This mill, as far as is now known, has been largely dismantled. Original mill was built by Harry Burton.

DEPARTMENT OF MINERAL RESOURCES
STATE OF ARIZONA
FIELD ENGINEERS REPORT

Mine Little Daisy

Date September 29, 1961

District Sunflower Dist., Maricopa County

Engineer Lewis A. Smith

Subject: Interview with C.O. Carlson (9-27-61) (Supplementary)

Minerals: Gold, silver, lead.

Work:

Mr. Carlson reports that the old workings are now open down to the 350 foot level in a winze which was sunk from a 350 foot-adit. The winze is in 300 feet from the portal and is 100 feet south of the main vein. The winze has 4 levels at 100, 200, 250 and 350 feet, respectively. The main shaft was sunk on the main vein to a depth of 450 feet and the collar is about 95 feet above the adit which connects with it. The 100 and 200 levels of the winze are connected to this shaft. The 250 and 350 levels do not reach the shaft but did reach the vein which, most of the way down, is vertical. The 250 foot level cut a 45° dipping vein which carries lead (galena) (4-6% lead) and gold (\$60.00 per ton) with some silver (4 ounce per ton). This same vein encountered on the 350 foot level and here it was composed of red iron oxide and pyrite which carries up to \$40.00 gold. This vein ranges from 2-6 feet wide where exposed. According to Carlson's measurements this vein should intersect the main vein at about 50-70 feet below the 350 level. The two bottom levels reached the vein and encountered relatively low-grade ore (\$15 to \$25 to the ton). Carlson plans to winze down to pick up the vein intersection, since he feels that this would be a fine locus for ore accumulation. The main shaft passed through three lenses of ore with narrow bottle necks between them. At the bottlenecks the rock (schist) was severely shattered but more strongly or densely silicified. It is assumed by him, that these bottlenecks represent flat pre-mineral shears which are probably roughly parallel to the 45° veins. It is evident that the widest parts of the lenses of ore immediately underlie the bottlenecks. The main vein follows the contact between a dense hard diorite and a medium bedded schist. The lenses are formed in the schist, but little ore is found in the diorite. The schist is severely metamorphosed and altered by the mineral solutions. Generally the vein, as it passes through the bottlenecks is narrow (up to 2 feet) whereas it reaches 3-9 feet in width in the lenses. Since similar flat shearing is not uncommon in the Sunflower area, Mr. Carlson appears to be right as to their influence on ore accumulation. The rising hydrothermal solutions easily could have been damed by the shear planes causing the lenses to develop. The veins trends NE-SW and the shear planes are at an oblique angle to the main vein. The lenses are tapered from bottom to top with the wide part being at the top against the inferred shear planes. Mr. Carlson said that the shears show only as iron stained bands in the surface rocks, and the 45 degree vein does not, to his knowledge, outcrop. Mr. Carlson also stated that longitudinal development has not been extensive so that eventually he hopes to develop more lenses along the strike. Considerable high-grade ore was mined many years ago by Tom Russell's grandfather from three lenses. One pocket ran very high (reportedly over \$10,000 per ton). Tom Russell said some ore ran around \$2,000 to \$2,500. The canyon which runs south of the main vein has yielded very good placer gold. Carlson reported that the narrow bottlenecks are very low grade. A condition which is not too common. Considerable ore, running \$12.00 up to \$40.00 has been developed.

A new mill has just about been completed. It will employ gravity concentration, followed later by flotation to separate galena. The best gold is

OF THE CONTENTS OF THESE DOCUMENTS.

Cont'd from page 1

often associated with Wulfenite and galena. His estimates are that silver will run 3-4 ounces. Practically no copper is present. Since the lead, silver and gold are apparently closely associated a gravity plant should do well.

A visit is planned on 10-4-61.

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA

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FIELD ENGINEERS REPORT

Mine Little Daisy Mill

Date October 3, 1961

District Sunflower District, Maricopa Co.

Engineer Lewis A. Smith

Subject: Mill visit and conference with C.O. Carlson

The mill is located one mile via Hwy 87 north and thence $1\frac{1}{2}$ miles southeast by country road. The mill is $\frac{3}{4}$ mile north of the Irl Conway ranch house. The Little Daisy mill is about $1\frac{3}{4}$ miles from the Little Daisy mine which lies northeast of the mill.

The accompanying flow sheet is an approximate description of the mill. The feed consists of three types of material.

- (1) Vein quartz with vugs and stringers lined by yellow to red limonite. The gold in this is free, while the lead is in the form of vanadinite, wulfenite, cerussite and anglesite, and some relict galena. This type contains less quartz than type 3.
- (2) Massive pyrite ore (partly oxidized) with contained gold. Galena in tiny bunches, is locally present. This type came in below the 250 foot level in a 45° dipping vein which is calculated to intersect the main vein below the 350 foot level.
- (3) Schist ore which is banded by quartz stringers and swelled bunches of quartz. The quartz follows the schist laminae. This type down to the 250 foot level is almost entirely oxidized.

The type 2, or sulphides, will be floated.

Carlson was running lead-zinc-copper mixed sulphide ore from the Bradshaws at the time of the visit.

LITTLE DAISY MINE

THE ARIZONA DEPARTMENT OF MINERAL RESOURCES
MAKES NO REPRESENTATION AS TO THE ACCURACY
OF THE CONTENTS OF THESE DOCUMENTS.

MARICOPA COUNTY

INFORMATION IS NOT ALL FIRST HAND
SO ACCURACY NOT GUARANTEED

Mr. Carlson stated that he calculated that a mill head of \$50 per ton would have to be maintained at the Little Daisy mill in order to make money. The last run averaged a little over this figure. The ore was extracted from a heavy pyritic area near the bottom of the mine. The ore contains quartz, calcite, some limonite along with the more or less massive pyrite. Carlson is trying to tie up a new discovery of quicksilver near Tonopah, Nevada. The ore runs 20 pounds per ton in quicksilver and consists of a quartzitic sandstone well impregnated with cinnabar. While the reserves have not been calculated they are believed to be large. If this materializes, Carlson plans to suspend Little Daisy operations for the present.

LAS Memo 6-6-62

Mr. Carlson plans to begin operations at the Little Daisy mine and mill, October 29. Some recent exploratory work has developed a few thousand tons of ore which assayed \$60 in gold per ton. Carlson figures that he can produce and market the concentrates for \$45 to \$50 per ton. The ore contains about half of free gold which is affiliated with iron oxides. The remainder is contained in pyrite. Extraction by gravity flotation methods is calculated at 85-87 percent. Carlson believes that the stope area has a good chance of yielding a considerable volume of ore as time goes on. Some relatively high-grade pockets and lenses are mined sparingly for sweetener. Assays for silica and alumina are being run to determine if this better ore will be suitable for flux. Several "bugs" have been ironed out at the mill and the mine road has been improved. LAS Memo 10-24-62

The mill was operating on the gravity (table) side and a string of pyritic-gold concentrate was being obtained. According to Carlson this material is fairly good, \$50-\$60 per ton. The partners mine and build a reserve at the mill head, and then mill this. This alternating procedure is repeated etc. The recovery is good, according to Carlson. The ore while occasionally having a "hot" pocket, is generally of mill grade. At present the mining is confined to relatively large lense below the adit level. LAS Memo 6-27-63

DEPARTMENT OF MINERAL RESOURCES

STATE OF ARIZONA
FIELD ENGINEERS REPORTTHE FOLLOWING
MAKING NO.

Mine Little Daisy Mine & Mill Date February 7, 1962

District Sunflower District - Maricopa County Engineer Lewis A. Smith

Subject: Telephone conversation with C.O. Carlson

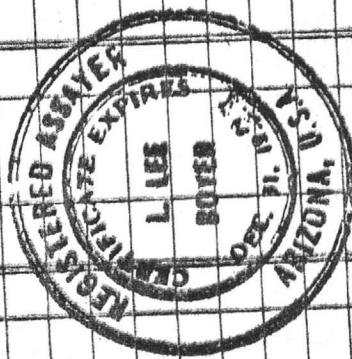
A telephone conversation with C.O. Carlson revealed that he was operating the Little Daisy mine and mill and that he had some good ore (\$25 to \$30). The mill is doing well. He has three men working for him. The ore is coming from the 300 ft. level. A visit to his house was made and it was learned that he was in Phoenix to get an engine repair part so that the plant was temporarily idle. The mill is operating on stocked ore and Carlson said he had developed a fair reserve of sulphide ore (pyrite and gold). The workman contacted at Carlson's said that the mill will be operating again soon, if the part is found.

VALLEY ASSAY OFFICE
AND ORE TESTING LABORATORY
MEMORANDUM OF ASSAY

Tempe, Arizona Jan. 30, 1972

Made for H. R. Norman

SAMPLE NO.	PER TON OF 2000 POUNDS AVOIRDUPOIS				COPPER, OR		LEAD, OR		ZINC, OR		TOTAL	
	GOLD, PER TON		SILVER		PER LB. AT	PER LB. AT	PER LB. AT	PER LB. AT	PER LB. AT	PER LB. AT	PER LB. AT	
	AT	OZS.	AT	OZS.								
1-Cons.	84.22											
REMARKS:	Copper is also present.											



BY Registered Assayer.

NO.

CHARGE \$ 3.50

J. F. B.

Nov 17 39

Ore being sampled from (Bar)

0.16

5.6c

Ore across drift 75' East from drift 2.36 82.6

4" quartz on hanging wall

0.04

1.5

Drift west on South vein 10' in

18" quartz in face South vein 18' in

0.07

0.7

Rhyolite N. of drift South vein
(next to hanging wall)

Trace

gold by value per ton

0.32

6.40

10 ft below surface 400' of Shaft

0.40

8.00

2 ft wide " " " "

2.76

55.20

50 ft level 4 ft wide.

1.94

38.80

E side of shaft at collar

2.48

49.60

W " " " 4 ft wide

between shaft & water

16.84

336.80

Bank.

5.58

111.60

Re 2 sand barrels from gibson
concentrator

1.08

21.60

2 ft wide 25 ft East of shaft

0.68

13.20

Grab samples

1.96

39.20

Ore showing copper 2 ft wide
E. side of shaft at collar

Year	Month	Inv	Pr	By	# Gross	
1935	Apr.	29.33	1.87	.80	1663 ⁰⁰	over
"	Oct	18.8	.85	1.15	466 ⁰⁰	"
"	Dec.	22.0	.96	.95	603 ⁰⁰	"
"	Nov	32.0	1.34	.70	243 ⁰⁰	"
"	Oct	20.0	1.16	1.5	685 ⁰⁰	"
1936	Jan	40	1.54	.6	1881 ⁰⁰	"
"	Aug	26	1.87	.8	1.414 ⁰⁰	"
"	Aug	32	1.38	.4	1.305 ⁰⁰	"
"	June	35	.66	.5	625 ⁰⁰	"
"	Dec	31	.97	.8	1029 ⁰⁰	"
"	Dec	25	.59	.8	392 ⁰⁰	"
1937	Sept	31	.96	.8	1000 ⁰⁰	"
"	March	35	.79	.8	982 ⁰⁰	"
1941	June	43	1.52	2.0	2114 ⁰⁰	Consent
1939	April		34.22		825 ⁰⁰	Bullion
"	May		11.48		1.038 ⁰⁰	"
"	March	9.3	2.45	3.45	683 ⁰⁰	Cover
<hr/>					\$ 16.748	

[illegible]

Tempe, Arizona.....Jan.....18....., 1973..

[illegible]

BY T. H. Raper
Registered Assayer.

CHARGE \$ 6.00 Pd.



D.K. MARTIN & ASSOCIATES
Mining Development & Administration
4728 N. 21st Avenue
Phoenix, Arizona 85015

Mr. Walter Knott
Sunflower, Arizona

12/18/82
RE: Little Daisy
Mine Project

Dear Mr. Knott:

As per your request and plan of operation, we submit the following estimates for capital required to place your "Daisy Mine" Property into operation.

The information provided in this report is only a broad general estimate and these preliminary figures should only be used as an estimate towards a decision for the commitment of capital. The capital estimates are probably within $\pm 30\%$ of the final actual costs, whereas, the operating costs are somewhat more accurate. These estimates will be revised several times during the course of a developmental program, however, and become more accurate as additional data becomes available. Each phase of the operation will indicate the feasibility of continuing the project or guide the exploration and development towards a different approach. In general, capital requirements will usually increase during the course of the development program.

The general estimate is based upon incomplete data from various sources which has not been verified by this firm. The true situation can only be determined by a detailed engineering and geological survey. These figures are presented to help assist you to make reasonable estimates of capital needs and operating expenses involved.

If the assays and old production records show commercial ore has been located, a development program can be planned, and if capital is available, this plan can be put into operation. The first step is to determine if the ore is actually commercial and sufficient ore blocked out to justify a mill. It is also necessary to determine the type and complexity of the ore before an efficient mill can be designed. It requires considerable mining and metallurgical experience to determine if the valuable minerals can be extracted profitably.

At this point, the wise mine owner or investor should obtain the services of a competent mining consultant to either direct the operator or advise him as to the best operating procedures. The



D.K. MARTIN & ASSOCIATES
Mining Development & Administration
4728 N. 21st Avenue
Phoenix, Arizona 85015

Walter Knott
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PHASE V

Open up the Golden Rule Mine for geological exploration, begin construction of new mill, conduct geological exploration and evaluation of the Spanish Mine. \$51,200

PHASE VI

Rehabilitate the Spanish Mine, continue construction of the new mill, conduct engineering and geological evaluation of the Golden Rule Mine. \$968,800

PHASE VII

Operate the Spanish Mine (a 6 month calculation), rehabilitate the Golden Rule Mine, begin construction of the smelter, conduct engineering and geological studies for new ore bodies to insure longevity of the mill. \$361,200

PHASE VIII

Operate the Golden Rule Mine (a 3 month calculation), Operate the mill and smelter at 200 tons per day. \$ 69,700

Total of estimated capital required under optimal conditions, that all mines are capable of producing quality grade and quantity of ore, and all equipment is available.

ESTIMATED TOTAL CAPITAL \$3,531,800

PHASE IX

Operate at capacity, \$35/ton for 1 month	\$196,000
Transportation & Subsistance	20,400
Smelting Costs	19,600
10% Mine & Mill Development	49,400
Estimated Operating Expenses	<u>\$255,400</u>

ROUGH CALCULATIONS:

200 TPD @ 28 days/month	= 5,600 tons
Average ore @ 0.25 oz/t	= 1,250 oz. Au
96% Mill Efficiency	= 1,200 oz. Au
98% Smelter Efficiency	= 1,176 oz. Au
Gold @ \$420/oz.	= \$493,920 per month
Less Operating Exp.	<u>(255,400)</u>

NET PROFIT PER MONTH ESTIMATE \$238,520

Respectfully Submitted,

(602) 246-9573

D.K. Martin
D. K. Martin



D.K. MARTIN & ASSOCIATES
Mining Development & Administration
4728 N. 21st Avenue
Phoenix, Arizona 85015

Walter Knott
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cost of a reliable geological examination is money well spent and his advice should be followed. Although professional services may seem costly, the advice given will generally save many times the cost of these services.

The figures, graphs and estimates could and probably will change as the input data and information is scientifically and methodically analyzed. Therefore do not consider nor use this proposal other than as intended - a guide to the success of the "Little Daisy Mining Project".

CONTRACTS

Prepare with legal counsel & ~~satisfy indebtedness.~~

\$ ~~21,000~~

PHASE I

Open Daisy Mine for geological exploration, Engineer existing mill and install necessary equipment to upgrade present operation. Improve access to mill.

\$ 67,300

98,300

PHASE II

Prepare site and install living quarter including utilities. Complete geological and engineering study of Daisy Mine and various dumps. This includes approximately 2000 feet of exploration drilling. Operate existing mill on stockpiled and available ores which includes the purchase of a dump truck.

\$351,000

PHASE III

Complete the leaching facility, rehabilitate the Daisy Mine, layout and construct the tailings disposal area, begin engineering on the 200TPD mill and smelter, develop the water supply, and complete the geological survey of the area.

\$478,000

PHASE IV

Operate the leaching facility (a 12 month calculation), and install a stripper. Operate the Daisy Mine (a 12 month calculation), Open Spanish Mine for geological exploration, engineer and install conveyor and crushing system from mines to mill, conduct geological evaluation of the additional property required.

\$1,153,600

(continued)



D.K. MARTIN & ASSOCIATES

Mining Development & Administration

4728 N. 21st Avenue

Phoenix, Arizona 85015

Walter Knott

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12/18/82

PHASE V

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Operate the mill and smelter at 200 tons per day.

\$ 69,700

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Less Operating Exp.	<u>(255,400)</u>

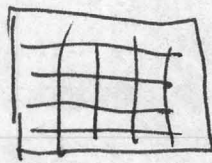
NET PROFIT PER MONTH ESTIMATE

\$238,520

Respectfully Submitted,

(602) 246-9573

D.K. Martin
D. K. Martin

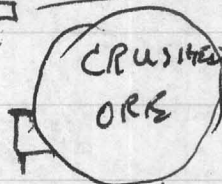
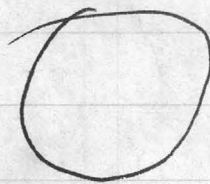


GRIZZLY

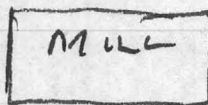


CRUSHER

ELEVATOR



CRUSHED ORS

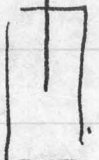


MILL

8Y2H
ROLLS



MILL



AMALG.
PLATES

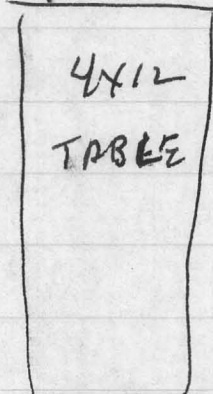
CLASSIFY



VIG.



4x8
TABLE



4x12
TABLE



CONS

TAILS

1ST LINE

TAILS

M.I.O.S.

(SUGGESTED)

CONTRACTS

OKM 12/20/82

Leach Plant

Daisy Mine ②

Spanish ①
Explore

Rehabilitate ① Spanish Mine
Operate Spanish Mine ③

Open Golden, ①
Mine, Explore

Rehabilitate ① Golden Mine
Operate ④ Golden Mine

Full Operation

ing &
ing Sys.

Mill Site
Work

200 TPD Mill
Construction

Smelter
Construction

Operate Mill &
Smelter

ansport

Spanish Mine

Golden Mine

New Ore Body

roperty

Spanish Mine

Golden Mine

New Ore Body

NOTATION

② = Mining Crew

IV

Phase V

Phase VI

Phase VII

Phase VIII

Phase IX

Leach Plant

Daisy Mine ②

Spanish ①
Explore

Rehabilitate ① Operate Spanish Mine ③
Spanish Mine

Open Golden, ①
Mine, Explore

Rehabilitate ① Operate ④
Golden Mine Golden Mine

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New Ore Body

operty

Spanish Mine

Golden Mine

New Ore Body

NOTATION

② = Mining Crew

IV

Phase V

Phase VI

Phase VII

Phase VIII

Phase IX

DKM 12/20/82

LOCATION NOTICE

(Lode)

MIN CLAIM (MC)

MC 102052

NOTICE IS HEREBY GIVEN that the Cambridge lode mining claim has been located by Daniel Twitchell, whose address is 841 E Cambridge Ave Phx Ariz. 85006. The general course of this claim is East - West and it is situated in the Brown Mining District, Maricopa County, Arizona. This claim is 1500 feet in length and 600 feet in width. The claim runs from the location monument on which this notice is posted 0 feet in a West direction to the West end line and 1500 feet in a East direction to the East end line. The claim boundaries are marked by six monuments, one at each corner and one at the center of each end line of the claim. The location monument on which this notice is posted is situated within Section 4, T. 6N G&SRM, Arizona, and this claim encompasses portions of the following quarter Section(s), Township(s), and Range(s):

North East 1/4 Section 4, T-6N - R 9E

G&SRM, Arizona.

The locality of this claim with reference to some natural object or permanent monument and additional information (if any) concerning its locality are as follows:

From USLM #1 to monument #1 of the Cambridge claim is 175 ft to the South

Dated and Posted on the ground this 7 day of Feb 19 80.



LOCATOR:

Dan Twitchell

STATE OF ARIZONA, } ss. I hereby certify that the within instrument was filed and recorded
 County of MARICOPA } AUG 25 1980 -4 30, 19 , at M.
 In Docket No. 14638, Page 742, at the request of L. Lilly

Fee No.:

270945

AFF LABOR (NJ)

Fee: \$

300

When recorded mail to:

LAWRENCE Lilly
PO Box 1583
Mesa Ariz. 85201

Witness my hand and official seal.

BILL HENRY

County Recorder

By

Larry Ong

Deputy Recorder

AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK

State of Arizona

County of MARICOPA

ss

MC 57690
THRU MC 5769A

LAWRENCE W. Lilly

Name

P.O. Box 1583

Address

MESEA

City

ARIZONA

State

85201

Zip

being duly sworn according to law deposes and says that they are a citizen of the United States more than eighteen years of age and that all of the facts set forth in this affidavit are true and correct according to the best of their knowledge, information and belief.

- That they are personally acquainted with the mining claim named Hudson #1 THROUGH #5 situate in the SUNFLOWER Mining District, MARICOPA County, Arizona, the location of which is recorded in the office of the County Recorder of that County in Book , Page . Notice of location is posted in Section 4, Township 6 NORTH, Range 9 EAST, G&SRB&M.
- That between the dates of AUGUST 1 - 1980 and AUGUST 25 - 1980 at least BACK HOE WORK OF (\$ 700.00) dollars worth of work and improvements were done and performed upon this claim not including location work.
- The work and improvements were made by and at the expense of LAWRENCE W. LILLY, owners of the mine for the purpose of complying with the laws of the United States pertaining to assessments or annual work.
- LAWRENCE W. LILLY - SELF EMPLOYED were the names of the persons employed by the owner who labored to do the work and improvements.

- The work and improvements done were ROAD REPAIRED DUE TO FLOOD DAMAGE AND SHOET DEEPENED BY BACK HOE AND BLADE

① 10769/954 8/5/74

② 10922/634 11/22/74

③ ✓ 635 ✓

④ ✓ 636 ✓

⑤ ✓ 637 ✓

Dated

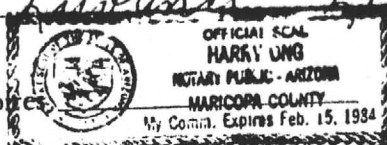
Lawrence Lilly
 Signature

Subscribed to and sworn before me, a Notary Public, this

25 day of August

1980, by Lawrence Lilly

My Commission expires

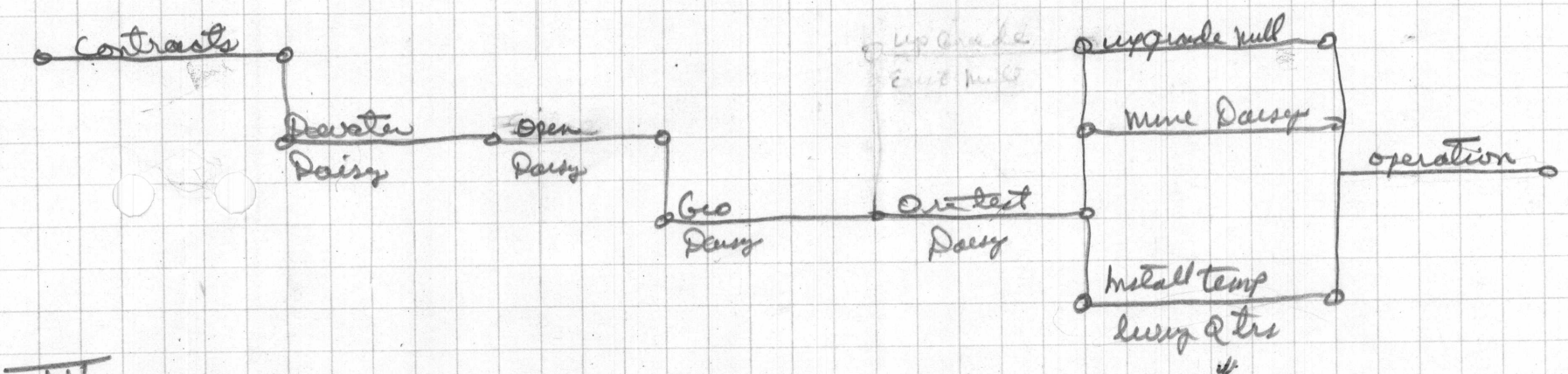
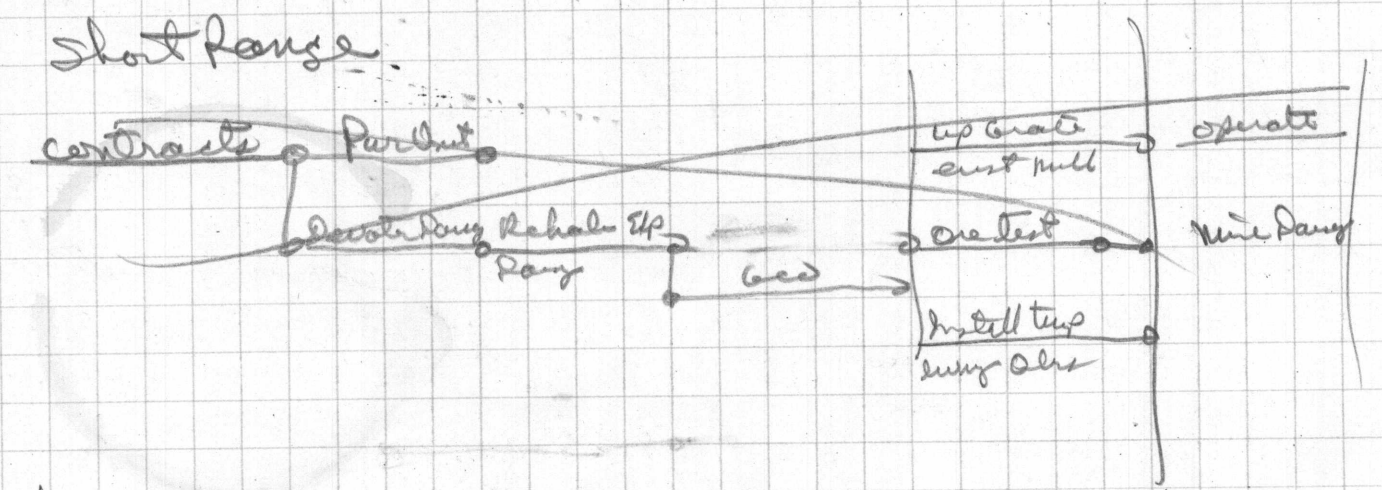


Larry Ong
 Notary Public

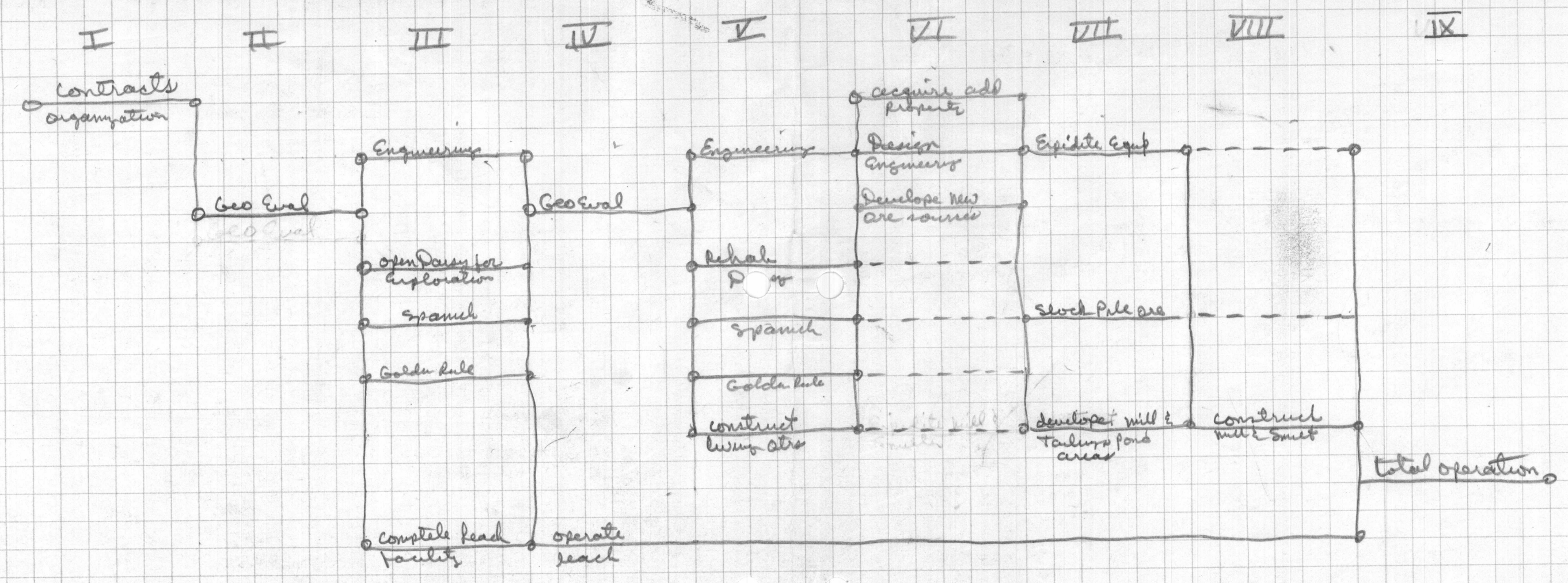
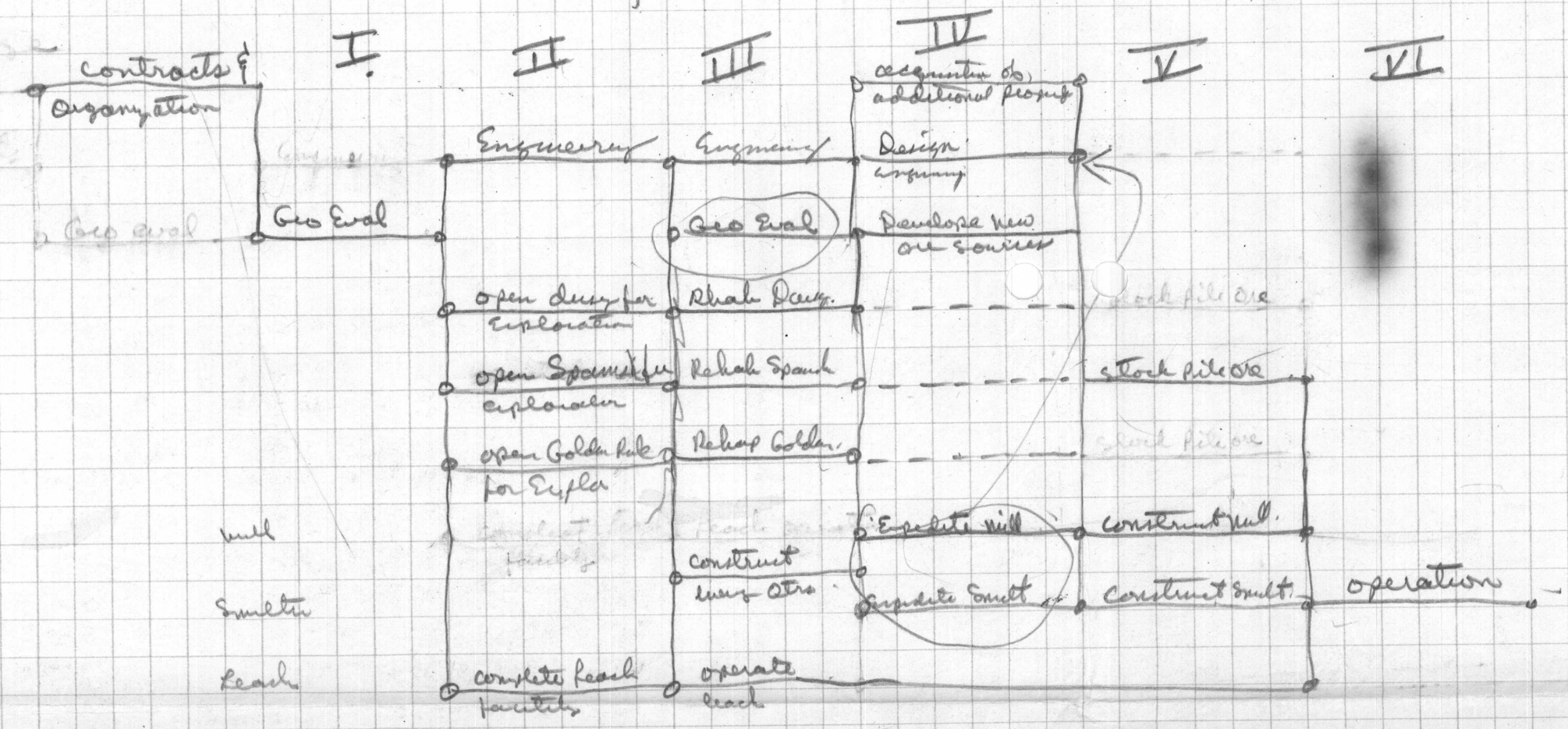


400
500

Short Range



Any
Geo
mines
reach



Az State Univ
Bismar College
Intern Proj -
Marketing - Analas
\$400⁰⁰
Student for Semester
info
student credit

1/4 oz
#35/Ton
miller
trout

6 x 8

8
3
24

contracts	6 wks open Daisy	complete beach 90 lbs Rehab Daisy	operate beach min Daisy	✓			
			open Spanish 30 lbs	30 lbs open Golden	90 lbs Rehab Spanish	min Spanish	full operation
	Living QTR utilities	Tailings pond	crushing & conveyor system	mill site work	mill const	smelter const	operate mill
	Engineering exist mill	Daisy	new mill	transport	Spanish	Golden	new ore
	90 lbs upgrade exist mill	Geo Daisy	area	new property	Spanish	Golden	new Ore
			operate exist mill				

PRELIMINARY PHASE CHART "LITTLE DAISY PROPERTY" (REQUESTED)

CONTRACTS		acquire new property		Eng/Geo	Eng Spanish	Eng Golden	ENGINEERING
ENGINEERING EXIST MILL	ENGINEERING DAISY MINE	ENGINEERING NEW/DOOTPD MILL	Eng/Geo Exist	Eng/Geo Spanish	Eng/Geo Golden	ENGINEERING New Ore Source	
	GEOLOGICAL DAISY & DUMPS	GEOLOGICAL AREA	GEOLOGICAL AREA	Geo Spanish	Geo Golden	GEOLOGICAL New Ore Source	
① OPEN DAISY EXPLORATION	X	① REHABILITATE DAISY MINE	MINE DAISY	X	X	X	X
		OPEN SPANISH EXPLORATION	① OPEN SPANISH EXPLORATION	X	① Rehab Spanish	min Spanish	X
			① OPEN GOLDEN EXPLORATION	X	① Rehab Golden	min Golden	X
UPGRADE EXIST MILL	X	OPERATE EXIST MILL	X	X	X	X	X
① LIVING QTR'S UTILITIES	① LIVING QTR'S UTILITIES	TAILINGS POND	crushing & conveyor system	new mill site work	mill construction	smelter construction	operate
		COMPLETE LEACH PLANT	OPERATE LEACHING PLANT	X	X	X	X