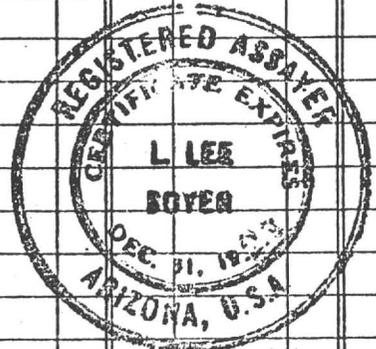


**VALLEY ASSAY OFFICE  
AND ORE TESTING LABORATORY  
MEMORANDUM OF ASSAY**

Made for H. R. Norman

Tempe, Arizona.....Jan. 20....., 1972..

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.		\$	Cts.
OZS.	100's	\$	Cts.	OZS.	100's	\$	Cts.	%	\$	Cts.	%	\$	Cts.	%	\$	Cts.	\$	Cts.	
1-Cons.	84.	22																	
REMARKS:	Copper is also present.																		



NO. ....

BY [Signature]  
Registered Assayer.

CHARGE \$ 3.50 PL

72B

# 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 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

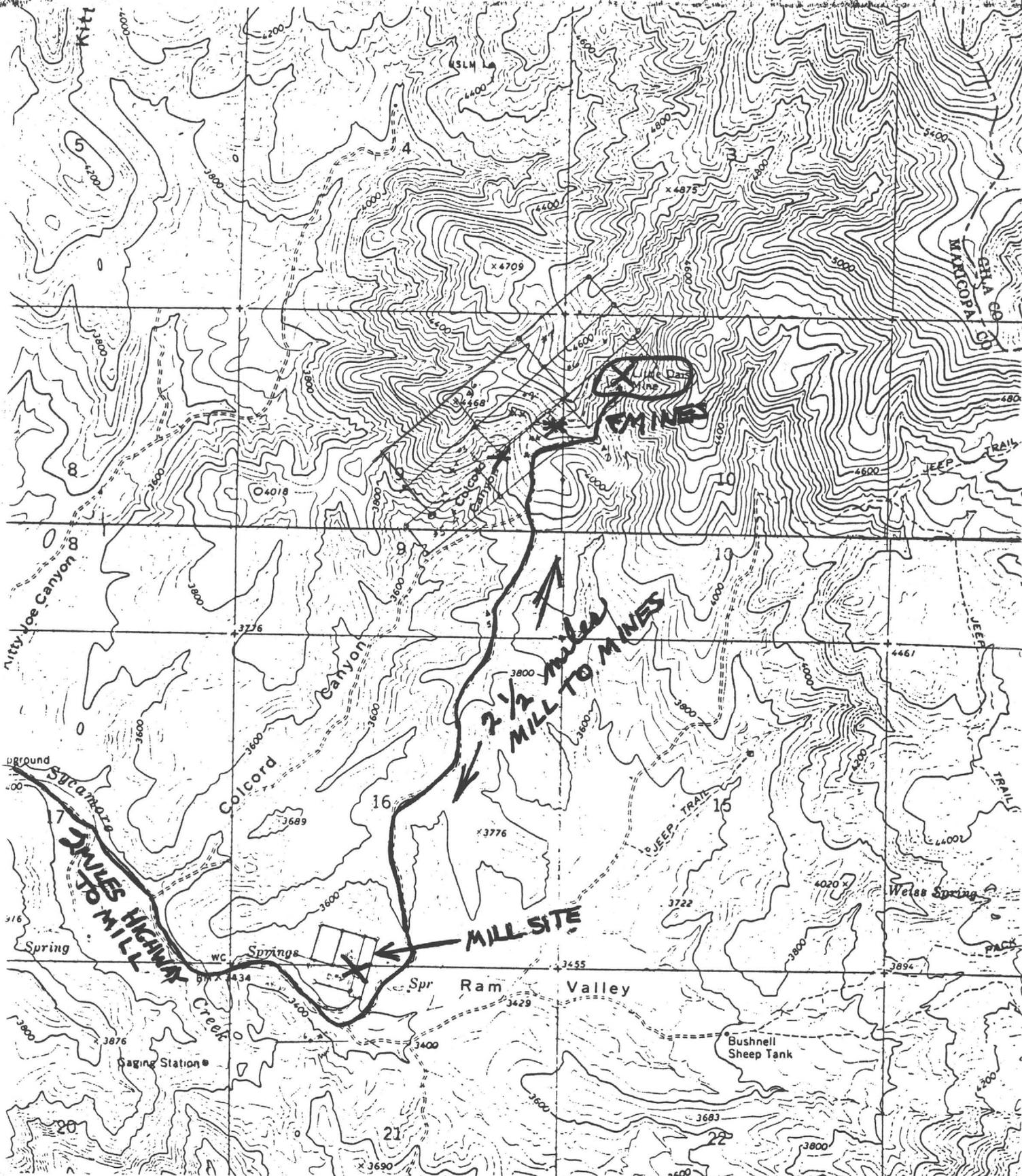
SUNFLOWER DISTRICT

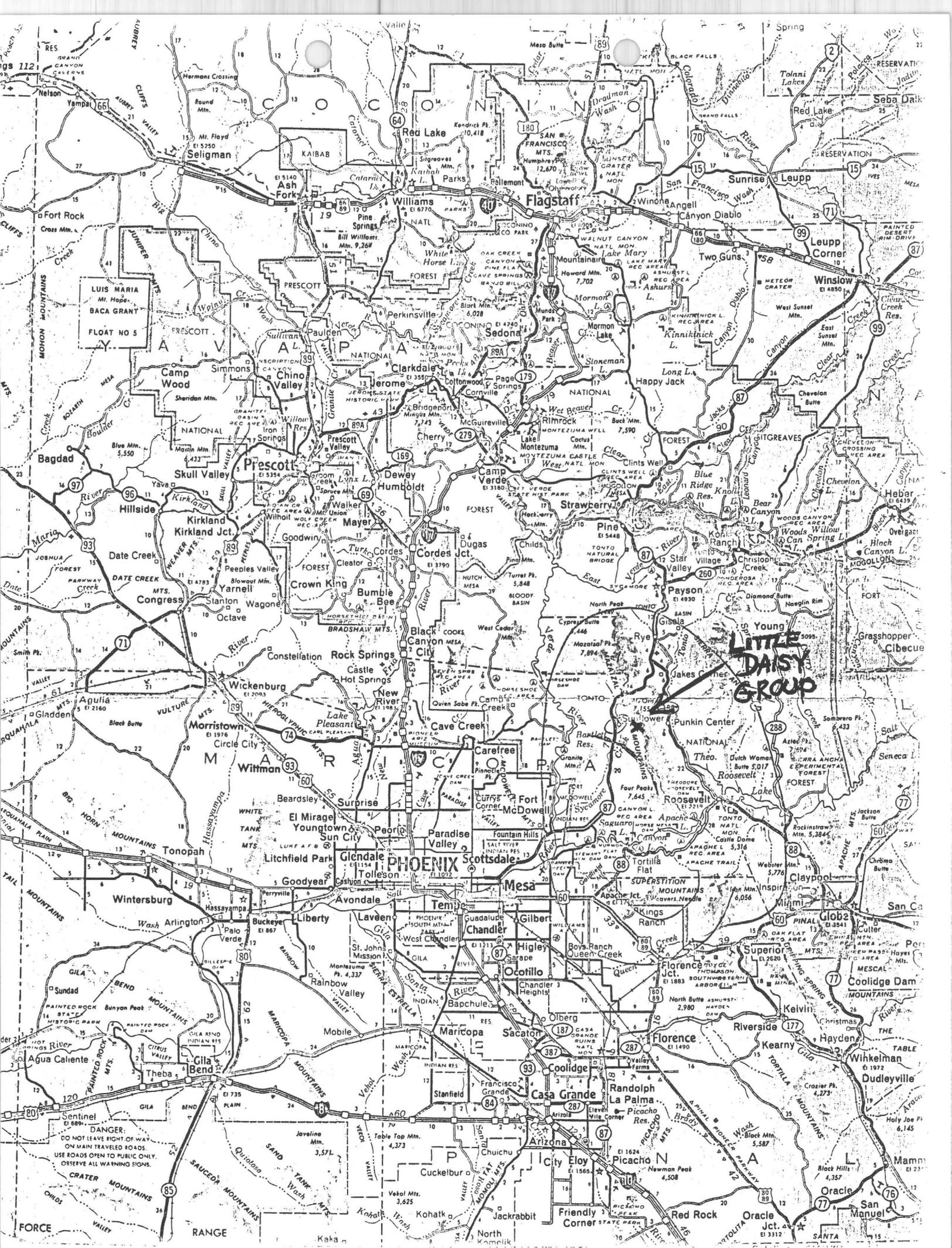
TONTO NATIONAL FOREST

MARICOPA COUNTY

ARIZONA

↑  
MOUNT ORD





**LITTLE DAISY GROUP**

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

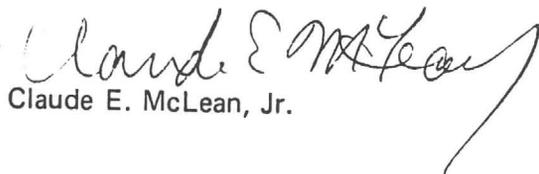
Submitted by: same

## 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.



# 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  
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



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 THE CONTENTS 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 bottle-necks. 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 metamorphored 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.

	<u>FIRST LINE TABLE CONCENTRATES</u>	<u>SECOND LINE TABLE CONCENTRATES</u>	<u>TABLE MIDLINGS</u>
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 <sub>2</sub> (%)	27.2	68.0	74
Iron (%)	20.1	8.9	6.1
CaO (%)	1.0	1.2	1.1
Al <sub>2</sub> O <sub>3</sub> (%)	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, out-crops 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  
FOR REPRESENTATION AS TO THE ACCURACY 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. 3, 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 <sup>north</sup> 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

DEPT. MINERAL RESOURCES  
**RECEIVED**  
JUL 27 1942  
PHOENIX, ARIZONA

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

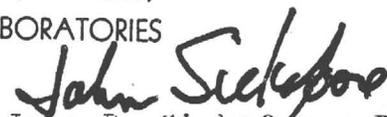
	Gold	Silver
Sandy material in peanut butter jar	7.35 oz/T	1.13 oz/T

Lab Number 15137

Spanish Mine Dump  
 Bottom 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 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	

RECORDED  
INDEXED

OCT 17 1985

733 A  
PHOTO COPY

(Continued)

<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 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 \_\_\_\_\_

When recorded mail to:  
**D. K. MARTIN & ASSOC.**  
 4728 NO. 21st AVENUE  
 PHOENIX, ARIZONA 85013

Witness my hand and official seal  
 By \_\_\_\_\_  
 Deputy Recorder

RECORDED  
 SEP 30 '85 - 11 15  
 KEITH  
 County Recorder  
 FEE 5.00

Fee No.:  
**AFF LABOR (AL)**  
 OFFICIAL RECORDS  
 COUNTY, ARIZONA  
 Fee: \$ **3** L.U.

## 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

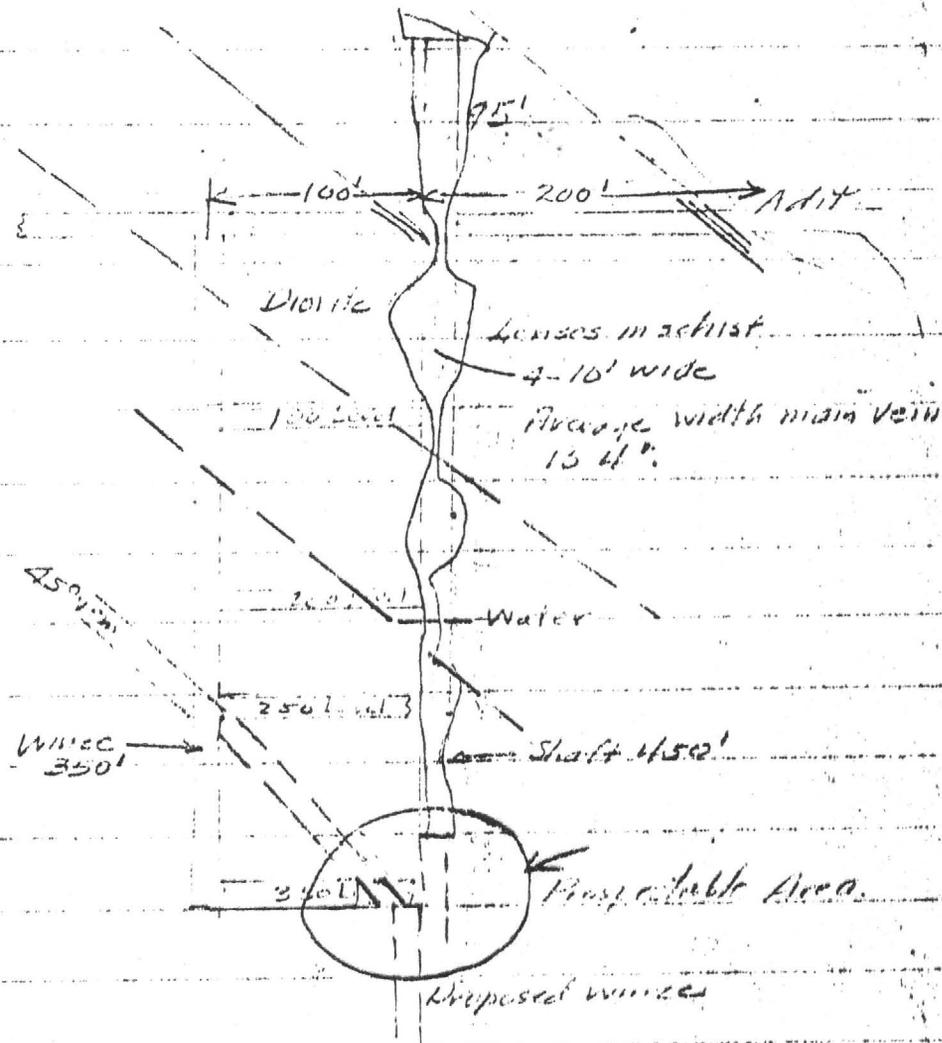
Dated September 5, 1985 \_\_\_\_\_  
 Signature

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  
 \_\_\_\_\_  
 Notary Public

RECEIVED  
 BLM AZ STATE OFFICE  
 OCT 21 1985  
 7:45 A.M.  
 PHOENIX, ARIZONA

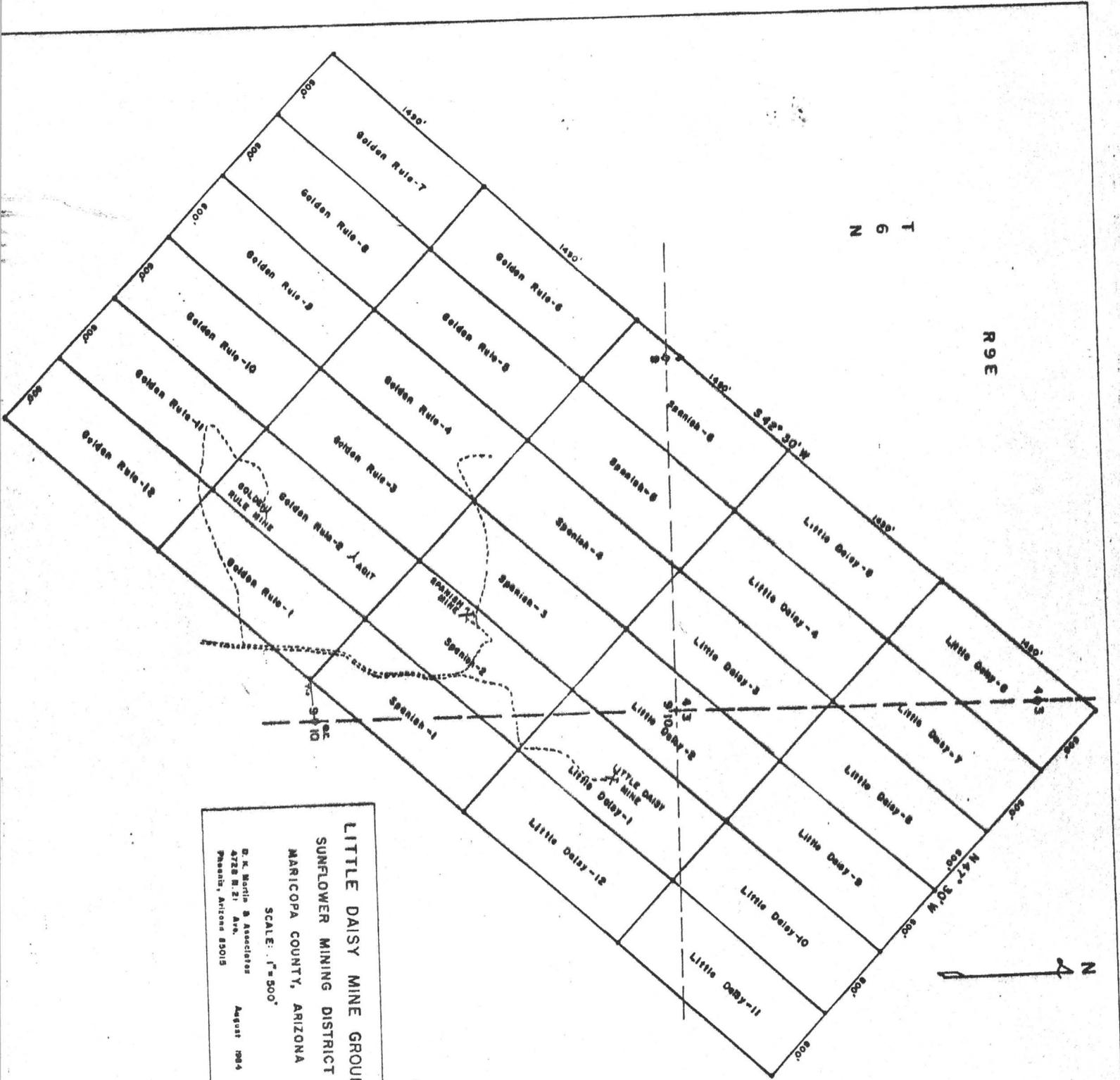
Little Daisy  
N-S Cross Section



1940

T  
6  
N

R 9 E



**LITTLE DAISY MINE GROUP**  
**SUNFLOWER MINING DISTRICT**  
**MARICOPA COUNTY, ARIZONA**

SCALE: 1" = 500'

D. K. Morris & Associates  
 4728 N. 121<sup>st</sup> Ave.  
 Phoenix, Arizona 85015

August 1984

N  
R9E

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6  
N

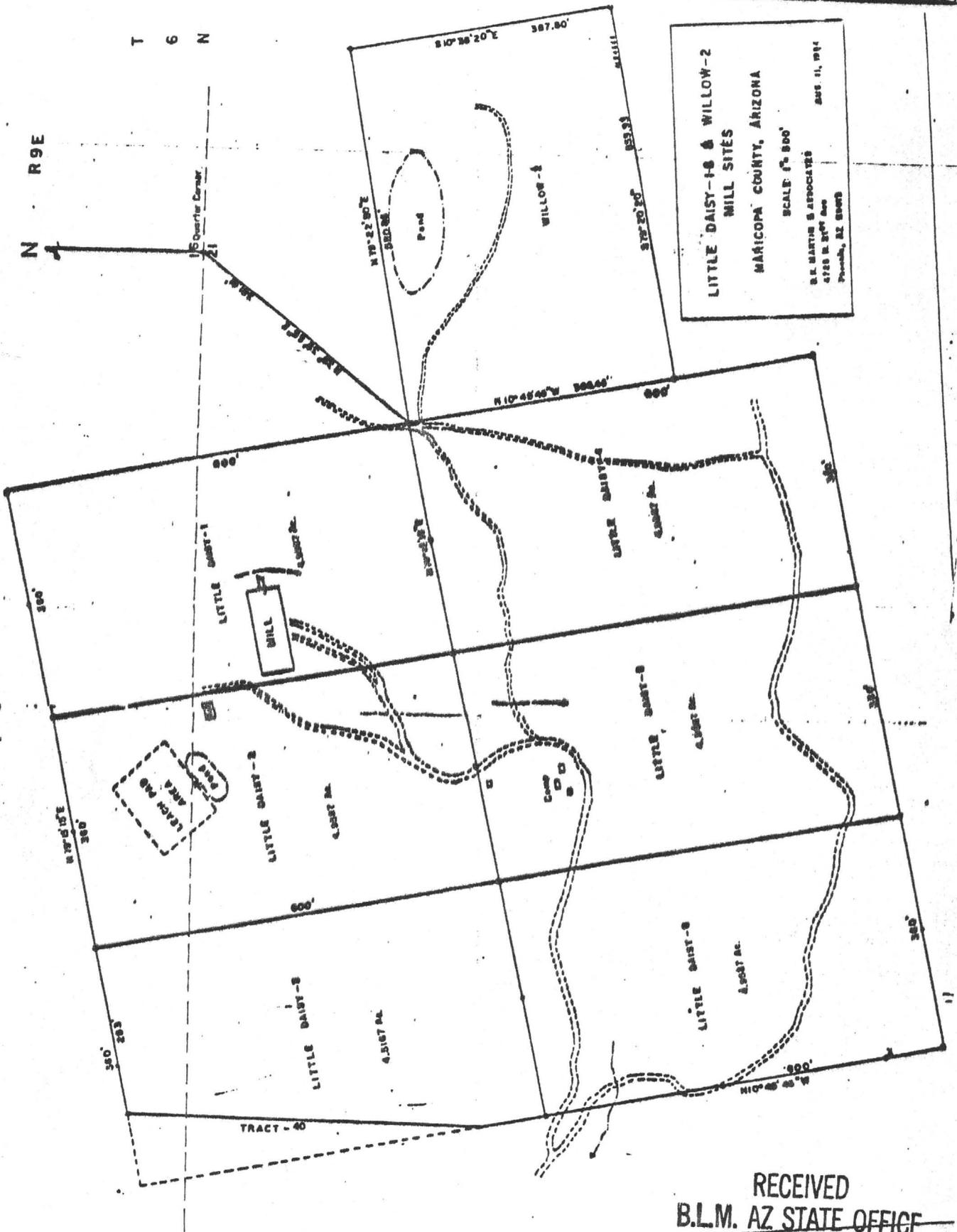
Quarter Corner  
21

LITTLE DAISY-18 & WILLOW-2  
MILL SITES  
MARICOPA COUNTY, ARIZONA

SCALE 1" = 500'

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

Wally <sup>knott</sup> 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.

Ann  
Note  
CN Opn.

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 <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	Pb	Zn
200	LITTLE DAISY From Ore Bin	0.05	0.10	0.08			0.0	0.2
210	" " " " "	0.10	0.80	1.02	X		0.2	0.2
220	" " " " "	0.05	0.05	0.02			0.0	0.2
221	" " Above Ore Bin Gen Sample - Drift Backs	0.05	0.10	0.03			0.0	0.2
222	" " Waste Dump	0.05	0.05	0.01			0.0	0.1
223	" " Adit 2' Vein	0.05	0.05	0.01			0.0	0.1
224	" " Workings above Daisy 10' wide	0.05	0.20	0.03			0.0	0.1
225	" " " " Below adit	0.05	0.15	0.05			0.0	0.2
226	SPANISH MINE Gen Dump Shaft Below cavity	0.10	0.05	0.10	78.6	6.6	0.0	0.2
227	" " Dump Sample of Workings	0.05	0.10	0.005	77.8	7.5	0.0	0.1
228	" " Drz Outcrop NE @ 45° to Vein	0.05	0.05	0.01	82.6	1.9	0.0	0.1
229	GOLDEN PALE Dump	0.05	0.20	0.03			0.0	0.1
230	LITTLE DAISY Mill shaft 15' shaft	0.05	0.10	0.02			0.0	0.1
231	LITTLE DAISY Mill shaft 10' shaft	0.05	0.20	0.05			0.0	0.1
232	LITTLE DAISY Mine " " 50-75'	0.05	0.05	0.02			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
920	LITTLE DAISY MINE HI Drift	—	0.20	0.13	
921	SPANISH MINE W of Cave Back of Drift	0.10	0.10	0.02	
922	SPANISH MINE 10' West of Vent shaft	0.20	0.50	0.15	✓
923	" " Rest of Vein 1'±	0.10	0.20	0.06	2.3
924	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  
233 1/2 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.		Percent	
		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, out-crops 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.

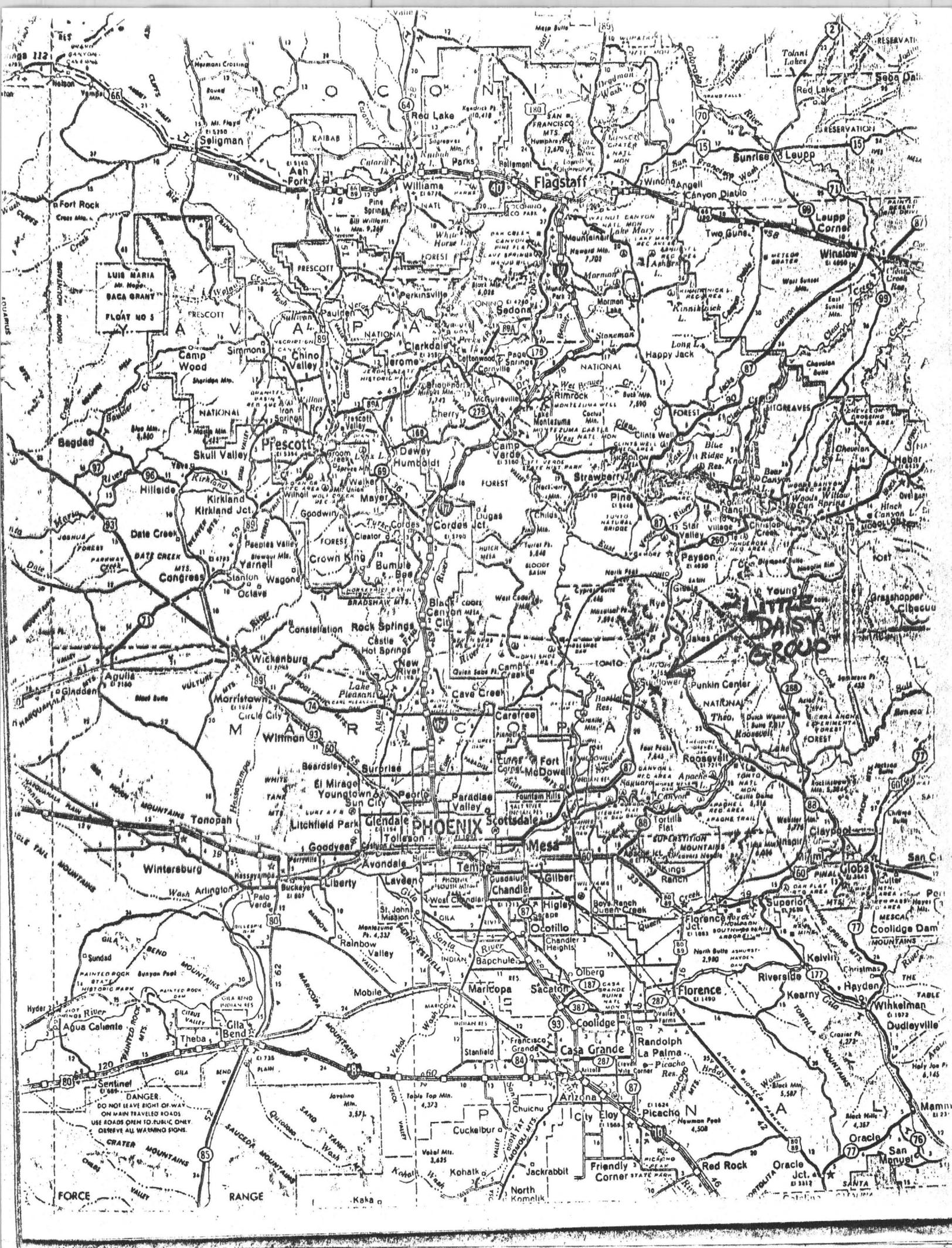
The head run 0.40 Au, 0.80 Ag, 1.5 Pb to as high as 1.2 Au, 4.0 Ag, 11% Pb and from assay reports average in the somewhere between 0.7 Au and 1.0 Au. The concentrates run between 20 and 50 Tr. oz. of gold per ton and the tails from .01 oz. to .06 oz. Au. with an average near 0.02. The heads, cons., tails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



LUIS MARIA  
M. N. HOPE  
DACA GRANT  
FLOAT NO 3

LITTLE  
DAISY  
GROUP

DANGER  
DO NOT LEAVE SIGHT OF WAY  
ON MAIN TRAVELED ROADS  
USE ROADS OPEN TO PUBLIC ONLY  
OBEY 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

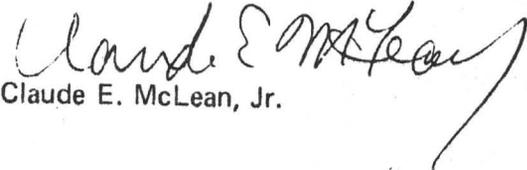
Submitted by: same

## 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.



MAGMA COPPER COMPANY

Superior Division

ASSAY CERTIFICATE 'A'

DATE \_\_\_\_\_ 19\_\_

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb	% Zn	% Fe
		0.30	13.00	0.42	2.9	0.10	7.8
			67.50	45.34			

MAGMA COPPER COMPANY

Superior Division

ASSAY CERTIFICATE 'A'

DATE 7/7 19 28

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb	% Zn
	LITTLE DANCY ST. 1000	0.35	7.50	5.82	1.1	0.2
		7# RT.			22# PT	4# PT

MAGMA COPPER COMPANY

Superior Division

ASSAY CERTIFICATE 'A'

DATE 6/15 19 28

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb
1	SPANISH ORE - FINE 1/2" AND UNDER		1.60	0.14	0.50
2	SPANISH FINES - 1 <sup>ST</sup> LINE	1.60	9.70	5.70	19.40
3	SPANISH FINES - 2 <sup>ND</sup> LINE	0.50	7.40	0.38	5.70
4	DANCY - 2 <sup>ND</sup> LINE 2000 - RE-GRIND MIDD		0.90	0.24	0.60

*10 samples returned  
rechecked & started*

*S. M. Kelly*  
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

Silver

7.35 oz/T

1.13 oz/T

Lab Number 15137

Spanish Mine Dump  
Bottom edge

75 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	nil				
	Daisy-inside and around	0.07	trace				
	Little Daisy - sulfide ore	26.	8.5				
	Little Daisy - 1st line Conc.	38.	29.				

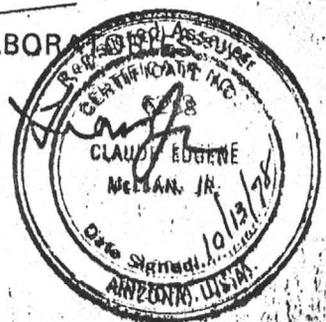
Lab Number: 10/13/78 8138

Little Daisy - Sulfide Ore

Dump material  
Selective sample  
Pyrite material

*Claude E. McLean, Jr.*

Claude E. McLean, Jr.





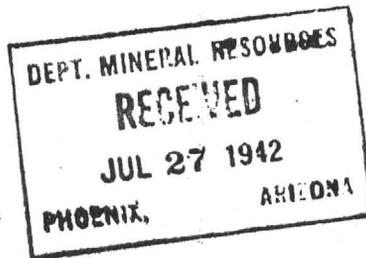


DEPARTMENT OF MINERAL RESOURCES  
MAINTAINING THE ACCURACY  
OF THE CONTENTS OF THESE DOCUMENTS.

SURVEY OF OPERATING MINES

July 25, 1942

By: FRED H. PERKINS



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.

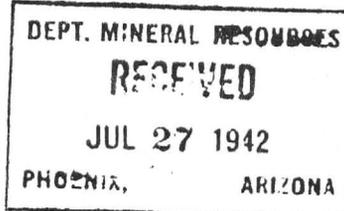
W

SURVEY OF OPERATING MINES

July 25, 1942

By: Fred H. Perkins

LITTLE DAISY MINE



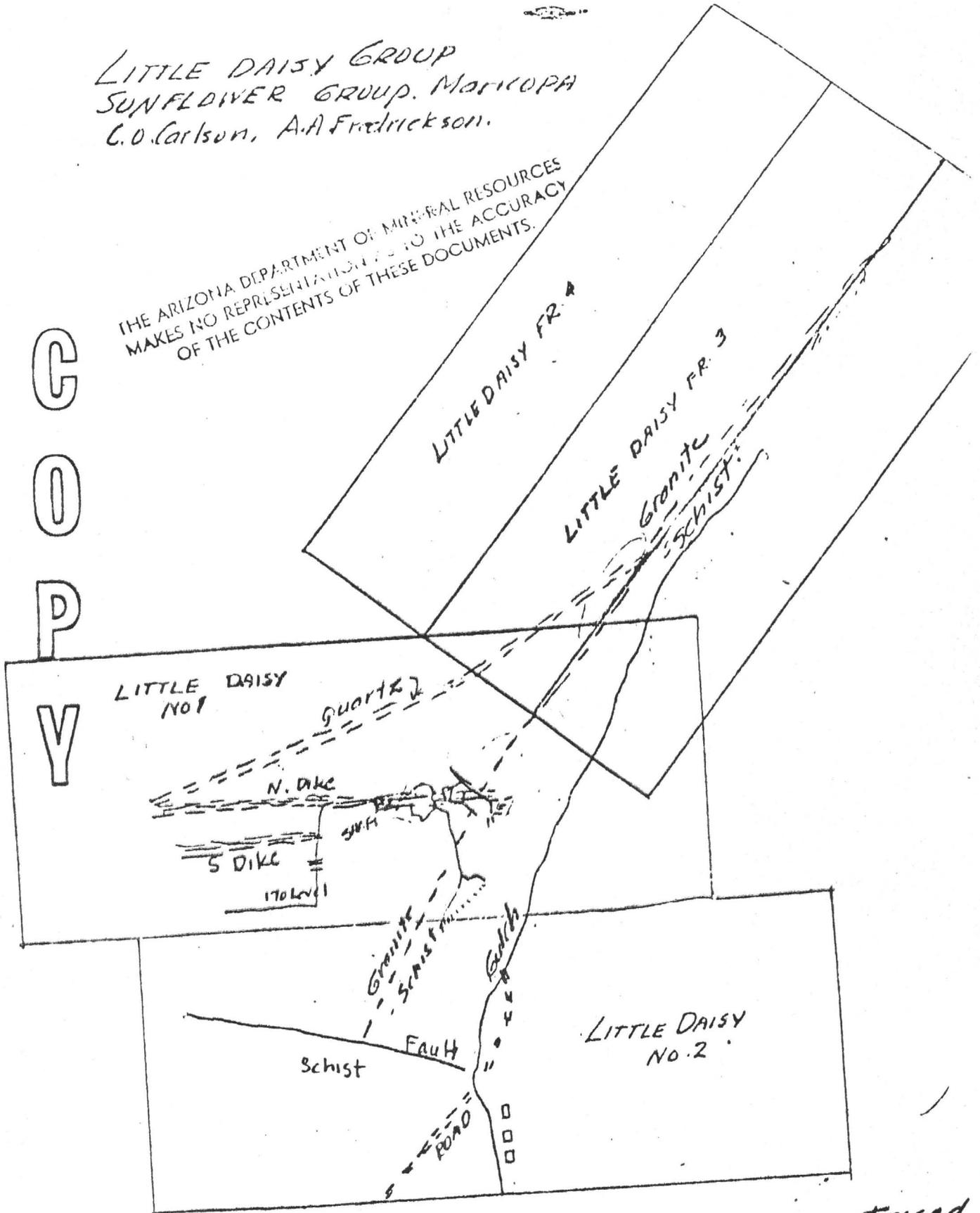
Problems:

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. 3, 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 re-opened 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

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 FIELD ENGINEERS REPORT

MAKES NO REPRESENTATION AS TO THE ACCURACY

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 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 REPORT

THE GREAT  
MARIETTA

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, PLATINUM		SILVER		PER LB. AT							
	AT	100%	AT	100%	OZS.	CTG.	OZS.	CTG.	OZS.	CTG.	OZS.	CTG.
1-Cons.	84.	22										
REMARKS:	Copper is also present.											



BY *[Signature]* Registered Assayer.

NO. \_\_\_\_\_  
 CHARGE \$ 3.50 *PA*  
*J.F.B.*

Nov 17 " 39

Ore being sampled from (E and) 0.20  
8.16 5.60

Ore across drift 75' East from drift <sup>270' level</sup> 2.36 82.6

4" quartz on hanging wall 0.04 1.5

Drift. set on South vein side

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

Rhyolite S.E. of South vein Trace  
(next to hanging wall)

gold	val 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
16.54	336.80	between shaft & water bank.
5.58	111.60	Re 2 sand bars from gibson concentrate
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	Ch	By	#	Gross	
1935	Apr.	24.33	1.87	.80		1663 <sup>00</sup>	
"	Oct	18.8	.85	1.15		466 <sup>00</sup>	or
"	Dec.	22.0	.96	.95		603 <sup>00</sup>	"
"	Nov	32.0	.34	.70		243 <sup>00</sup>	"
"	Oct	20.0	1.16	1.5		685 <sup>00</sup>	"
1936	Jan	40	1.54	.6		1881 <sup>00</sup>	"
"	Aug	26	1.87	.8		1.414 <sup>00</sup>	"
"	Aug	32	1.38	.4		1.305 <sup>00</sup>	"
"	June	35	.66	.5		625 <sup>00</sup>	"
"	Dec	31	.97	.8		1029 <sup>00</sup>	"
"	Dec	25	.59	.8		392 <sup>00</sup>	"
1937	Sept	31	.96	.8		1000 <sup>00</sup>	"
"	March	35	.79	.8		982 <sup>00</sup>	"
1941	June	43	1.52	2.0		2114 <sup>00</sup>	Consent
1939	April		34.22			825 <sup>00</sup>	Bullion
"	May		11.48			1.038 <sup>00</sup>	"
"	March	9.3	2.45	3.45		683 <sup>00</sup>	Cover
<hr/>							

# 16.748



## 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	

RECORDED  
AT THE MARICOPA COUNTY

OCT 17 1985

735  
PHOTOGRAPHY

(Continued)

<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

PERMITS DIV

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)**

RECORDED IN OFFICIAL RECORDS  
 SEP 30 1985 - 11 15  
 COUNTY, ARIZONA  
 County Recorder  
 Fee: \$ 3 L.U.  
 Deputy Recorder

When recorded mail to:  
**D. K. MARTIN & ASSOC.**  
 4728 NO. 21st AVENUE  
 PHOENIX, ARIZONA 85013

Witness my hand and official seal  
 By \_\_\_\_\_

# AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK

State of Arizona } ss. AMC# 17136 Through 17143  
 County of MARICOPA } 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  
 the County Recorder of that County in Book \_\_\_\_\_, Page \_\_\_\_\_ (See Exhibit A)  
 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 \_\_\_\_\_  
 Signature  
LW Dickson

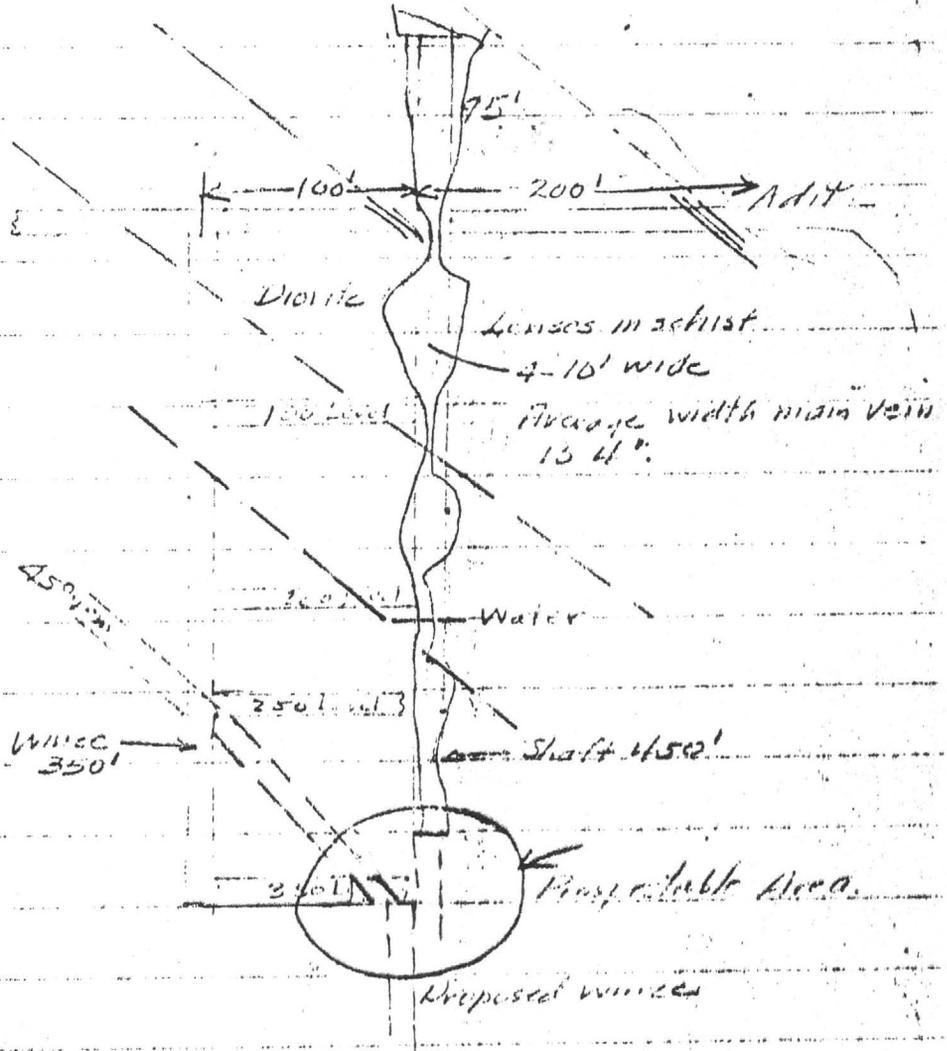
Subscribed to and sworn before me, a Notary Public, this 5th day of September  
 19 85, by \_\_\_\_\_

My Commission expires My Commission Expires Jan. 22, 1987  
 Notary Public  
Stephen K. Martin

RECEIVED  
 81 M AZ STATE OFFICE  
 OCT 21 1985  
 7:45 A.M.  
 PHOENIX, ARIZONA

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

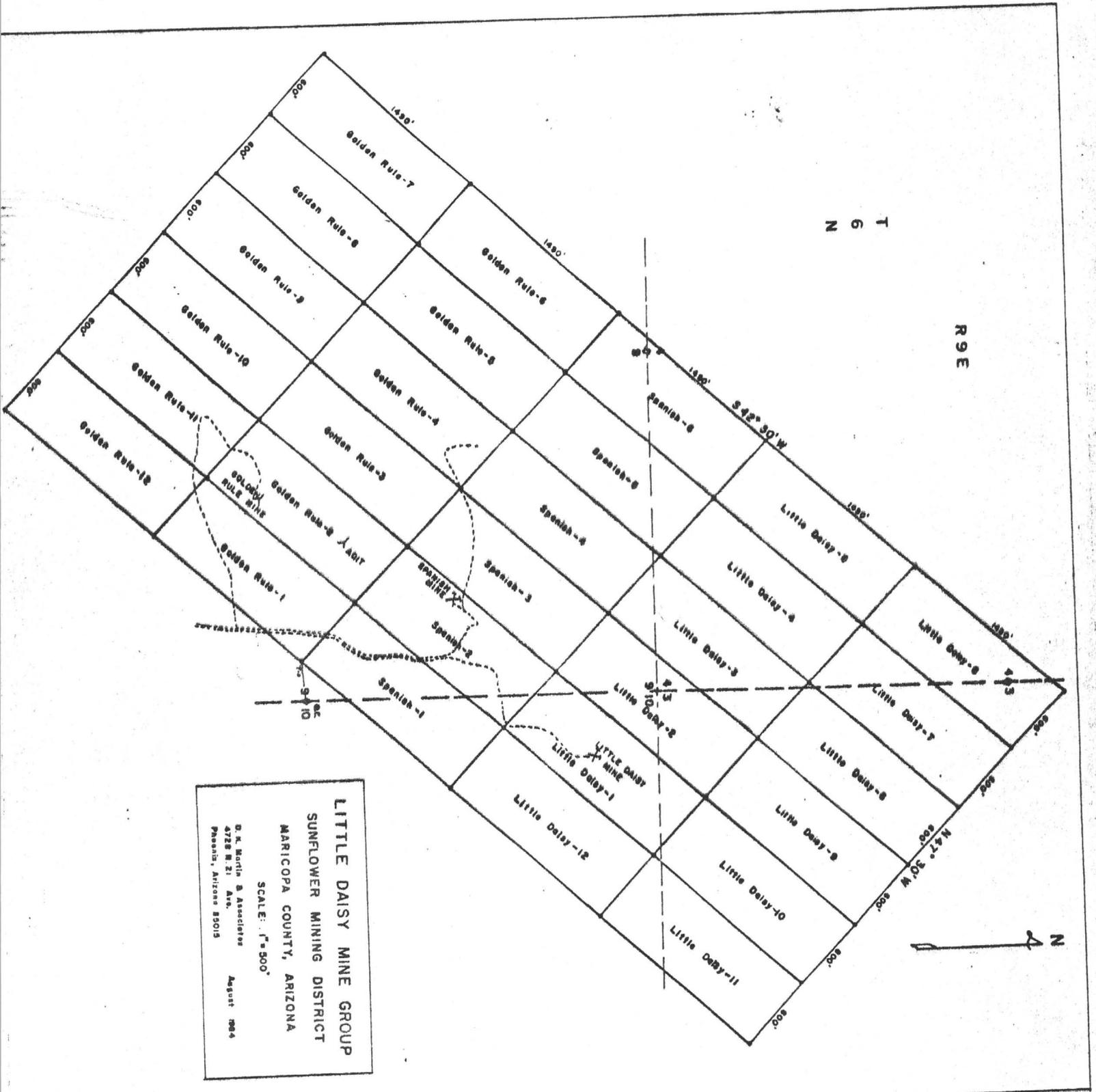
Little Daisy  
N-S Cross Section



1940

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**LITTLE DAISY MINE GROUP**  
**SUNFLOWER MINING DISTRICT**  
**MARICOPA COUNTY, ARIZONA**  
 SCALE: 1"=500'  
 D. K. Martin & Associates August 1984  
 4728 N. 21<sup>st</sup> Ave.  
 Phoenix, Arizona 85018



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 <sup>knott</sup> 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 19 78

F. FLORES

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	SIC	AL OZ.	Pb	ZN
910	LITTLE DAISY From ore Bin	0.05	0.10	0.08			0.0	0.2
911	" " " " "	0.10	0.80	1.02	X		0.2	0.2
912	" " " " "	0.05	0.05	0.02			0.0	0.2
921	above ore Bin Gen Sample - Diff Backs	0.05	0.10	0.03			0.0	0.2
922	Waste Dump	0.05	0.05	0.01			0.0	0.1
923	Adit 2' vein	0.05	0.05	0.01			0.0	0.1
924	10' wide Workings above Daisy	0.05	0.20	0.03			0.0	0.1
925	11' Below surface	0.05	0.15	0.05			0.0	0.2
926	SPANISH MINE Gen Dump Shaft Below Labove cavity	0.05	0.05	0.10	78.6	6.6	0.0	0.2
927	" " Dump Sample of 1.1 unit	0.05	0.10	0.005	77.8	7.1	0.0	0.1
928	" " 1/2 Outer part of vein	0.05	0.05	0.01	82.6	1.9	0.0	0.1
929	GOLDEN PALE Dump	0.05	0.20	0.02			0.0	0.1
930	LITTLE DAISY mill shuffler 15' test	0.05	0.10	0.02			0.0	0.1
931	LITTLE DAISY mill shuffler 10' test	0.05	0.20	0.05			0.0	0.1
932	LITTLE DAISY MINE " " 50-75'	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 19 78

FRANK FLORES

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb
920	LITTLE DAISY MINE HI drift	—	0.20	0.13	
921	SPANISH MINE W of Cave Back of Drift	0.10	0.10	0.02	
922	SPANISH MINE 10' west of Vent shaft	0.20	0.50	0.15	✓
923	SPANISH MINE Rest of vein 4'±	0.10	0.20	0.06	0.3
924	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.



LUIS MARIA  
M. HOGAN  
SAGA GRANT  
FLOAT NO 5

LITTLE  
DAISY  
GROUP

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

FORCE RANGE



# 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

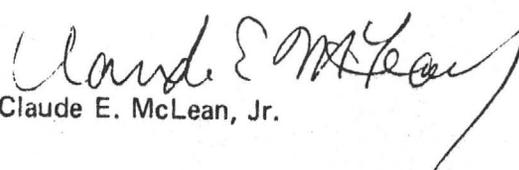
Submitted by: same

## 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.



MAGMA COPPER COMPANY  
Superior Division

ASSAY CERTIFICATE 'A'

DATE \_\_\_\_\_ 19\_\_

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb	% Zn	% Fe
		0.30	13.00	0.42	2.9	0.10	7.8
			67.50	45.34			

MAGMA COPPER COMPANY  
Superior Division

ASSAY CERTIFICATE 'A'

DATE 7/7 19 78

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb	% Zn
	Little Daisy Sp. 1000	0.35	7.50	5.82	1.1	0.2
		7 <sup>#</sup> RT.			22 <sup>#</sup> RT	4 <sup>#</sup> RT

MAGMA COPPER COMPANY  
Superior Division

ASSAY CERTIFICATE 'A'

DATE 6/15 19 78

NO.	LOCATION AND REMARKS	CU %	AG OZ.	AU OZ.	% Pb
1	SPANISH ORC - FINE 1/2" AND UNDER		1.60	0.14	0.50
2	SPANISH FINES - 1 <sup>st</sup> LINE	1.60	9.70	5.70	19.40
3	SPANISH FINES - 2 <sup>nd</sup> LINE	0.50	7.40	0.38	5.70
4	Daisy - 2 <sup>nd</sup> LINE 2000 - RE - 2000 Mids.		0.90	0.24	0.60

*Many returned  
recovered - tallied*

*S. M. Kelly*  
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

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

Lab Number 15137

Spanish Mine Dump  
Bottom edge

75 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.  
PHOENIX, ARIZONA 85021

9236 NORTH 10TH AVE.

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.				

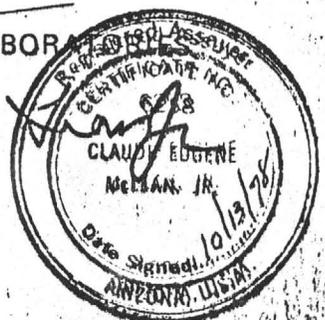
Lab Number: 10/13/78 8138

Little Daisy - Sulfide Ore

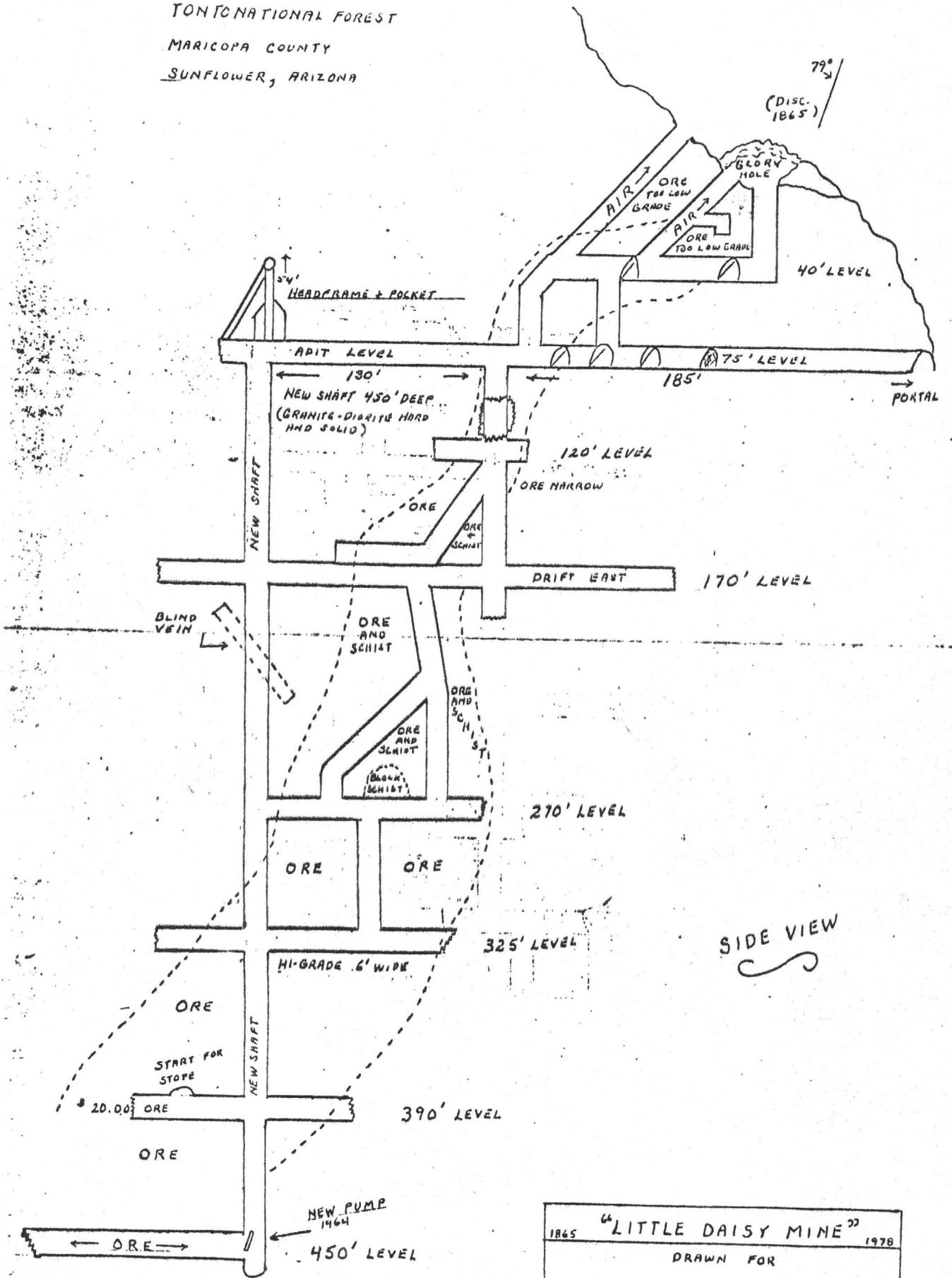
Dump material  
Selective sample  
Pyrite material

*Claude E. McLean, Jr.*

Claude E. McLean, Jr.

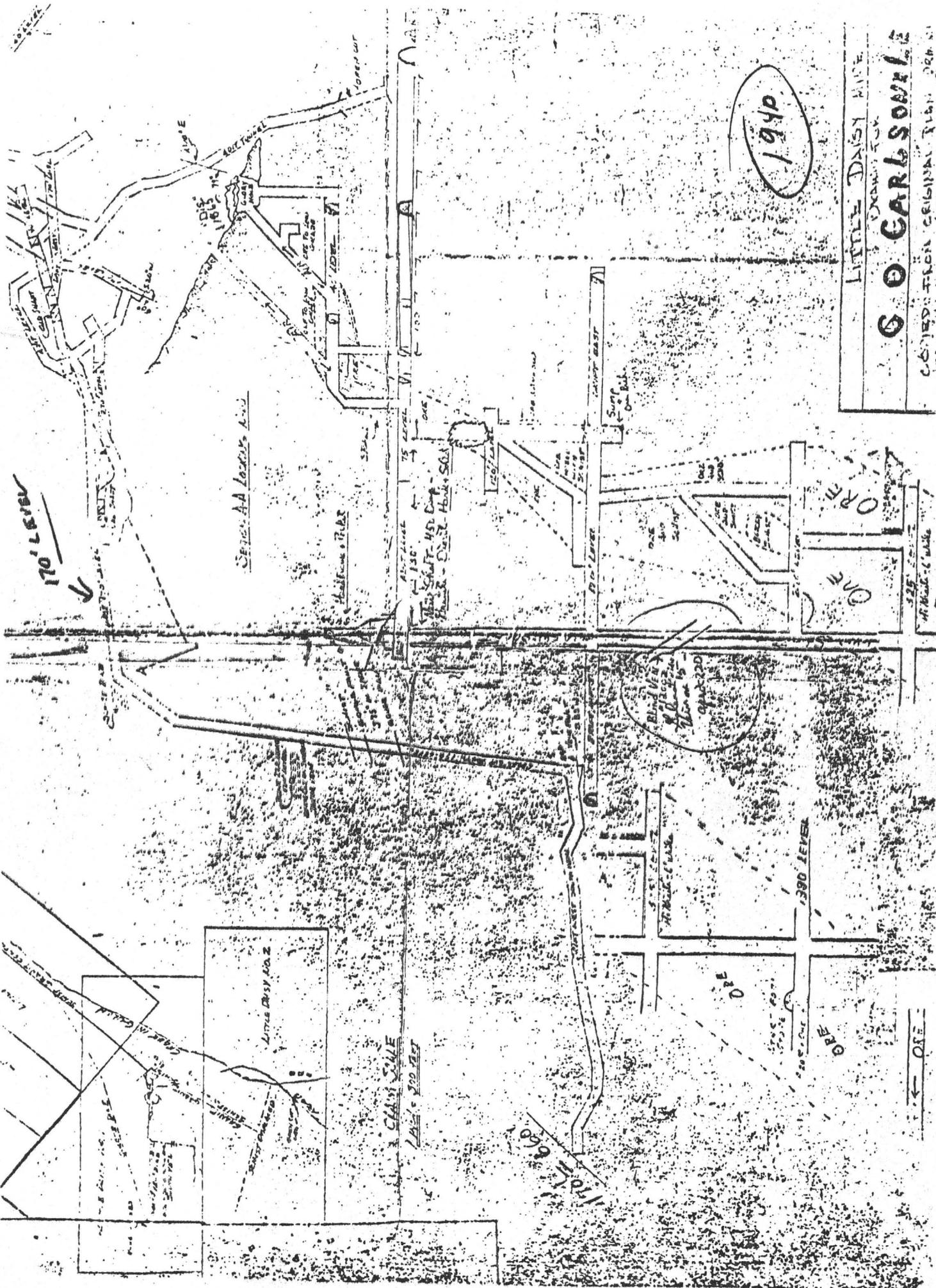


TONTONATIONAL FOREST  
 MARICOPA COUNTY  
 SUNFLOWER, ARIZONA



SIDE VIEW

1865	"LITTLE DAISY MINE"	1978
DRAWN FOR		
COPIED FROM ORIGINAL PLAN DRAWN 1990		



1949

LITTLE DAISY MINE  
 DRAWN BY  
**G O CARLSON**  
 COPIED FROM ORIGINAL FILE

Blind Vein  
 170' level  
 180' level  
 190' level

170' level

190 LEVEL

ONE

ONE

ONE

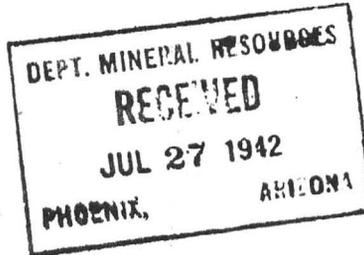
ONE

DEPARTMENT OF MINERAL RESOURCES  
MAINTAINING THE ACCURACY  
OF THE CONTENTS OF THESE DOCUMENTS.

SURVEY OF OPERATING MINES

July 25, 1942

By: FRED H. PERKINS



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 85 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.

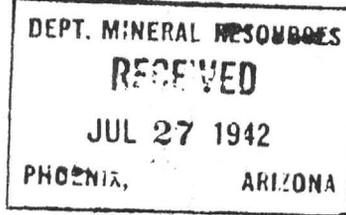
W

SURVEY OF OPERATING MINES

July 25, 1942

By: Fred H. Perkins

LITTLE DAISY MINE



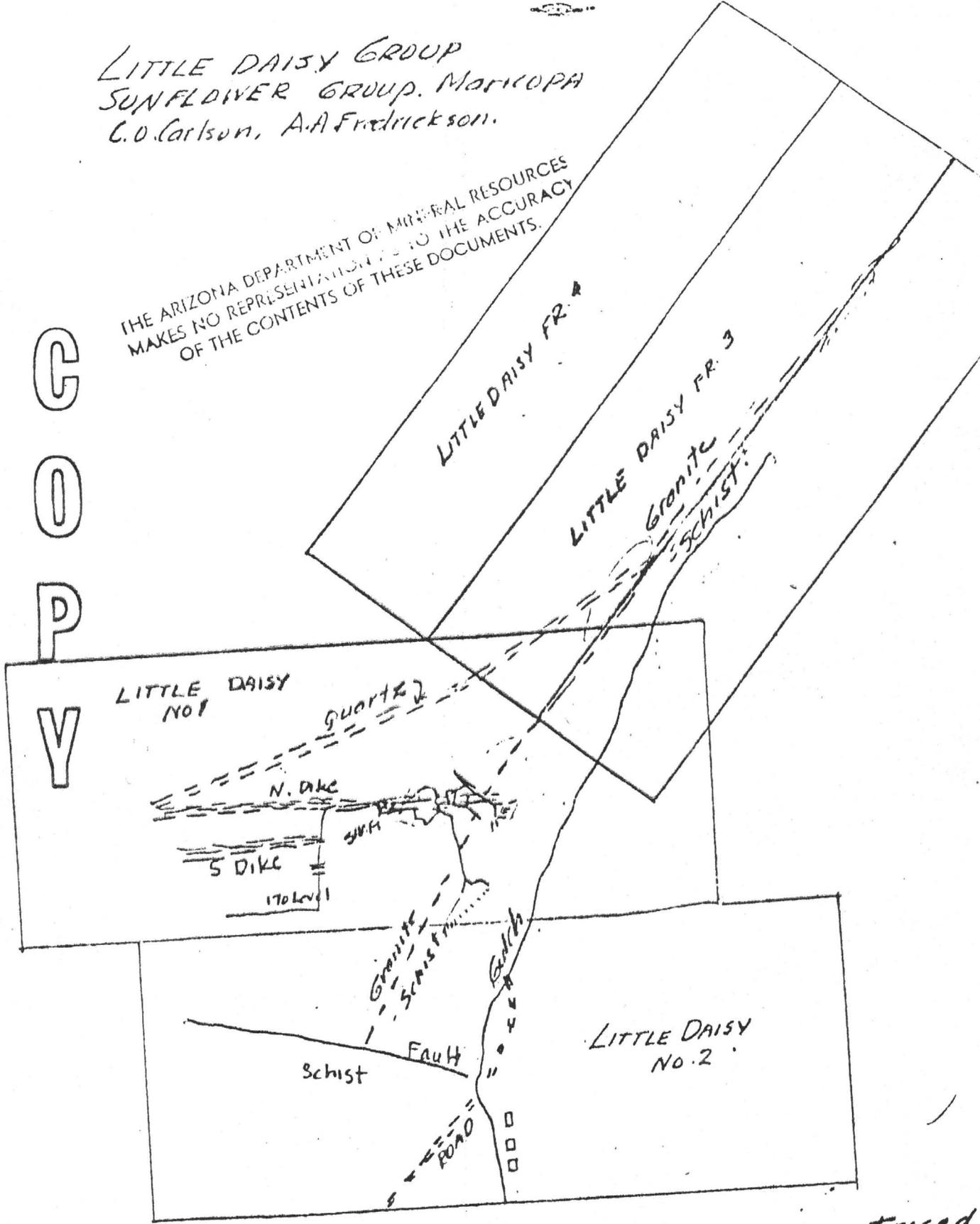
Problems:

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  
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

JUL 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 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 re-opened 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

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 FIELD ENGINEERS REPORT

MAKES NO REPRESENTATION AS TO THE ACCURACY

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 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 REPORT

THE MINERAL  
MARKETING

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

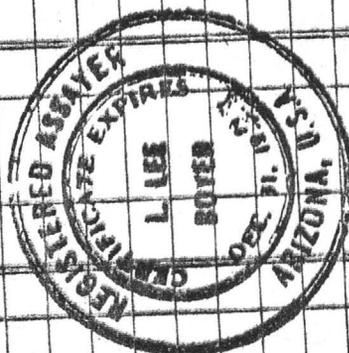
A telephone conversation with C.O. Carlson revealed that he was operating the Little Daisy mine and mill and that he had some good ore (\$25 to \$30). The mill is doing well. He has three men working for him. The ore is coming from the 300 ft. level. A visit to his house was made and it was learned that 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, 1962

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	
	AT	100's	OZS.	100's	PER LB.	AT	PER LB.	AT	PER LB.	AT	
1-Cons.	84	22									
REMARKS:	Copper is also present.										



BY [Signature] Registered Assayer.

NO. 3.50 PA  
J.F.B.

Nov 17 '39

Ore being sampled from (Eand) 0.70  
0.16 \$ 5.60

Ore across drift 75' East from drift <sup>270' level</sup> 7.36 82.6

4" quartz on hanging wall 0.04 1 1/2  
Drift east on South vein 0.00

18" quartz in face South vein 18' in 0.07 0.70

Rhyolite at base South vein Trace  
(next to hanging wall)

gold by	val 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 bars from gibson
		concentrates <span style="float: right;">20' wide</span>
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	Ch	By	#	Gross	
1935	Apr.	29.33	1.87	.80		1663 <sup>00</sup>	
"	Oct	18.8	.85	1.15		466 <sup>00</sup>	over
"	Dec.	22.0	.96	.95		603 <sup>00</sup>	"
"	Nov	32.0	.34	.70		243 <sup>00</sup>	"
"	Oct	20.0	1.16	1.5		685 <sup>00</sup>	"
1936	Jan	40	1.54	.6		1881 <sup>00</sup>	"
"	Aug	26	1.87	.8		1.414 <sup>00</sup>	"
"	Aug	32	1.38	.4		1.305 <sup>00</sup>	"
"	June	35	.66	.5		625 <sup>00</sup>	"
"	Dec	31	.97	.8		1029 <sup>00</sup>	"
"	Dec	25	.59	.8		392 <sup>00</sup>	"
1937	Sept	31	.96	.8		1000 <sup>00</sup>	"
"	March	35	.79	.8		982 <sup>00</sup>	"
1941	June	43	1.52	2.0		2114 <sup>00</sup>	Consent
1939	April		34.22			825 <sup>00</sup>	Bullion
"	May		11.48			1.038 <sup>00</sup>	"
"	March	9.3	2.45	3.45		683 <sup>00</sup>	Cover

# 16.748





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  
 Page Three  
 12/18/82

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  
 Page Two  
 12/18/82

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

**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

98,300

(continued)



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

Walter Knott  
 Page Three  
 12/18/82

**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 & Subsistence	20,400
Smelting Costs	19,600
10% Mine & Mill Development	49,400
Estimated Operating Expenses	<u>\$255,400</u>

**ROUGH CALCULATIONS:**

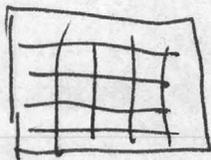
200 TPD @ 28 days/month	= 5,600 tons
Average ore @ 0.25 oz/t	= 1,250 oz. Au
96% Mill Efficiency	= 1,200 oz. Au
98% Smelter Efficiency	= 1,176 oz. Au
Gold @ \$420/oz.	= \$493,920 per month
Less Operating Exp.	<u>(255,400)</u>

**NET PROFIT PER MONTH ESTIMATE** \$238,520

Respectfully Submitted,

(602) 246-9573

*D.K. Martin*  
 D. K. Martin

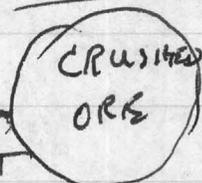
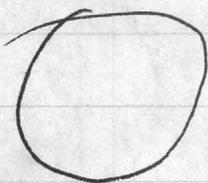


GRIZZLEY

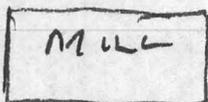


CRUSHER

ELEVATOR



CRUSHED ORS



MILL

8 1/2" ROLLS



MILL

AMALG. PLATES

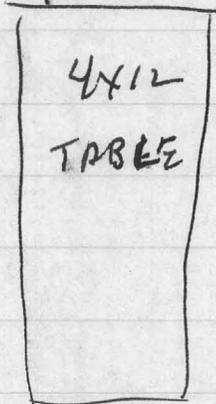
CLASSIFY



JIG



4x8 TABLE



4x12 TABLE



CONS

TAILS



1ST LINE

TAILS

M.I.O.S.



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

Full Operation

ing &  
ing Sys. Work

Mill Site

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

Full Operation

ing &  
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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

LOCATION NOTICE

(Lode)

MIN CLAIM (MC)

A 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):

RECEIVED  
 MAR 28 10 18 AM '80  
 MARICOPA COUNTY  
 RECORDS OFFICE  
 PHOENIX, ARIZONA

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**

When recorded mail to:  
LAWRENCE Lilly  
PO BOX 1583  
MESA Ariz. 85201

Witness my hand and official seal.

**BILL HENRY**

By Jerry Ong  
County Recorder  
Deputy Recorder

**AFF LABOR (AJ)**

Fee: \$ 300

### AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK

State of Arizona }  
County of MARICOPA } ss

MC 57690  
THRU MC 5769A

ack  
updated  
9-22-81

RECEIVED  
OFFICE OF THE  
COUNTY CLERK  
MESA  
DEC 22 11 21 AM '80

Name LAWRENCE W. Lilly  
Address P.O. BOX 1583  
MESA ARIZONA 85201  
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.

- 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 BLASTING
  - ① 10769/954 8/5/74
  - ② 10922/634 11/22/74
  - ③ ✓ 635 ✓
  - ④ ✓ 636 ✓
  - ⑤ ✓ 637 ✓



Dated 25 day of August, 1980, by Lawrence Lilly

My Commission expires



Jerry Ong  
Notary Public

REPORT DATE: DEC 15, 1982  
 STATE: ARIZONA PCN: LT892PP1

0-6  
 UNITED STATES DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

PAGE NO: 9

MERIDIAN: GILA-SALT R.

GEOGRAPHIC INDEX

TOWNSHIP	RANGE	SEC	SUBDV	CTY	DIST	SERIAL NO.	CASE TYPE	CLAIM NAME/NUMBER	CLAIMANT(S)	LEAD FILE	COUNTY BOOK/PAGE	LOCATION DATE	LATEST ASSESS-YR	CASE CLOSED
4 N	9 E	17	NW	13	2	168110	LD	WINABAGO #1	LEWIS W			4/18/1982	0000	
						168111	LD	WINABAGO #2		168110		4/18/1982	0000	
						168112	LD	WINABAGO #3		168110		4/18/1982	0000	
						168113	LD	WINABAGO #4		168110		4/18/1982	0000	
						168114	LD	WINABAGO #5		168110		4/18/1982	0000	
						168115	LD	WINABAGO #6		168110		4/18/1982	0000	
						168116	LD	WINABAGO #7		168110		4/18/1982	0000	
						168117	LD	WINABAGO #8		168110		4/18/1982	0000	
						168118	LD	WINABAGO #9		168110		4/18/1982	0000	
						168119	LD	WINABAGO #10		168110		4/18/1982	0000	
SW						172788	PL	CORONADO #17-24	LEWIS WAYNE LEWIS MAREN LEWIS JAY LEWIS TALMAGE	170786		5/27/1982	0000	
						172789	PL	CORONADO #25-32	LEWIS WAYNE LEWIS MAREN LEWIS JAY LEWIS TALMAGE	170786		5/27/1982	0000	
10 SW						74716	LD	TRUE GRIT #6	LILLY LAWRENCE W	74711	9138,756	12/17/1971	1980	
						74717	LD	TRUE GRIT #7		74711	9138,757	12/17/1971	1980	
NE						172791	PL	CORONADO #41-48	LEWIS WAYNE LEWIS MAREN LEWIS JAY LEWIS TALMAGE	170786		5/27/1982	0000	
						172792	PL	CORONADO #49-56	LEWIS WAYNE LEWIS MAREN LEWIS JAY LEWIS TALMAGE	170786		5/27/1982	0000	
19 N2						74715	LD	TRUE GRIT #5	LILLY LAWRENCE W	74711	9138,755	12/17/1971	1980	
						74716	LD	TRUE GRIT #6		74711	9138,756	12/17/1971	1980	
NE						74721	LD	SHAKE HOLE		74711	8677,285	9/05/1972	1980	
						145109	LD	BARITE 1	GATESH GEORGE GATESH BILL ROMO ADOLPH		5664,1120	11/24/1981	0000	
S2						145110	LD	BARITE 2	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1122	11/24/1981	0000	
						145111	LD	BARITE 3	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1124	11/24/1981	0000	
34 NE						145109	LD	BARITE 1	GATESH GEORGE GATESH BILL ROMO ADOLPH		5664,1120	11/24/1981	0000	
						145110	LD	BARITE 2	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1122	11/24/1981	0000	

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REPORT DATE: DEC 15, 1982  
 STATE: ARIZONA PCN: LT892PP1

P-6  
 UNITED STATES DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

PAGE NO: 630

MERIDIAN: GILA-SALT R.

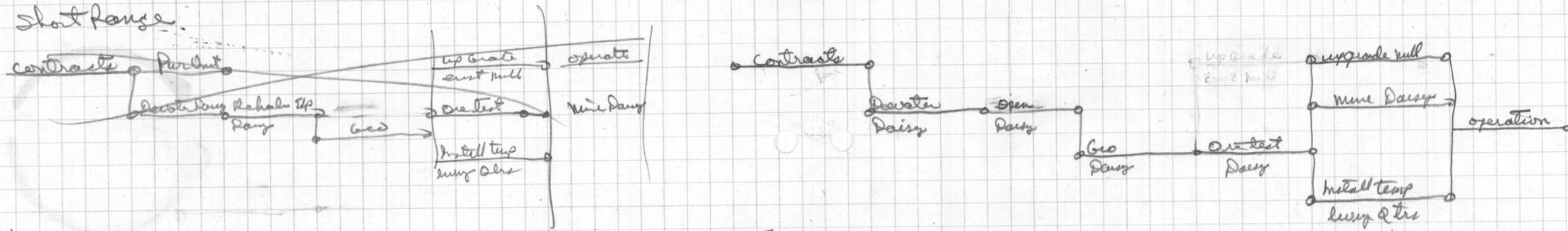
GEOGRAPHIC INDEX

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4 N	9 E	34	N2	13	2	145111	LD	BARITE 3	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1124	11/24/1981	0000						
						145112	LD	BARITE 4	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1126	11/24/1981	0000						
						145113	LD	BARITE 5	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1128	11/24/1981	0000						
						145114	LD	BARITE 6	GATESH GEORGE GATESH BILL ROMO ADOLPH	145109	5664,1130	11/24/1981	0000						
						35 SE						100596	LD	DER AUGUSTUS #1	ROMO ADOLPH PECK RICHARD F		4304,60	3/14/1980	0000
												100597	LD	DER AUGUSTUS #2		100596	4304,63	3/14/1980	0000
						SE						100602	LD	DER AUGUSTUS #7		100596	4304,68	3/14/1980	0000
												100603	LD	DER AUGUSTUS #8		100596	4304,71	3/14/1980	0000
						36 SW						100596	LD	DER AUGUSTUS #1			4304,60	3/14/1980	0000
												100597	LD	DER AUGUSTUS #2		100596	4304,63	3/14/1980	0000
SW						100598	LD	DER AUGUSTUS #3		100596	4304,66	3/14/1980	0000						
						100599	LD	DER AUGUSTUS #4		100596	4304,69	3/14/1980	0000						
SW						100600	LD	DER AUGUSTUS #5		100596	4304,72	3/14/1980	0000						
						100601	LD	DER AUGUSTUS #6		100596	4304,75	3/14/1980	0000						
6 N	9 E	2				142793	LD	CLOUDBURST #1	TAYLOR DAVID BAKER THOMAS		546,758	8/12/1981	0000						
						142794	LD	CLOUDBURST #2	TAYLOR DAVID BAKER THOMAS	142793	546,760	8/12/1981	0000						
						142795	LD	CLOUDBURST #3	TAYLOR DAVID BAKER THOMAS	142793	546,766	8/12/1981	0000						
						142796	LD	CLOUDBURST #4	TAYLOR DAVID BAKER THOMAS	142793	546,768	8/12/1981	0000						
						142797	LD	CLOUDBURST #5	TAYLOR DAVID BAKER THOMAS	142793	546,770	8/12/1981	0000						
						17141	LD	LITTLE DAISY #6	KNOTT WALTER	17136	2565,554	11/25/1977	1981						
						17142	LD	LITTLE DAISY #7		17136	2565,556	11/25/1977	1981						
4 SE						17143	LD	LITTLE DAISY #7		17136	2565,558	11/25/1977	1981						
						57691	LD	HIDSON #1	LILLY LAWRENCE W		0922,634	10/22/1974	1980						
SW						57692	LD	HIDSON #2		57690	0922,634	10/22/1974	1980						
						57693	LD	HIDSON #3		57690	0922,635	10/22/1974	1980						
SE						57694	LD	HIDSON #4		57690	0922,636	10/22/1974	1980						
						57695	LD	HIDSON #5		57690	0922,637	10/22/1974	1980						
8 SW						102052	LD	CAMBRIDGE	TUTCHMELL DANIEL		4288,616	2/07/1980	1982						
						44294	MS	KITTY JOE HILLSITE	CRAMFORD, JESSE W		3652,0800	3/08/1979	1982						
SW						175147	MS	KITTY JOE HILLSITE	CRAMFORD, JESSE		6105,129	6/08/1982	1982						
						175137	LD	LITTLE DAISY #2	KNOTT WALTER	17136	2565,546	11/25/1977	1981						
9 NE						17138	LD	LITTLE DAISY #3		17136	2565,548	11/25/1977	1981						
						17139	LD	LITTLE DAISY #4		17136	2565,550	11/25/1977	1981						

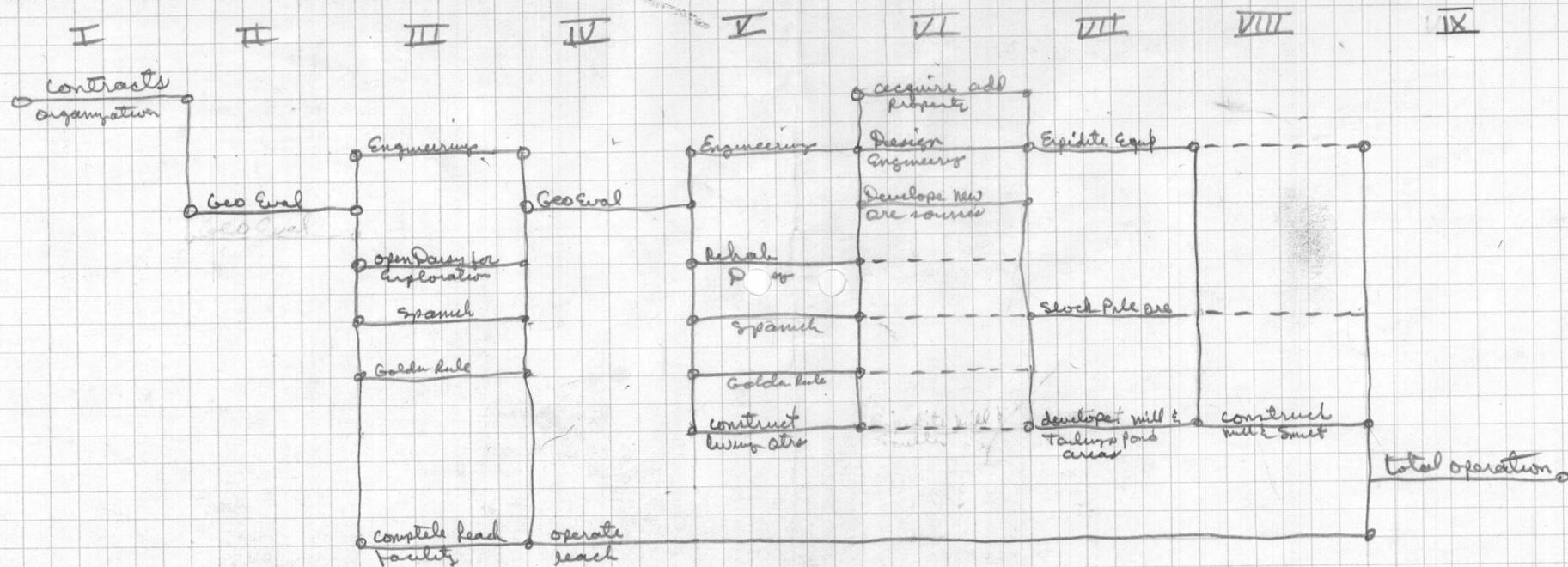
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short range.

400  
500



Eng  
Geo  
Mining  
Leach



Az State Univ  
Bennett College  
Intern Proj -  
Marketing - Analas  
\$400<sup>000</sup>  
Student for Semster  
info  
student credit

1/4 of  
\$35/Ton  
miller  
trout

contracts	6 whrs open Daisy	complete leach 90 days Rehab Daisy	operate leach Mini Daisy	✓			
			open Spanish 30 days	30 days open Golden	90 days Rehab Spanish	Mini Spanish	full operation
	Living QTR Utilities	Tailings pond	Crushing & Grinding System	Mill Site Work	Mill Const	Smelter Const	operate mill
	Engineering Expend Mill	Daisy	New mill	Transport	Spanish	Golden	new ore
90 days upgrade exist mill	Geo Daisy operate exist mill	area	New Property	Spanish	Golden	new Ore	

8  
3  
24

PRELIMINARY PHASE CHART "LITTLE DAISY PROPERTY" (REQUESTED)

CONTRACTS	acquire new property	Eng/ore Treatment	Eng Spanish	Eng Golden	ENGINEERING New Ore Source
<del>ENGINEERING EXIST MILL</del>	<del>ENGINEERING DAISY MINE</del>	<del>ENGINEERING NEW/300TPD MILL</del>	<del>Geological AREA</del>	<del>Geo Spanish</del>	<del>Geological New Ore Source</del>
① OPEN DAISY EXPLORATION	X	① REHABILITATE DAISY MINE	① OPEN SPANISH EXPLORATION	① Rehab Spanish	① Rehab Golden
			① OPEN GOLD EXPLORATION	① Rehab Golden	① Rehab Golden
UPGRADE EXIST MILL	X	OPERATE EXIST MILL	X	X	X
① LIVING QTR UTILITIES	① TAILINGS POND	Crushing & Grinding System	New mill site work	Mill Const	Smelter Const
	① COMPLETE LEACH PLANT	OPERATE LEACHING PLANT	X	X	X
					Develop new mine min. New source