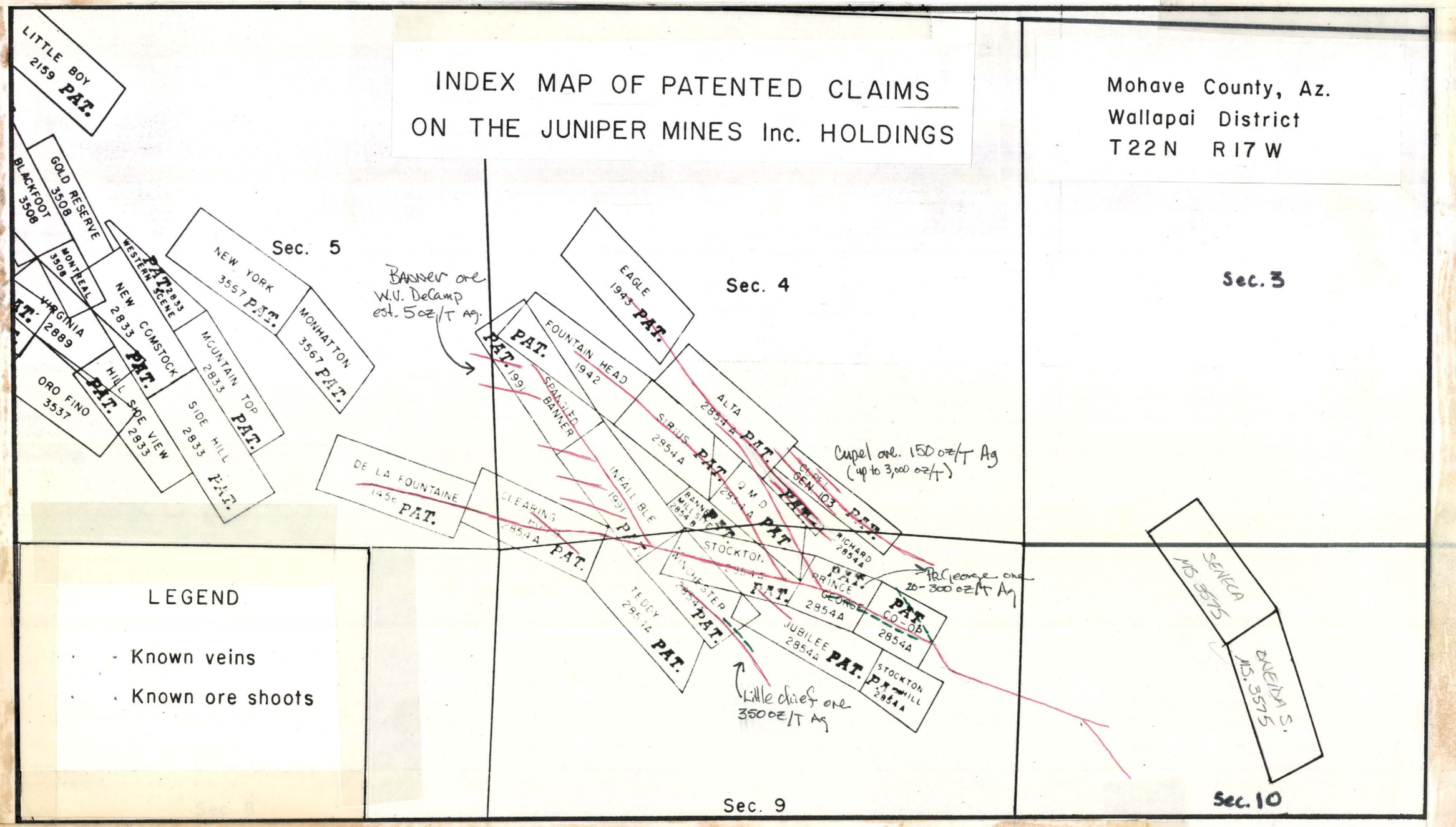
CONTACT INFORMATION
Mining Records Curator
Arizona Geological Survey
416 W. Congress St., Suite 100
Tucson, Arizona 85701
602-771-1601
http://www.azgs.az.gov
inquiries@azgs.az.gov

INDEX MAP OF PATENTED CLAIMS ON THE JUNIPER MINES Inc. HOLDINGS

Mohave County, Az.
Wallapai District
T22N R17W



LEGEND

- Known veins
- Known ore shoots

T. W. ANDERSON
Geological Engineer
P O BOX 3081
SCOTTSDALE, ARIZ.

THE JUNIPER MINE PROJECT

This property is leased by Desert Metals Inc., T. W. Anderson, President and is perported to be a rather high grade Silver mine whose history of production has been verbally given the writer by the owner, a very reliable person. It is comprised of two patented lode mining claims located near and along the N/S center line of the N ½ Sec 10 & S ½ Sec. 3, R 17 W, T-22-N, about 6-7 miles north of Kingman, Arizona in the Cerbat Mining District. A map accompanies this writing for a more accurate and detailed location.

This mine is in the same NW-SE Trend as all the other high grade producers of the past in this area, as shown on the enclosed maps, but on a parallel structure, equal or stronger than the other structure. Surface exposures in at least 10 shallow to deep excavations show a strong vein width of at least 5 feet or more. An ore stock pile of at least 50 tons taken from a very shallow incline 30 to 40 feet long and about 30 feet deep off the north end of this property, assayed trace of gold and 40.35 oz. silver per ton. ("I." on assay report by Jacobs). A 60" width sample on a surface exposure near the present head frame assayed trace of gold and 4.85 oz. silver per ton ("II"). A grab sample from the 50 ton stock pile, all large and solid pieces of ore, assayed .26 oz. gold and 29.5 oz. silver per ton, "III" (approx. 20 pcs); all samples having been taken by this writer, recently.

The most compelling reason for this writer's interest in and leasing of this property was the fact that the owner of these two claims, Mr. Claude Neal, native rancher, had a long time friend-miner who worked on this Juniper Mine over 50 years ago and who had told him of the conditions of the mine at its closing those many years ago, advising him to try to buy the two claims at the earliest opportunity. That opportunity came about thirty years ago and Mr. Neal acquired the claims by cash purchase. Since then and up to 2 or 3 years ago, nothing was done with the claims. At that time Mr. Neal leased the claims to an individual who retimbered the 200 foot shaft to the bottom with a station and sump there and also setting a station at the 100 foot level where mining had been done in the past. At this 100 foot level, the haulage drift along vein has caved and closed the drift completely at or near the shaft. On the 200 foot level at bottom, the haulage and operating drift has caved about 30 or 40 feet back, closing this drift too. It was determined that the ore was running 50 to 70 oz. silver per ton from their sampling and that the water was making about 25 gal./min. in shaft sump, although they never did clean up cavings and get to old ore face at 200' level. Also the cost of and reliability of timbering "off" the cave-ins was being considered when the "Lessee" consumated a foreigh contract in Iran which took precedence over the Juniper Mine lease. He reluctantly gave the lease back to Claude Neal and went to Iran. Shortly after this, several of the mine crew came to Mr. Neal wanting to lease the mine themselves but he decided to keep the claims himself until eventually leasing to Desert Metals Inc. on 7 March 1979.

To further the verbal information, Mr. Neal was informed by the old miner that at the cessation of operation and when he worked there, they were mining a 12 foot face of ore on the 200 foot level, averaging 100 oz. silver per ton. A three to 4 foot section on the foot wall was said to have assayed 350 oz. silver/ton at that time. This writer has found that the surface shafts and excavations have tended to widen with very little depth, seeming to back the info of wider veins at depth. These statements can only be verified by this program.

COST ESTIMATES & FUNDING

The original cost of this program was estimated at $250,000 but since $45,000 has been spent over the past 3 months on office rehabilitation and furnishing, an enclosed equipment yard, tools, machinery, mine and mill equipment, trucks, timber, fuel storage, bulldozing, road grading, trenching, arranging, testing, plus paying $68,000 on the mill itself, it is apparent that more monies are needed to accomplish the planned operation. In the past 6 months, prices of costs of most mine and mill machinery, labor, mechanized equipment, labor, fuel, etc. has escalated by 25 to 50%. In order to be safe and insure success, an additional $200,000 is going to be a necessity. Also, all the monies used to date must be returned to another operating account, necessitating the total funding of $450,000.

To continue the original operational plan, it would be very practical to implement a planned program to rehabilitate the head frame, shaft collar, shaft, lagging and the underground workings as soon as possible. A fund of $75,000 should suffice for this work and possibly opening a short, level entry at the south end of the Oneida. This would be a cross-cut to the vein as far down the mountain as possible, leaving a level dump into an ore bin, under which a truck or conveyor could be used. This lower, level entry could be a very cheap way to mine and remove ore along with draining water by gravity and should be done to determine the southerly vein extensions. A surface excavation near the south end of property shows very promising values quite wide (+ 10 ft.), therefore lending credance to the indication that the vein extends 3000 ft. through the entire length of two patented claims (1500 ft. each). It is estimated that this level haulage way drift will be at least 300 ft. below the collar elevation of the main shaft at the headframe. There will be no "horses spared" to get into the two levels in shaft after dewatering, in order to rework the cave-ins and test the ore in the backs and at the face, and determine whether mining can be continued in the vein material with a haulage way or make a haulage way in harder wall rock and cross cut to ore vein for mining ore.

A portion of the initial $100,000 will allow $17,000 to obtain free and clear title to the 50 ton per day custom built "Selective Flotation Portable Mill" that this writer has under construction. Additional increments of $100,000, payable at 30 & 60 & 90 days thereafter, will allow operations to continue as planned and be producing concentrates coming from mill in approximately 120 days. The first program will take approximately 60 days and installing portable 50 ton mill, connecting circuits, ball mill and crusher foundations can be accomplished in the interim period, thereby assuring concentrate production by at least the 120 day date.

PROJECTIONS OF INCOME

It is the writer's opinion that a min. grade of 20 oz. silver/ton can be maintained after 120 days of preliminary work and testing, etc., with a tonnage of 30 to 50 tons per day going through Mill. The following is a general breakdown on estimated costs and income or cash flow:

30 Tons per day @ 20 oz./ton	= 600 oz. Ag
Silver at $1500/oz.	= $9,000 daily gross cash flow
20% Royalty	= $1,800
Daily operating costs	= $2,500
Contingencies (Misc.) 20%	= 500
Total Costs	$4,800

	Net Per Day
10% to repay investor and	$9,000 Gross
10% royalty to landowner	$4,800 Costs
	$4,200 Net/day

Operating 20 days per month (10 on, 4 off)

20 x 4200 = $ 84,000 per month net returns

12 x $84,000 = $1,008,000 per year net returns

The estimated costs figures of this breakdown are extremely severe and net returns should be significantly higher and the grade per ton should be much better. It is this writer's opinion that this is a good opportunity to have a partially protected investment with a relatively sure return.

TERMS

This lease is being offered on the following basis:

1. $100,000 to be made immediately available to this writer:

   a. To commence the rehabilitation of the headframe, collar, shaft and underground workings and test, sample and assay the drift backs and faces carefully after pumping out water and testing volume and return;
   b. Re-doing and improving roads into and about the property;
   c. Establish a road into an exploratory level cross-cut into south end of two patented claims;
   d. Bulldoze road as nearly as possible on or along vein for its entire length and put in test cross-cuts to check ore.
   e. Flag the vein and claim corners to establish easily recognizable surface area of ownership;

f. Pay $17,000 on portable mill;

2. Arrange additional $100,000 payments to be available to writer at 30 and 60 and 90 day intervals, with the final $50,000 to take care of any contingencies that might come up prior to getting monetary returns from ore shipments. The investor and this writer must agree on feasibility and economics of the operation from this point forward;

3. This writer and associates will retain 50% and investor 50% of net (80% of gross) proceeds of this operation for the $450,000 working capital and the 10% gross will be set aside to return to investor until "Pay out".

4. A very detailed Working Agreement will be drawn up between this writer and the investor, outlining the obligations, duties, authority, rights and other guiding rules, terms and conditions of this association, along with owner's royalty payment of 10% of gross returns and investors 10% of gross returns to "pay out", going to separate accounts for payment to recipients. When investor has been repaid, the 2nd 10% O.R.R. will revert to a trust account of the writer's choosing.

Respectfully,

T. W. Anderson, Geological Engineer

1435 SOUTH 10TH AVENUE
TUCSON, ARIZONA 85713

Jacobs Assay Office

Registered Assayers

PHONE 622-0813

Tucson, Arizona, 30 March 1979

Sample Submitted by Mr. Doskot Metals Inc.

Sample Marked	GOLD Ozs. per ton ore	GOLD Value per ton ore*	SILVER Ozs. per ton ore	~~COPPER Per cent Wet Assay~~	~~LEAD Per Cent Wet Assay~~	~~Per Cent Wet Assay~~	~~Per Cent Wet Assay~~	~~Per Cent Wet Assay~~
I	TRACE		40.35					
II	TRACE		4.85					
III	0.260	26.00	29.50					

I — COMPOSITE OF 20 SHOVELS OF KINGMAN ORE PILE REDUCED BY QUARTERING TO ORE SAMPLE SIZE.

II — 60" CHANNEL SAMPLE ON VEIN OUTCROP ABOUT 300' NORTH OF HEADFRAME

III — GRAB SAMPLE OF 25 TO 30 PIECES OF ORE OFF KINGMAN ORE PILE

"JUNIPER MINE" (SENECA/ONEIDA)

*Gold Figured $100.00 per oz. Troy

Charges $ 15.00

Very respectfully,

Max A. Jacobs

TOWNSHIP 22N RANGE 17W

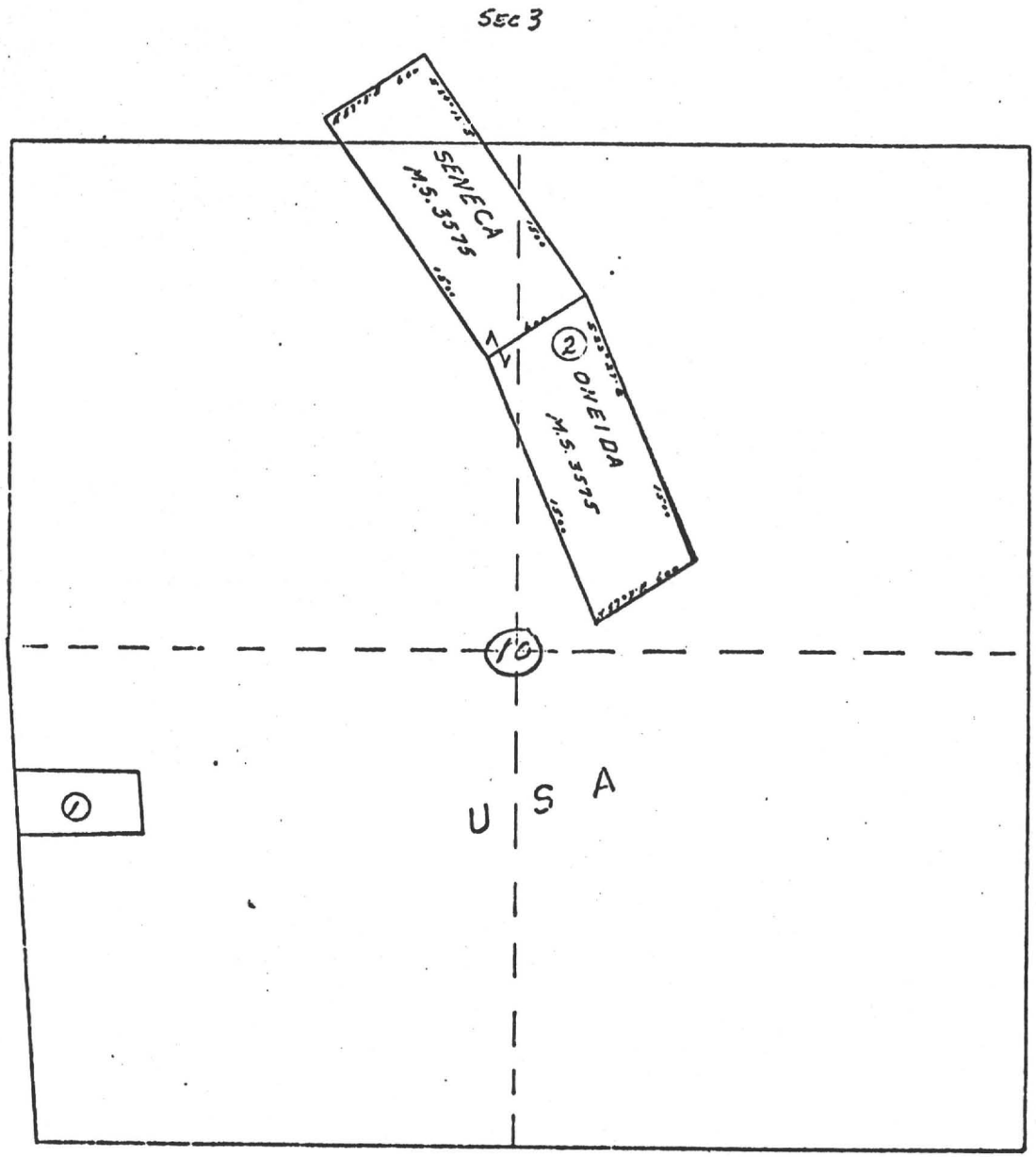
SECTION 10

OWNER: CLAUDE NEAL

BOOK 509

MAP 7

COLE 0-400



SCALE 1" = 600'

22N-17W-10

DON McCRALEY

MOHAVE COUNTY ASSESSOR

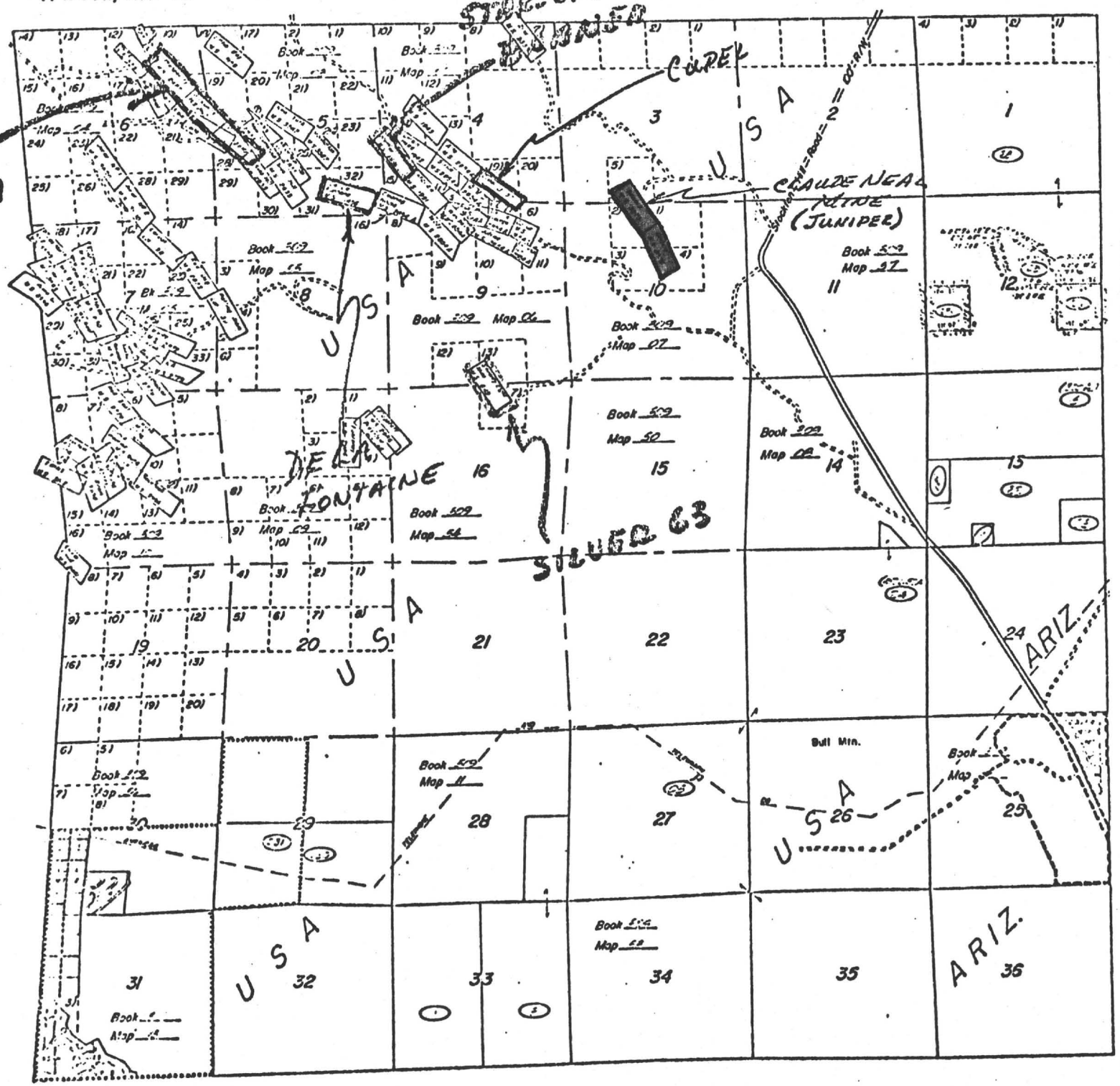
1983

T. 22 N., R. 17 W.

BOOK 509

MAP 01

CODE

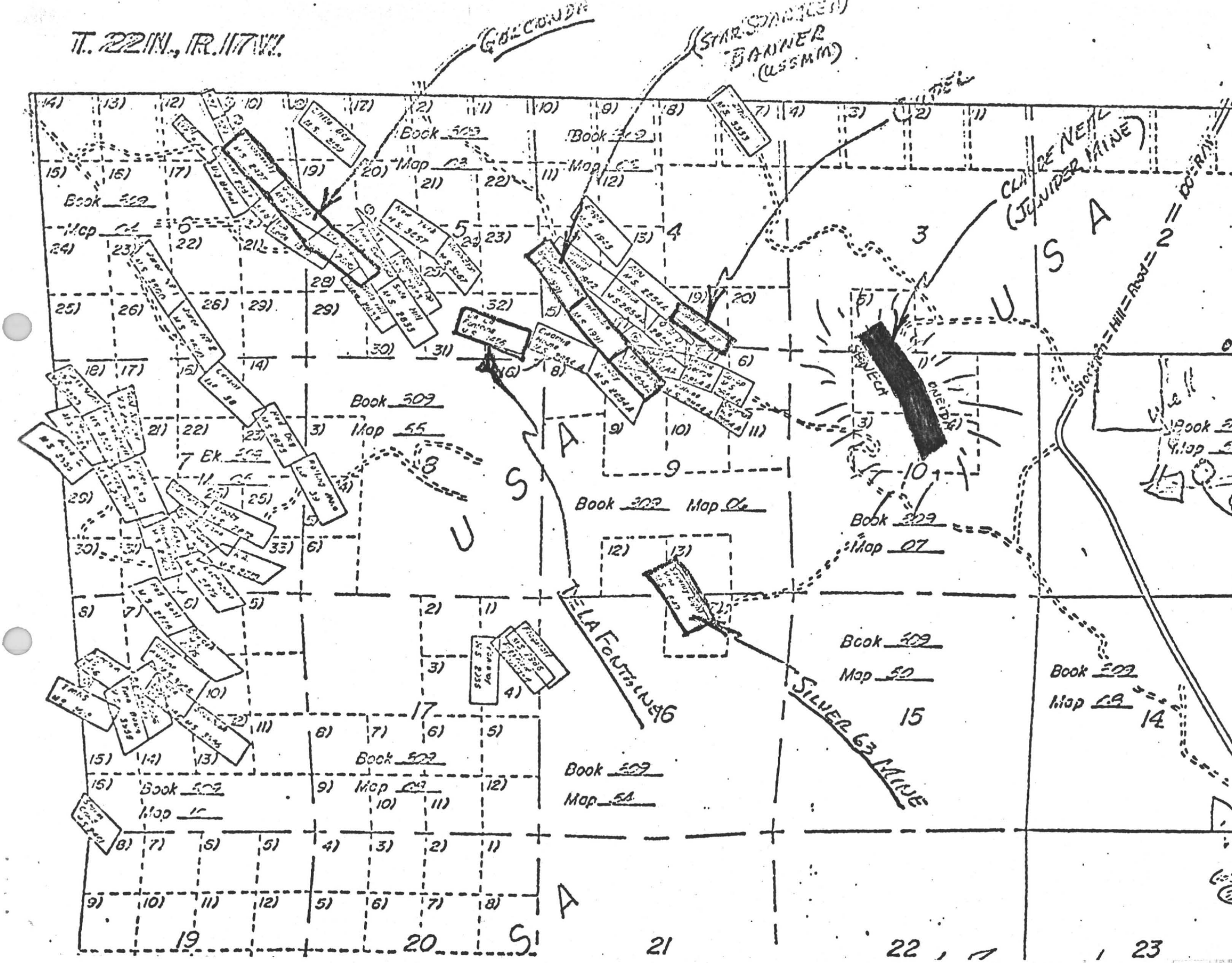


N

SCALE 2" = 1 Mile

MOHAVE COUNTY ASSESSOR'S MAP

22N 17W


T. 22N., R. 17W.
GOLCONDA
(STAR SPANGLED) BANNER (USSMIN)
CLAIRE NEIL (JUNIPER MINE)
SENECA
ONEIDA
DELA FONTAINE 16
SILVER 63 MINE
Stockton = Hill = Road = 2 = 100' R/W
U S A
Book 509 Map 55
Book 509 Map 06
Book 509 Map 07
Book 509 Map 50
Book 509 Map 69
Book 509 Map 54
Book 509 Map 10
Book 509 Map 03
Book 509 Map 02
Book 509 Map 04
Bk 509 Map 06
M.S. 3533
M.S. 3657
M.S. 2835
M.S. 1991
M.S. 2654A
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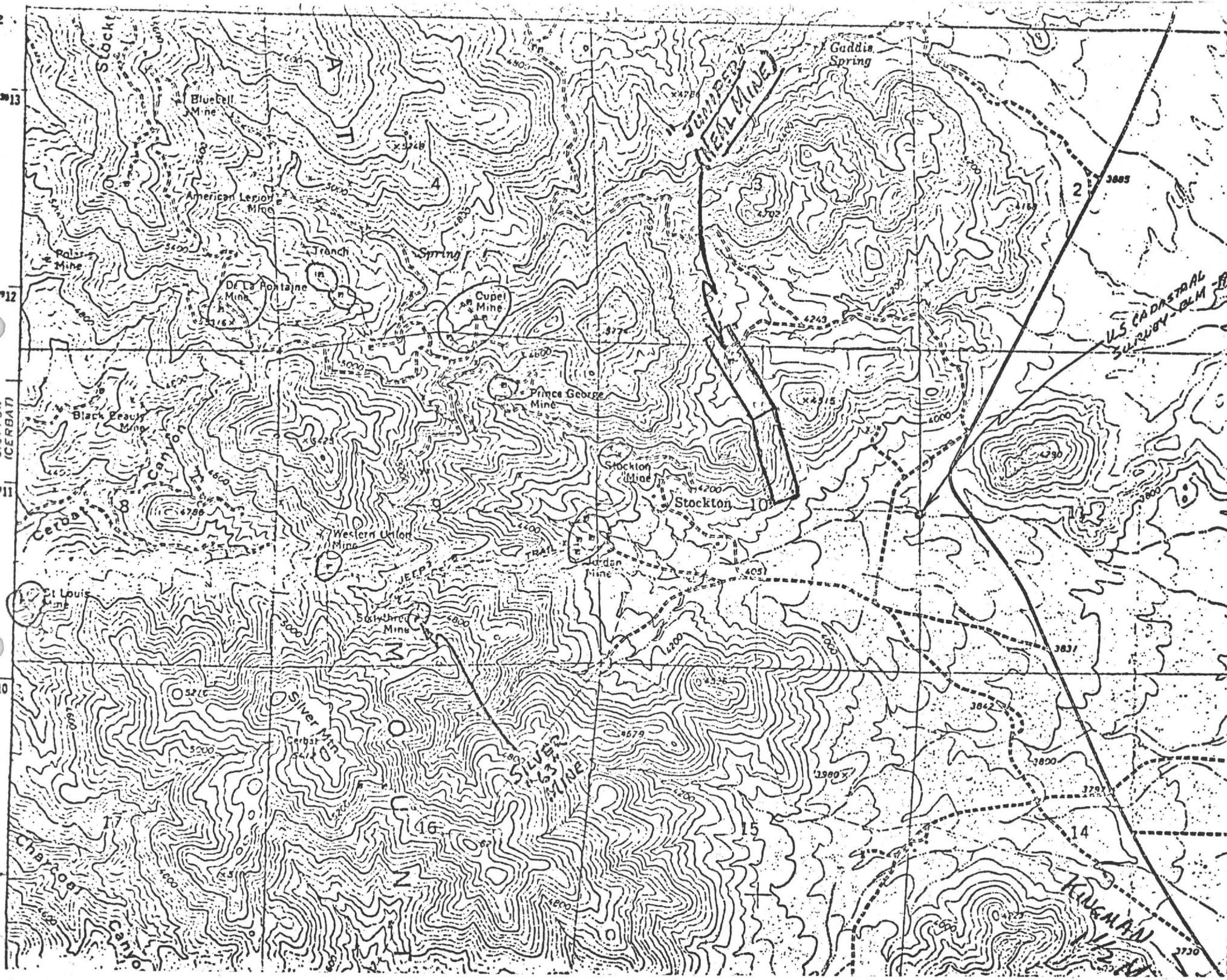
Stockton
Bluebell Mine
American Legion Mine
Polar Mine
Trench
Spring
De La Fontaine Mine
Cupel Mine
Gaddis Spring
JUMPER REAL MINE
Prince George Mine
Black Beauty Mine
Stockton Mine
Stockton
Cedar Canyon
Western Union Mine
JEEP TRAIL
Jordan Mine
St Louis Mine
Sixty-three Mine
Silver Mine
SILVER 63 MINE
Charcoal Canyon
HUGMAN
U.S. CADASTRAL SURVEY - BLM
3158 I SW (CERBAT)
22
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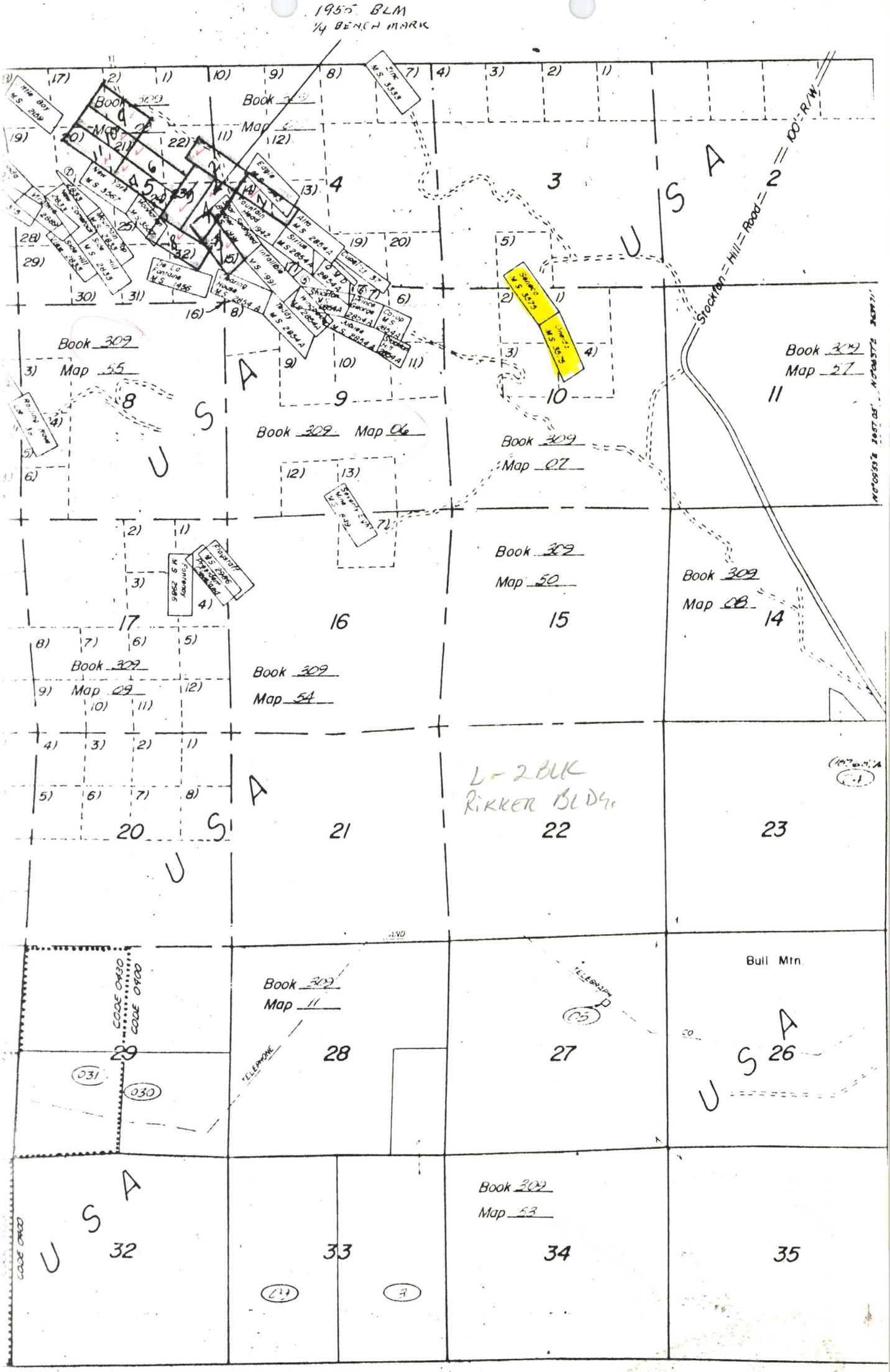
1955 BLM
1/4 BENCH MARK
Book 309
Map 55
Book 309
Map 06
Book 309
Map 07
Book 309
Map 50
Book 309
Map 08
Book 309
Map 09
Book 309
Map 54
Book 309
Map 11
Book 309
Map 53
Stockton Hill Road
100' R/W
L-2 BLK
RIKKER BLDG
Bull Mtn.
TELEPHONE
TELEGRAPH
CODE 0400
CODE 0900
CODE 0900
USA
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DRAFT

SELECTED AREA IN THE
WALLAPAI DISTRICT
MOHAVE CO., ARIZONA

Commodity: Silver, Gold (in relative order of importance)

Operator: Juniper Mine Inc.
T. W. Anderson, President
Kingman, Arizona
(602) 757-3171

Location, Topology and History:

The Juniper Mines Inc. holdings are located approximately 8 miles north of Kingman, Arizona, and are accessible via county and private roads. The holdings are composed of several claims, _____ patented and _____ unpatented, (see index map of patented claims), located on the eastern side of the Cerbat Mountains. The area is primarily rugged terrain, elevated approximately 4,000' above sea level. The drainage issues eastward into Hualpai Valley, mainly through several, short, side valley washes. The area is considered arid with hot summers and mild winters, it is treeless, for the most part, and the vegetation is of the desert types.

Several of the claims now held by Juniper Mines Inc. date back to the early 1860's when the principal veins were first discovered and began to produce. They were initially worked primarily for their silver content, although minor amounts of gold were present in some. The bulk of production in the 1870's and '80's came from oxidized ores extending from the surface to depths of 50 to 300 feet. Most of the veins have been worked to only shallow depths and have been idle for many years. The reason for the suspension of mining apparently was the rapid decline in silver price between 1885-1895. Also, the fact that the deeper sulfide ores are not as rich as the shallow oxidized ore and were more costly to produce (U.S.G.S. Bulletin #397). At the time of this writing, the latter reason appears to have no basis in fact. Today, sulfide ores can be efficiently processed and petrographic evidence (U.S.G.S. Bulletin #750) suggests rich sulfide ores at depth.

Geology

The Cerbat Mountains constitute one of the many desert ranges of nearly north-south trend. They consist mostly of pre-Cambrian igneous and metamorphic rocks and rhyolite, andesite and other volcanic rocks of Tertiary Age. The pre-Cambrian complex is reddish brown from iron stains and is intruded by dykes of granite porphyry , diabase, and other rocks, mostly of basic character. The schistosity trends about N. 30° E and

dips usually vertically or at steep angles to the northwest. The dominant jointing or sheeting strikes northwest.

Ore Deposits:

The deposits occur in pre-Cambrian gneiss or schist, intruded in places by a later aplitic granite or by basic dykes. They are clefts or cracks in the country rock filled with mineral material different from the walls and precipitated therein from aqueous solution (hydrothermal fissure veins). It is probable that the fissures formed from forces accompanying the emplacement of a small, unexposed pluton, possibly volcanic related or an outlyer of the Serria Nevada batholith, beneath the district. With the pluton acting as a heat engine, a convecting hydrothermal system developed that set up a hypogene (primary ore) enrichment process which deposited ore and gangue minerals near the top of the convecting cell and extracted metals and sulfur from sources at depth. Conceivably as the solutions approached the fissure level they boiled, thereby distilling the acid-forming components CO_2 and H_2S. Cooling and a slight pH rise of the residual liquids, due to loss of acid constituents, may be regarded as the mechanisms of sulfide precipitation. Exposure of the sulfide veins to normal weathering oxidized the ore and, to a point, enriched it by the downward migration of slightly acid rain water carrying silver.

The ore minerals consist of native silver, the oxides blue and green horn silver (cerargyrite), and the sulfides argentite, proustite, pearceite, galena, tennantite and polybasite. The gangue minerals include pyrite, arsenopyrite, sphalerite, covellite, chalcocite, calcite and quartz.

Bibliography:

U.S.G.S. Bulletin #s 340 - page 68
397 - page 107
750 - page 17

Proposal:

After a careful literature search and evaluation and from talks with T. W. Anderson, it appears the mining claims of the Juniper Mines Inc. have had sufficient production in the past (see index map for average production ore grades), and have sufficient quantities of ore exposed to warrant further development. The proposed development plan consists of four phases. Each phase requires satisfactory completion before th next phase begins.

Phase I entails reopening the main adit drift and cross cuts where age and neglect have caused several cave-ins and otherwise generally unsafe underground conditions. The

reopening, stabilizing and mucking out the workings will culminate in 120 days with the production of a minimum of 50T/day of 20 oz/ton silver ore.

Phase one requires the following:

HA!

1) Labor: 3 experienced miners and three helpers ($9.00 and $5.00/hr respectively); 1 driver heavy equipment operator (up to $12.00/hr); 1 general mechanic (up to $9.00/hr.); 1 supervisor($500 /wk).
2) Operating expense: Government requlations and taxes, insurance, power and explosive detonators, water procurement and/or drainage, hauling and hoisting, eqpt. repair and supplies, fuel for power and transportation, roof bolts or timbers for stabilization of the workings, assays, waste rock disposal and ore sorting.
3) Management: 1 accountant (up to $500/wk); secretarial (up to $400/wk); office equpt. maintainance and repair; office supplies and outside services (up to $150/wk).
4) Equipment required for phase I: 3 jackhammers ($200/mo), picks also shovels ($9.00 ea.) conveyor($50.00/foot) or front end loader (930 cat $2,760/mo), pump (1 lift pump 1000 gpm $15,000, 1 transfer pump $10,000); Generator 3 phase (6 kw $340/mo), air compressor (175 CFM $500/mo); ventilation fans ($250 ea.), fire control devices ($200); explosive detonating devices ($1000); trucks ($6500/ pick up) ($1100/mo/Dump); 3 low boy, in shaft haulage ($63,000 ea.); mechanics inventory ($5,000-$15,000); saftey eqpt ($200/man); office building ($1,000), office eqpt ($5,000); mechanics garage and storage ($10,000, + inventory).

Phase II consists of developing the 50Tday ore to full recoverable value. Assuming phase one ends with enough known and accessible ore to provide 50T/Day of 20 oz/ton silver ore. Phase II should take 120 days and end with gross revenues of 1,000 oz. silver bullion per day. This will be accomplished by concentrating and refining the ore being mined. To achieve this the following must be done:

1) Double labor force at mine and equiptment enough to keep miners busy. Phase I (1), (2) and several items in (4) costs will be required.
2) Build pilot plant and labratory ($50,000); equpt for assy work, sample storage, ore control ($25,000). Procure technician ($500/wk).
3) Construct or otherwise procure milling facilities; 50T/day mill($100,000); operator (up to $9.00/hr) millers inventory ($3,000); maintainance and repair ($500/mo); provide tailings disposal.

4) Construct or otherwise procure concentration facilities. Since sulfides will be mined floatation cells will be required to concentrate 50T/day milled ore.

1) Construct floatation cells (ea.), provide operator (up to $9.00/hr).

2) Construct settling tank ( ) provide for waste disposal, water and lines. Facilities to transfer milled ore to floatation cells and from floation cells to refinery and setting tank ( ).

3) Chemicals (/ton); frothing agent (/ton).

4) Construct or otherwise procure refining facilities.

Pyrometalurgical -fuel cost

Hydrometalurgical - chemical cost

Phase III will be initiated only after the Phase II conditions have been met; i.e. that 50T/day of 20 oz/T silver ore is being extracted milled, concentrated and refined. Phase III will not be initiated unless substantial ore reserves are encountered in Phases I and II. Phase III consists of exploration of the entire Juniper Mines Inc. holdings, by both surface and subsurface methods. Phase III is estimated to take six months to one year and will require the following:

1) Labor: 1 senior geologist($150-$200/Day)., one junior geologist($100-$150/day) and one assistant $40-$50/day); geochemical samplers ($2-$5/sample)

2) Geological study materials; surface maps, air photos, literature, in office mapping eqpt ($50-$75/wk).

3) Labratory work: Assays ($5-$12/element); thin and polished section preparation ($10-20/section) 1 reflecting-refracting polorizing microscope ($15,000).

4) Field geology equiptment; 1 four wheel drive vehicle ($250-$350/mo) + gas + repair + maintanance ($75-$125/mo); 1 helicopter recon. ($500-1500/hr) Brunton compass (175 ea.); sample bags and other misc. eqpt. ($5-$25/wk); geochemical soil and stream sampling kit ($15-$75 ea).

5) Drilling and/or induced electrical potential survey; non-core drilling to 1000' ($3-10/ft); core drilling to 1000' ($10-$15/ft); move in and site preparation (up to $1000/site).

6) Access roads and trenches; road building ($2500 - $5000/mile in moderate terrain); trenching with dozer or back hoe ($3-$10/linear foot).

Based on the above figures a six month exploration program including manpower, research, lab work, field work, drilling and trenching would cost approximately $300,000. This assumes geologist may use existing, on site, office space (if not add $10,000) and trenching and road work can be done by company owned equiptment, (if not add $10,000).

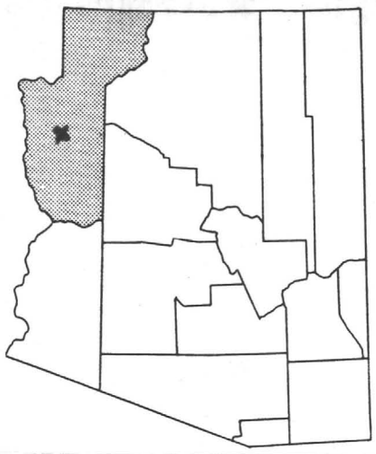
Phase IV depends on exploration results, if they indicate considerable ore reserves near the surface perhaps an open pit mining operation should be considered. If considerable ore reserves are indicated at depth the underground operation may be expanded, new shafts and/or adits mined, larger mill and concentration facilities, in short, Phase I and II on a much larger scale.

Prepared by:

William Vanderwall
Geologist
Pacific Regional Operations Inc.
P.O. Box 716
Scottsdale, Arizona 85252
phone: (602) 994-3147

Please note: This report was compiled without the writer having visited the mining claims mentioned. It is based on research carried out at the Bureau of Land Management, the Arizona Department of Natural Resources, the Arizona State University Library and conversations with men who reportedly are familiar with the geology and ore deposits and current mine workings in the area. At this time the writer has no personal opinion of the feasibility of the project.

INDEX MAP OF ARIZONA
Showing Location of



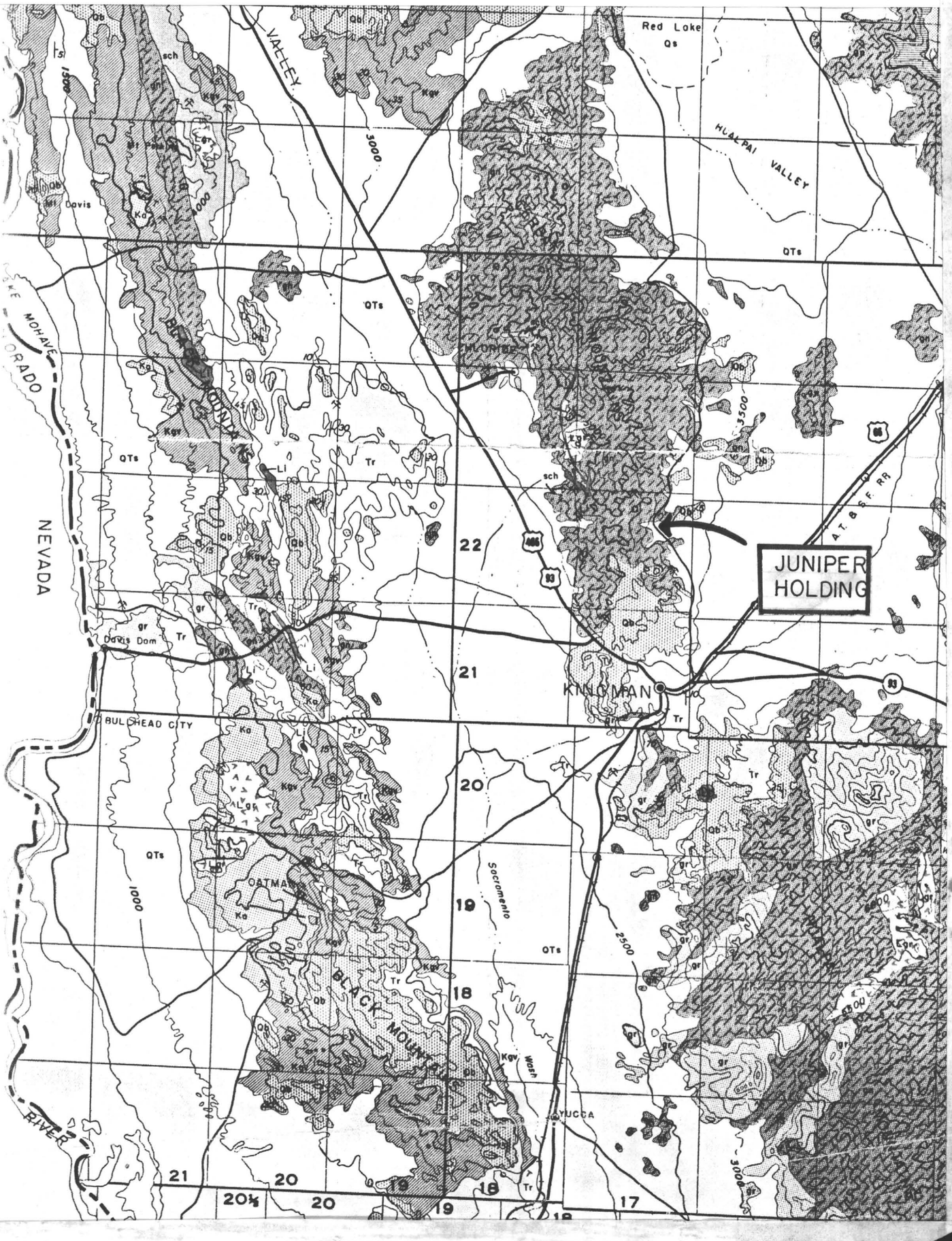
EXPLANATION

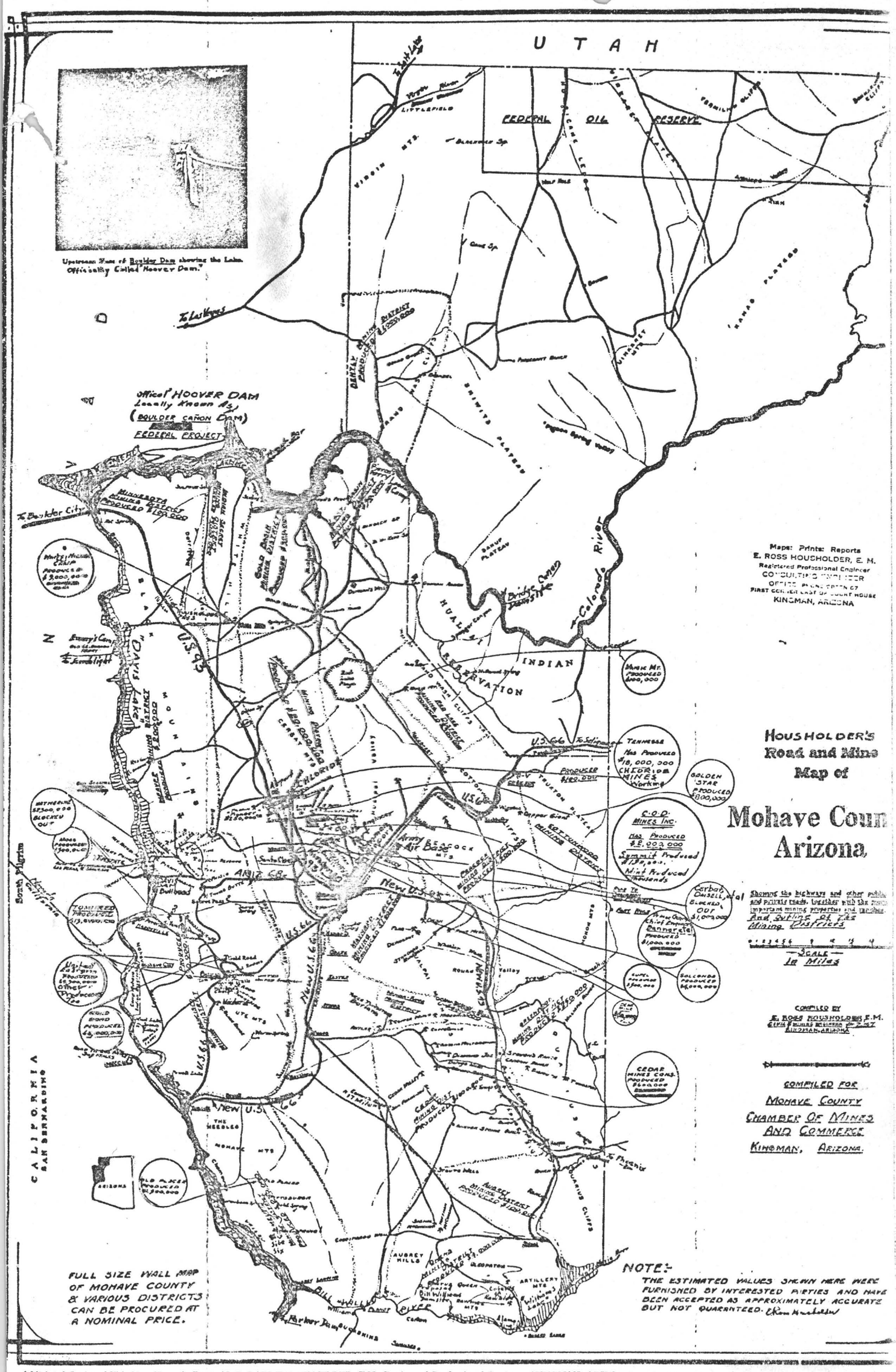
Qb

Basalt
Locally includes tuff and agglomerate.

gn

Granite gneiss





Upstream View of Boulder Dam showing the Lake. Officially Called "Hoover Dam."

Maps: Prints: Reports
E. ROSS HOUSHOLDER, E. M.
Registered Professional Engineer
CONSULTING ENGINEER
OFFICE PHONE GREEN 67
FIRST CORNER EAST OF COURT HOUSE
KINGMAN, ARIZONA

HOUSHOLDER'S
Road and Mine
Map of
Mohave Coun
Arizona,

Showing the highways and other public and private roads, together with the more important mining properties and ranches.
And Outline of The Mining Districts

—SCALE—
In Miles

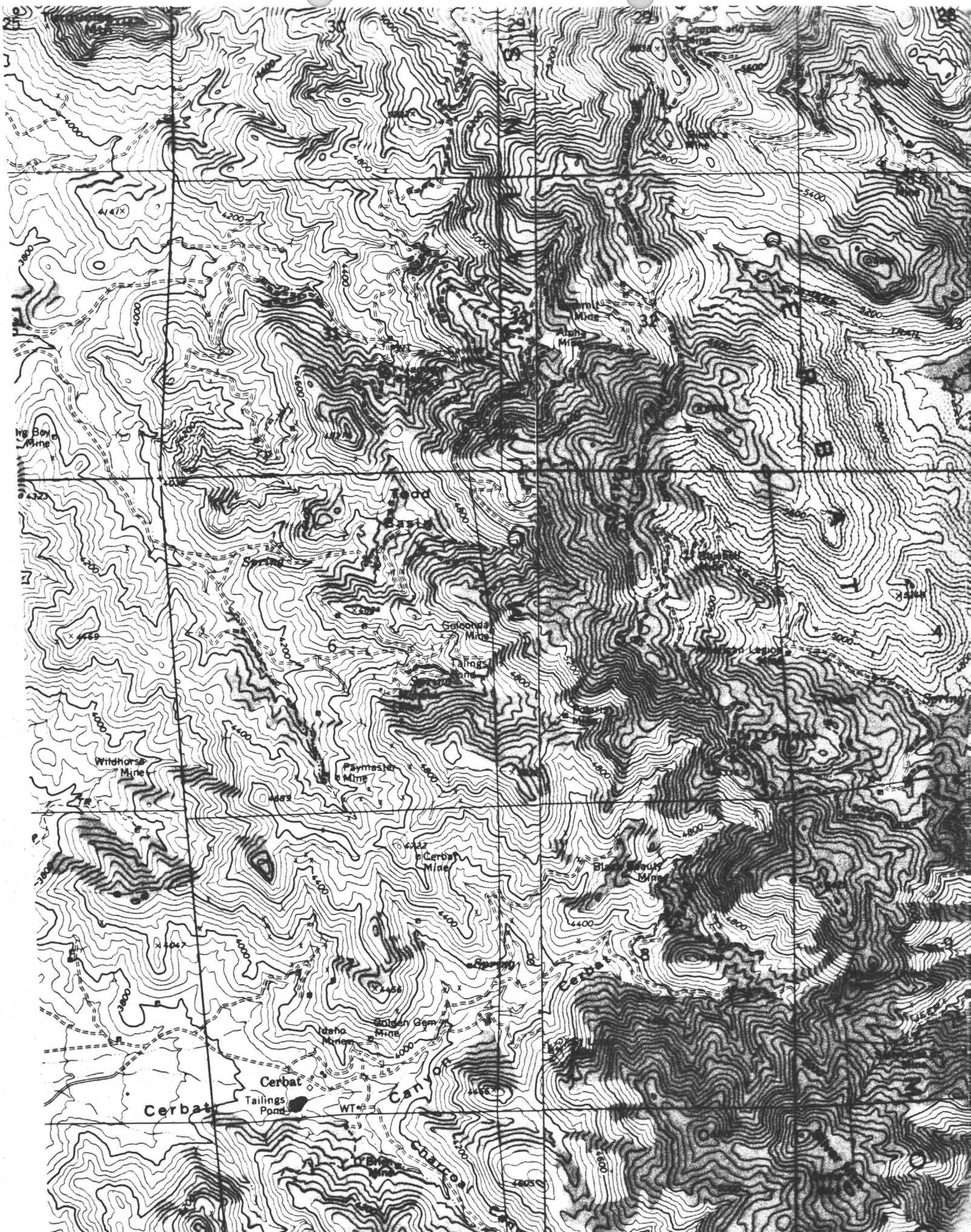
COMPILED BY
E. ROSS HOUSHOLDER E.M.
Civil & Mining Engineer
KINGMAN, ARIZONA

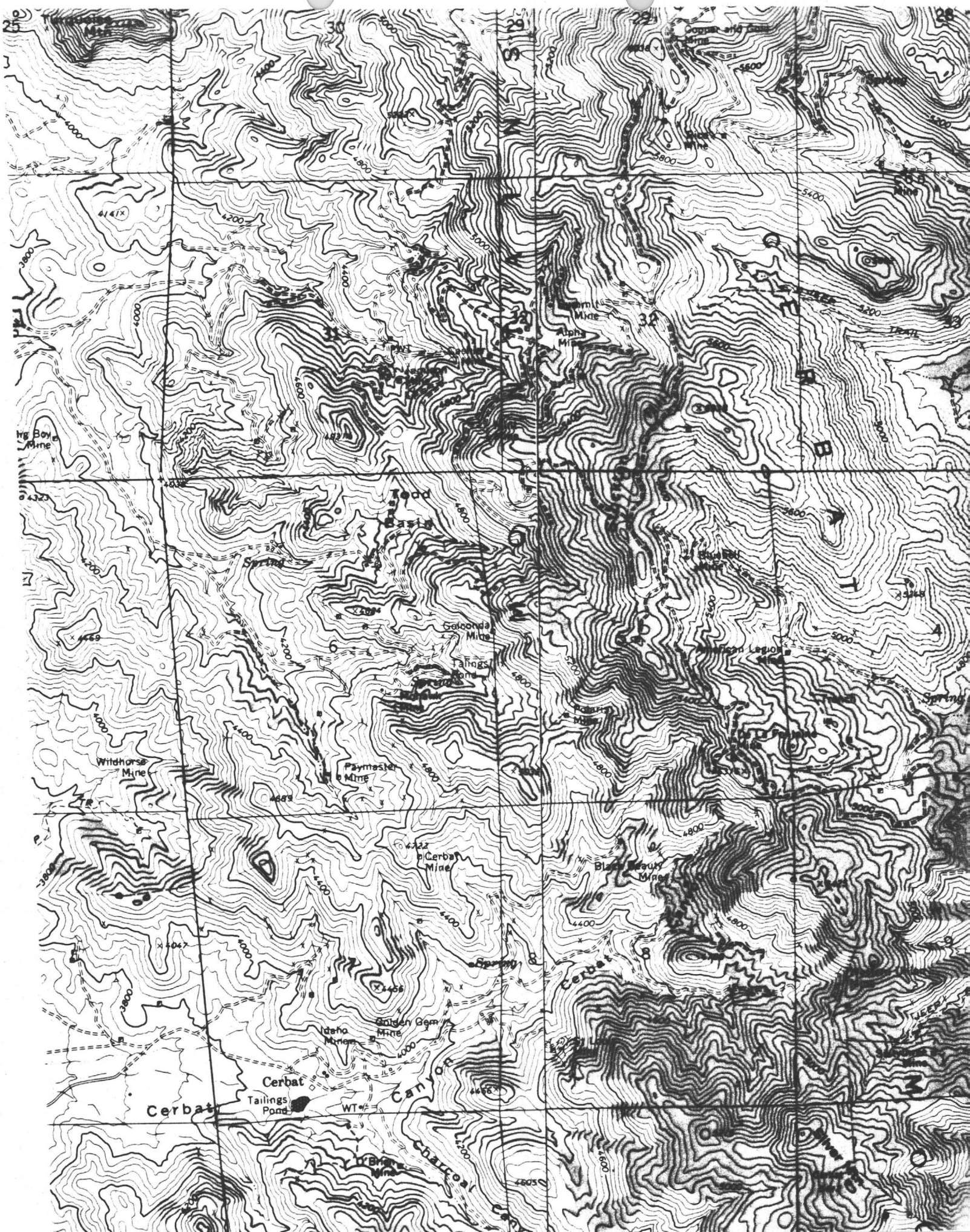
COMPILED FOR
MOHAVE COUNTY
CHAMBER OF MINES
AND COMMERCE
KINGMAN, ARIZONA.

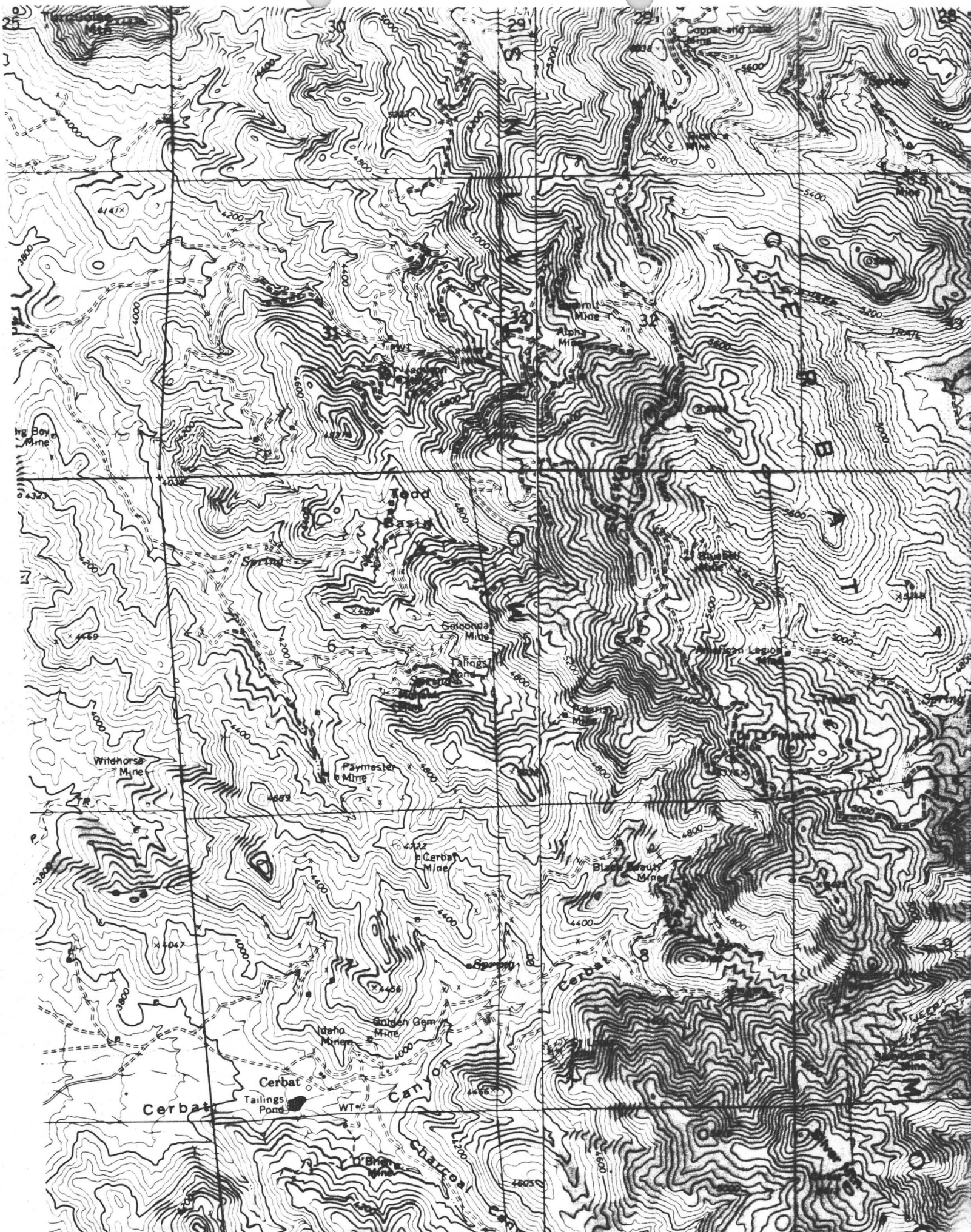
FULL SIZE WALL MAP
OF MOHAVE COUNTY
& VARIOUS DISTRICTS
CAN BE PROCURED AT
A NOMINAL PRICE.

NOTE:-
THE ESTIMATED VALUES SHOWN HERE WERE FURNISHED BY INTERESTED PARTIES AND HAVE BEEN ACCEPTED AS APPROXIMATELY ACCURATE BUT NOT GUARANTEED. E Ross Housholder

Additional Copies of This Map 25c each, Postpaid, E. ROSS HOUSHOULDER, E.M., Registered Professional Engineer, KINGMAN, ARIZONA. Also Mine Maps, County Sectional Maps, Reports,


Hermit Mine
Alpha Mine
Todd Basin
Spring
Golconda Mine
Tailings Pond
Wildhorse Mine
Psymaster Mine
Cerbat Mine
Black Beauty Mine
Spring
Cerbat Canyon
Idaho Mine
Golden Gem Mine
Cerbat
Tailings Pond
WT
Channel
Cerbat


Todd
Basin
Spring
Golconda Mine
Tailings Pond
Wildhorse Mine
Paymaster Mine
Cerbat Mine
Black Beauty Mine
Golden Gem Mine
Idaho Mine
Cerbat
Tailings Pond
WT
Cerbat
Canyon
Chaparral
Alpha Mine
Trail
Spring


Todd Basin
Spring
Golconda Mine
Tailings Pond
Wildhorse Mine
Paymaster Mine
Cerbat Mine
Black Beauty Mine
Golden Gem Mine
Idaho Mine
Cerbat
Tailings Pond
WT
Cerbat Canyon
Charcoal
Alpha Mine
Hermit Mine
Copper and Gold Mine
Spring
Trail
Big Boy Mine
Potosi Mine
Spring

1720 ELSTON AVE. · CHICAGO 60622

PHONE (312) 276-0070 · TELEX 254430

November 19, 1979

Mr. Tom Anderson
Juniper Mines
4524 N. Banks
Kingman, AZ 86401

Dear Tom:

I very much enjoyed meeting over the phone a few weeks ago and our subsequent conversation certainly proved most interesting. As I promised, the purpose of this letter is to acquaint you with our company. Please excuse the form letter style, however, we use it instead of a brochure.

In terms of background, Sipi Metals Corp. has been a producer of copper, tin and zinc alloys for over 70 years. In 1968 we expanded our facilities to encompass both pyrometallurgical and hydrometallurgical (electrolytic) refining of scrap containing gold, silver and the platinum group metals. Our facilities are geared to a very broad range of scrap, from the highly contaminated tonnage lots of low grade material to the very complex resistor paint alloys and solders.

Our laboratory is staffed with 12 metallurgical chemists who are always available to current and prospective accounts for no charge assays, value determinations, and scrap preparation advice.

We are pleased to quote specific refining charges on assay samples and items of known or approximate assay.

Pricing for contained metals normally occurs per the enclosure and payment is released on the 25th business day.

May we suggest that you review our D. & B. If you require additional financial information, please contact The First National Bank of Chicago.

Please feel free to call on us if you have anything on your mind of mutual interest or if we are able to assist.

Best regards,

Leslie S. Pinsof
Vice President

LSP:rm
encl.

1720 ELSTON AVE. CHICAGO 60622 PHONE (312) 276-0070 · TELEX 254430

PRECIOUS METALS - PAYMENT/CREDIT BASIS

CREDIT:

Copper	- Wet assay content less 2.50% at published Electrolytic Cathode Quotation less $.06/lb.
Silver	- 98% recoverable content at published N.Y. Comex Close.
Gold	- 98% recoverable content at published London Final.
Platinum/ Palladium	- Recovery and pricing basis dependent upon type of material. Specifics will be quoted per item assayed using N.Y. Mercantile Exchange spot as a reference point.

REFINING CHARGES: - Per assay, minimum $200.00 per lot.

PRICING: - Material received from the 1st through the 15th of a Group I month (as noted below) will be priced on the last business day of that month or the 24th business day following receipt -- whichever is sooner. Material received after the 15th day of Group I months or during Group II months will be priced on the 24th business day following receipt of material or last business day of the next Group I month -- whichever is sooner.

Group I (Odd Months)	Group II (Even Months)
Sept.	Oct.
Nov.	Dec.
Jan.	Feb.
Mar.	Apr.
May	June
July	Aug.

PAYMENT: - 25th business day following receipt of material.

--oOo--

Precious Metal Division
1720 ELSTON AVENUE
CHICAGO, ILLINOIS 60622

Mr. Tom Anderson
Juniper Mines
4524 N. Banks
Kingman, AZ 86401

SELECTED AREA IN THE
WALLAPAI DISTRICT
MOHAVE CO., ARIZONA

Commodity: Silver, Gold (in relative order of importance)

Operator: JUNIPER MINES INC.
T.W. ANDERSON, PRESIDENT
KINGMAN, ARIZONA
602-757-3171

LOCATION, TOPOLOGY AND HISTORY

THE JUNIPER MINES INC. HOLDINGS ARE LOCATED APPROXIMATELY 8 miles NORTH OF KINGMAN, ARIZONA, AND ARE ACCESSIBLE VIA COUNTY AND PRIVATE ROADS. THE HOLDINGS ARE COMPOSED OF SEVERAL CLAIMS, _____ PATENTED AND _____ UNPATENTED, LOCATED ON THE EASTERN SIDE OF THE CERBAT MOUNTAINS. THE AREA IS PRIMARILY RUGGED TERRAIN, ELEVATED APPROXIMATELY 4000' ABOVE SEA LEVEL. THE DRAINAGE ISSUES EASTWARD INTO HUALPAI VALLEY, MAINLY THROUGH SEVERAL, SHORT, SIDE VALLEY WASHES. THE AREA IS CONSIDERED ARID WITH HOT SUMMERS AND MILD WINTERS, IT IS TREELESS, FOR THE MOST PART, AND THE VEGETATION IS OF THE DESERT TYPES.

SEVERAL OF THE CLAIMS NOW HELD BY JUNIPER MINES INC. DATE BACK TO THE EARLY 1860'S WHEN THE PRINCIPAL VEINS WERE FIRST DISCOVERED AND BEGAN TO PRODUCE. THEY WERE INITIALLY WORKED PRIMARILY FOR THEIR SILVER CONTENT, ALTHOUGH MINOR AMOUNTS OF GOLD WERE PRESENT IN SOME. THE BULK OF PRODUCTION IN THE 1870'S AND 80'S CAME FROM OXIDIZED ORES EXTENDING FROM THE SURFACE TO DEPTHS OF 50 to 300 feet. MOST OF THE VEINS HAVE BEEN WORKED TO ONLY SHALLOW DEPTHS AND HAVE BEEN IDLE FOR MANY YEARS. THE REASON FOR THE SUSPENSION OF MINING APPARENTLY WAS THE RAPID DECLINE IN SILVER PRICE BETWEEN

1885-1895. ALSO THE FACT that THE DEEPER SULFIDE ORE ARE ~~WAS~~ NOT AS RICH AS THE SHALLOW OXIDIZED ORE AND WERE MORE COSTLY TO PRODUCE (BASTIN, 1924). AT THE TIME OF THIS WRITING THE LATER REASON APPEARS TO HAVE NO BASIS IN FACT. TODAY SULFIDE ORES CAN BE EFFICIENTLY PROCESSED AND petrographic evidence (BASTIN, 1924) suggests RICH SULFIDE ORES AT DEPTH.

GEOLOGY: THE CERBAT MOUNTAINS constitute ONE OF THE MANY DESERT RANGES OF NEARLY NORTH-SOUTH TREND. THEY consist mostly OF pre-CAMBRIAN igneous AND Metamorphic ROCKS AND which ~~THESE~~ FORM THE WALL ROCK OF THE MINES. NEAR Kingman, AND ALONG the western FLANK OF THE RANGE OCCURS RHYOLITE, ANDESITE AND OTHER VOLCANIC ROCKS OF Tertiary Age. THE pre-CAMBRIAN complex IS REDDISH brown from ~~AND~~ IRON STAINED AND IS INTRUDED BY DYKES OF GRANITE porphyry, DIABASE, AND OTHER ROCKS, mostly OF BASIC character. THE schistosity TRENDS ABOUT N. 30° E AND DIPS usually vertically or AT STEEP ANGLES TO THE NORTHWEST. THE DOMINANT jointing OR shearing STRIKES NORTHWEST.

ORE DEPOSITS: THE DEPOSITS OCCUR IN pre-CAMBRIAN gneiss OR schist, INTRUDED IN places by A LATER APLITIC granite OR by BASIC DYKES. THEY ARE clefts OR cracks IN THE COUNTRY ROCK FILLED WITH mineral material DIFFERENT FROM THE WALLS AND precipitated THEREIN FROM aqueous solution (HYDROTHERMAL fissure veins). IT IS PROBABLE that THE FISSURES FORMED FROM FORCES ACCOMPANYING THE Emplacement of A small, UNEXPOSED pluton, POSSIBLY VOLCANIC related OR AN outlyer OF THE Serria Nevada BATHOLITH, beneath the District. With the pluton acting as A HEAT ENGINE, THE convecting HYDROTHERMAL system developed that set up A HYPOGENE (primary ore) enrichment process which deposited ore and gangue minerals NEAR

THE TOP OF THE convecting cell AND extracted metals AND sulfur from sources at depth. Conceivably AS THE SOLUTIONS APPROACHED THE FISSURE LEVEL THEY BOILED, THEREBY DISTILLING THE ACID-FORMING components CO_2 AND H_2S. Cooling AND A SLIGHT ph rise of THE RESIDUAL LIQUID, DUE to loss OF ACID constituents, MAY be regarded as THE mechanisms of sulfide precipitation. Exposure OF THE sulfide veins TO NORMAL weathering oxidized THE ore AND, TO A point, ENRICHED it by the DOWNWARD migration of slightly ACID RAIN water CARRYING SILVER.

THE ORE minerals consist OF NATIVE SILVER, THE OXIDES blue AND green HORN SILVER (Cerargyrite) AND THE sulfides Argentite, proustite, pearceite, galena, tennantite AND polybasite.

THE gange minerals include pyrite, Arsenopyrite, sphalerite, covellite, chalcocite, calcite AND QUARTZ.

Bibliography:

~~BADIN, E.S., 1924, Origin of Certain Rich Silver Ores near Oloride AND Kingman, Arizona., U.S.G.S. Bull. 750, 19p.~~

U.S.G.S Bull., ~~#s~~ 340 p 68
397 p. 107
750 p. 17

PROPOSAL: After a careful literature search AND evaluation, it APPEARS THE mining claims OF THE Juniper mines Inc. ~~HAVE HAD~~ sufficient production in the past AND HAVE sufficient quantities OF ore ~~AND~~ EXPOSED TO WARRENT Further development.

AND talks from W/T.W. Hodgson

THE proposed development plan, with materials required is AS follows:

NOTES ON DISCUSSION W/ GEORGE BOYD 6-13-80

RE: JUNIPER MINES INC. - TOM ANDERSON, PRESIDENT

CONCERNING 100 CLAIMS APPROX 7 MILES N-NE OF KINGMAN, ARIZONA. CLAIMS ARE FOR SILVER-GOLD LODE, HAVE BEEN WORKED IN THE PAST ALTHOUGH MOST HAVE'NT BEEN WORKED IN YEARS.

PRO'S ROLE IN THE PROJECT:

① REQUIRE WRITTEN ACCOUNT OF CLAIMS, INCLUDING LEASE INFO SO WE CAN VERIFY EXISTANCE OF CLAIMS, BLM STATUS AND PRODUCTION HISTORY.

② REQUIRE ASSAY REPORTS AND ASSAY SAMPLE LOCATIONS SO WE MAY CHECK A W ANDERSONS REPORTS.

③ WOULD LIKE WRITTEN PROPOSAL CONTAINING THE ABOVE TWO ITEMS (SUMMARY) AS WELL AS ECONOMICS TRADE TERMS, GEOLOGY AND OTHER PERTINENT FACTS THAT STATES WHAT JUNIPER MINES WANT AND WHY IT IS WORTH IT.

④ MUST ASSURE PRO THAT JUNIPER MINES' REPRESENTATIVE HAS ABILITY AND ATHORITY TO ACT AND CLOSE A DEAL WITHOUT HAVING TO CONSULT HALF A DOZEN PEOPLE FIRST.

⑤ GIVE ACCOUNT OF PREVIOUS INVESTORS AND THEIR CURRENT INVOLVEMENT, IF ANY.

PRO WILL WANT TO DO "PROVING UP" WORK AND CONSIDERS ITSELF ENTITLED TO A PORTION OF THE FINDERS FEE. PRO DOESN'T WANT TO GET INVOLVED IN EXPLORATION OR DEVELOPMENT. PRO IS BEING CAUTIOUS AND WILL NOT SET UP A MEETING WITH THE MONEY PEOPLE UNTILL AT LEAST MOST OF THE ABOVE ITEMS ARE PROVIDED AND RESEARCHED. PERSONAL FRIENSHIPS ARE INVOLVED HERE BETWEEN

PACIFIC
REGIONAL
OPERATIONS, INC.

P.O. Box 716 • Scottsdale, Arizona 85252 • (602) 994-3147

July 21, 1980

Mr. Charlie Escapule
State Of Maine Mining Co.
P. O. Box 453
Tombstone, Arizona 85638

Re: CN Leach Circuit
Kingman Project

Dear Mr. Escapule:

For the last few weeks, I have been watching the completion of the Crown King leaching operation and have talked at length with Mike and Russ. According to them, your extraction system could benefit our proposed operation near Kingman.

Briefly, near Kingman, we have good values in the form of silver clorides, silver bromides, native silver and native gold. This oxidized zone gradually transforms to a sulfide zone consisting primarily of galena, sphalerite, proustite, chalcopyrite, pyrite and tetrahedrite. Galena and pyrite often occur in the oxidized zone which we plan on mining initially.

We will utilize a 50 T/day ball mill with flotation circuit for sulfides and cyanide circuit to treat the oxides. If you feel your extraction system will adapt to our leach circuit, please send along details and prices.

Sincerely,

PACIFIC REGIONAL OPERATIONS, INC.

William Vanderwall

William Vanderwall
Geologist

WV:DAH

CHARLIE ESCAPULE
STATE OF MAINE MINING CO.
P.O. BOX 453
TOMBSTONE, AZ. 85638

RE: CN LEACH CIRCUIT
KINGMAN PROJECT

DEAR MR. ESCAPULE:

FOR THE LAST FEW WEEKS I HAVE BEEN WATCHING THE COMPLETION OF THE CROWN KING LEACHING OPERATION AND HAVE TALKED AT LENGTH WITH MIKE AND RUSS UP THERE. IT APPEARS YOUR EXTRACTION SYSTEM COULD BE A GREAT BENIFIT TO OUR OPERATION NEAR KINGMAN.

BRIEFLY, NEAR KINGMAN WE HAVE GOOD VALUES IN THE FORM OF SILVER CLORIDES, SILVER BROMIDES, NATIVE SILVER AND NATIVE GOLD. THIS OXIDIZED ZONE gradually gives way TO A sulfide ZONE CONSISTING primarily OF Argentiferous galena, tetrahedrite, PROUSTITE, CHALCOPYRITE, pyrite AND sphalerite. IN SOME places THE primary sulfides out.crop AT THE surface while in OTHERS THE OXIDIZED ZONE EXTENDS TO depths OF 50-300 feet.

OUR plan CALLS FOR THE INSTALATION OF A 50 T/DAY BALL mill AND FLOATATION CIRCUIT WHICH WILL HAVE TO BE EQUIPT WITH A CYANIDE LEACH CIRCUIT TO TREAT THE OXIDE "SINKERS". I FEEL YOUR EXTRACTION SYSTEM WOULD CONNECT TO OUR LEACH CIRCUIT WITH NO PROBLEM, IF YOU AGREE PLEASE SEND ALONG DETAILS AND PRICES.

SINCERELY: PRO
W.V geologist.

PRODUCTION OF BENTLEY DISTRICT, MOHAVE COUNTY
1908-17

Year	Producers		Tons	Gold (value)	Silver (ounces)	Copper (pounds)	Lead (pounds)	Zinc (pounds)	Total value
	Lode	Placer							
1908	1	—	538	—	*2,000*	*300,000*	—	—	$ 40,000
1909	1	—	500	—	1,720	299,154	—	—	39,784
1910	1	—	*800*	—	2,839	489,536	—	—	63,875
1911	1	—	*320*	—	*500*	*200,000*	—	—	*25,000*
1912	1	—	1,152	—	*400*	*700,000*	—	—	*116,000*
1913	2	—	1,982	—	*600*	*700,000*	—	—	*110,000*
1914	3	—	1,473	—	*500*	*715,000*	—	—	95,522
1915	3	—	1,542	—	*750*	*750,000*	—	—	132,335
1916	5	—	3,797	—	*1,500*	1,070,000	—	—	265,820
1917	3	—	2,939	—	1,405	813,531	—	—	223,252
Total			15,043	—	12,214	6,037,221	—	—	$1,111,588

PRODUCTION OF SAN FRANCISCO DISTRICT, MOHAVE COUNTY
1908-33

Year	Producers		Tons	Gold (value)	Silver (ounces)	Copper (pounds)	Lead (pounds)	Zinc (pounds)	Total value
	Lode	Placer							
1908	6	—	72,757	$ 266,254	6,522	—	—	—	$ 269,712
1909	3	—	18,106	300,036	7,118	—	—	—	303,737
1910	5	—	89,284	1,103,221	26,254	—	—	—	1,117,398
1911	8	—	110,699	1,458,639	33,834	—	—	—	1,476,571
1912	3	—	174,319	1,794,847	41,456	—	—	—	1,820,342
1913	5	—	159,948	*1,797,282*	*35,000*	—	—	—	1,818,522
1914	10	—	160,469	*1,827,633*	*35,000*	—	—	—	1,846,998
1915	11	—	132,579	*1,483,823*	*30,000*	—	—	—	1,499,033
1916	5	—	94,615	892,681	23,812	—	—	—	908,349
1917	4	—	167,258	2,310,270	57,353	—	—	—	2,357,529
1918	11	—	182,824	2,762,991	70,432	—	—	—	2,843,423
1919	6	—	184,490	2,556,197	71,833	—	—	—	2,636,650
1920	6	—	197,629	2,830,731	92,806	—	—	—	2,931,890
1921	4	—	179,013	*2,308,050*	*80,000*	—	—	—	2,388,050
1922	10	—	169,240	*1,078,546*	*60,000*	—	—	—	2,138,546
1923	12	—	186,686	2,796,830	68,551	—	—	—	2,853,042
1924	14	—	96,776	1,617,196	39,097	—	—	—	1,643,391
1925	11	—	33,826	503,019	11,721	—	—	—	510,153
1926	12	—	29,721	395,971	9,964	—	—	—	402,188
1927	11	—	15,028	147,599	4,708	—	—	—	150,268
1928	11	—	11,817	147,389	4,152	—	—	—	149,818
1929	7	—	4,430	118,516	4,068	—	—	—	120,684
1930	11	—	28,048	580,768	18,274	—	—	—	587,803
1931	11	—	45,414	706,767	21,771	276	—	—	713,106
1932	18	1	5,364	71,410	2,032	—	—	—	71,983
1933	9	3	22,683	161,272	5,437	—	—	—	163,175
Total			2,573,023	$32,026,938	861,195	276	—	—	$33,722,361

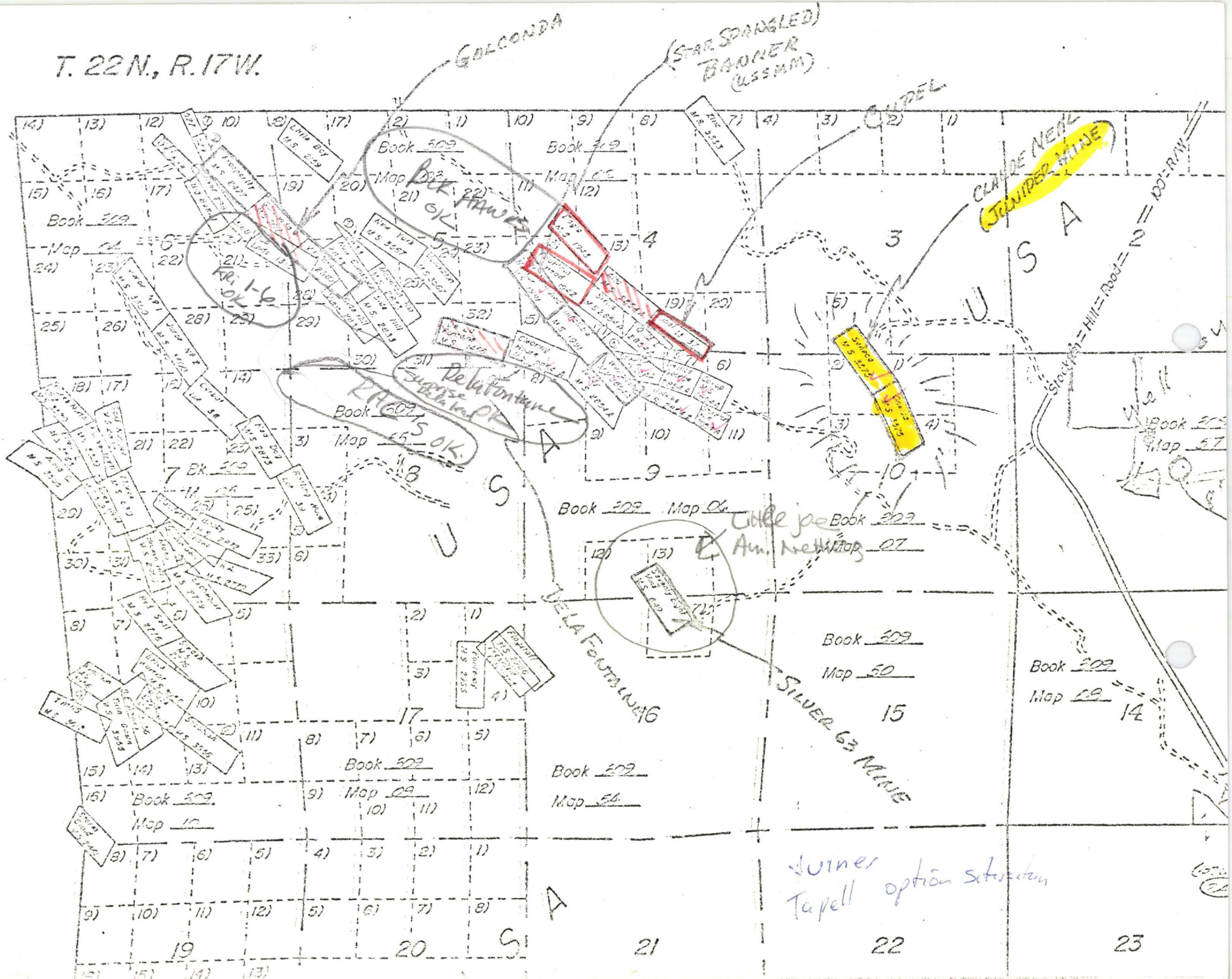
PRODUCTION OF WALLAPAI DISTRICT, MOHAVE COUNTY
1908-33

Year	Producers		Tons	Gold (value)	Silver (ounces)	Copper (pounds)	Lead (pounds)	Zinc (pounds)	Total value
	Lode	Placer							
1908	22	—	2,179	$ 24,664	29,931	11,920	249,328	505,133	$ 76,313
1909	18	—	11,658	48,595	69,966	1,774	113,112	5,264,121	374,335
1910	25	—	*10,000*	*50,000*	*70,000*	20,341	235,368	5,474,046	*390,000*
1911	25	—	28,672	79,602	109,304	27,652	2,564,673	4,476,552	511,565
1912	26	—	26,528	94,843	131,222	209,100	1,936,760	8,304,462	870,209
1913	22	—	42,967	70,224	202,282	31,072	5,312,754	7,031,400	824,738
1914	17	—	40,517	57,331	123,365	18,297	3,708,102	9,553,050	759,806
1915	10	—	85,635	107,550	243,819	46,171	6,452,406	17,382,849	2,697,982
1916	21	—	104,658	126,241	229,237	190,807	5,825,791	17,024,626	3,007,298
1917	29	—	104,362	144,959	294,197	84,394	6,087,742	17,127,596	2,680,978
1918	26	—	2,018	19,926	38,332	27,738	523,805	82,853	116,346
1919	21	—	3,352	18,045	44,531	90,990	504,095	—	111,651
1920	15	—	2,399	14,115	37,500	11,160	338,623	—	84,133
1921	6	—	10,206	20,876	82,947	15,855	278,321	—	118,393
1922	14	—	3,453	—	—	—	—	—	61,234
1923	12	—	1,150	—	—	—	—	—	—
1924	17	—	388	—	—	—	—	—	—
1925	22	—	3,169	15,675	38,744	26,646	341,646	174,703	89,346
1926	28	—	10,056	42,055	75,470	80,728	697,805	1,669,266	281,469
1927	20	—	19,289	*80,000*	*60,000*	*35,000*	*600,000*	1,186,826	*230,000*
1928	14	—	995	4,102	10,770	10,450	43,791	150,319	23,617
1929	17	—	1,849	6,171	10,224	19,393	64,296	133,414	27,889
1930	5	—	342	2,130	4,181	2,411	37,640	35,104	7,620
1931	3	—	103	328	253	581	—	—	454
1932	5	—	236	4,001	3,553	2,333	17,500	—	5,675
1933	9	—	333	6,035	3,517	1,422	56,946	11,024	9,927
Total			516,514	$1,037,468	1,913,345	966,235	35,990,504	95,587,344	$13,360,978

PRODUCTION OF AJO DISTRICT, PIMA COUNTY
1909-33

Year	Producers		Tons	Gold (ounces)	Silver (ounces)	Copper (pounds)	Lead (pounds)	Zinc (pounds)	Total value
	Lode	Placer							
1909	4	—	810	$ 3,401	894	142,516	—	—	$ 22,393
1910	5	—	926	517	421	97,999	—	—	13,190
1911	2	—	—	—	—	*100,000*	—	—	12,500
1912	1	—	—	—	—	*100,000*	—	—	16,500
1913	—	—	—	—	—	—	—	—	—
1914	—	—	—	—	—	—	—	—	—
1915	5	—	94	—	—	*20,000*	—	—	3,611
1916	—	—	*40,000*	—	—	*1,000,000*	—	—	*246,000*
1917	11	—	801,026	852	6,754	20,201,645	—	—	5,521,466
1918	1	—	1,856,417	—	—	49,950,139	—	—	12,360,220
1919	1	—	1,604,653	—	—	39,509,461	—	—	7,348,760
1920	1	—	1,743,439	—	—	40,104,493	—	—	7,379,227
1921	1	—	931,051	—	—	20,198,382	—	—	2,605,591
1922	1	—	1,339,757	—	—	26,612,803	—	—	3,592,728
1923	1	—	1,805,322	—	—	38,367,718	—	—	5,640,055
1924	1	—	2,984,862	220,672	162,068	63,884,293	—	—	8,711,556
1925	1	—	3,346,770	296,763	209,860	69,262,286	—	—	10,277,626
1926	1	—	3,405,174	376,516	234,139	82,312,463	—	—	12,044,264
1927	1	—	3,371,261	379,289	200,924	72,932,670	—	—	9,897,892
1928	1	—	3,646,029	338,580	171,943	77,995,281	—	—	11,825,915
1929	1	—	2,456,304	304,682	155,739	71,000,000	—	—	12,768,387
1930	1	—	1,916,932	236,568	121,300	50,474,000	—	—	6,844,431
1931	1	—	*1,635,000*	*290,000*	*150,000*	*41,200,000*	—	—	4,082,005
1932	1	1	*350,000*	*70,000*	*25,000*	*10,000,000*	—	—	*637,000*
1933	—	1	—	294	—	—	—	—	294
Total			33,235,827	$2,518,134	1,439,042	775,466,149	—	—	$121,851,611

T. 22N., R.17W.


GOLCONDA
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Dela Fontaine
Surprise
Dela Fontaine PK
Little Joe
Am. Nettling
DE LA FONTAINE
SILVER 63 MINE
Little Boy M.S. 2519
Prosperity M.S. 2827
New York M.S. 3567
Zinc M.S. 3533
Eagle M.S. 1943
Seneca M.S. 3575
Oneida M.S. 3575
Side Hill M.S. 2833
Red Dog M.S. 2873
Rolling Mule
Red Sail M.S. 2776
Fontenoy M.S. 2555
Flagstaff
Golconda
Cardinal
Clearing House
Turner
Tapell option situation
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Book 19

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~~6-F 160-161~~

~~5-U~~

5-M 283+289 —

6-E 449+ 427 + 434 436 —

Getz property

~~[illegible]~~ chico mine