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ARIZONA PINAL COUNTY

RODNEY & SULLIVAN PROPERTY

THE R. B. RODNEY AND JAMES SULLIVAN PROPERTIES

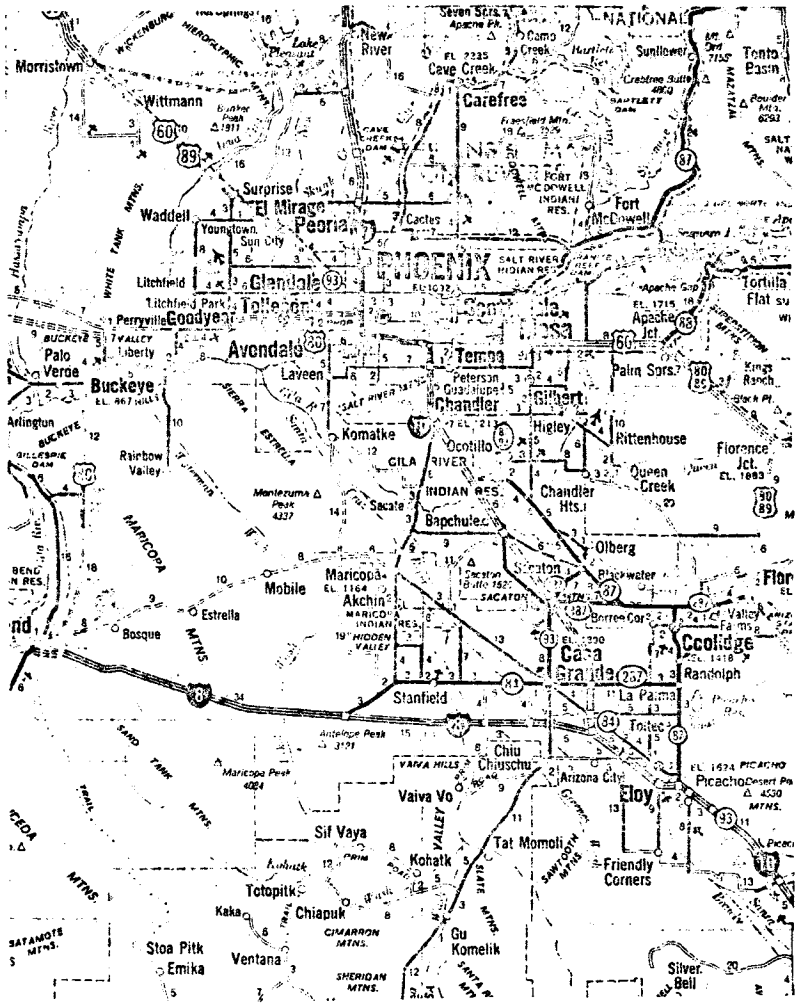
PINAL COUNTY, ARIZONA

J. Bruce Imswiler

February 8, 1973

International Minerals & Chemical Corporation
Libertyville, Illinois 60048

CONTENTS



Sullivan Property

Rodney Property

LOCATION MAP - SULLIVAN & RODNEY PROPERTIES

PINAL COUNTY, ARIZONA

THE R. B. RODNEY PROPERTIES

SUMMARY AND CONCLUSIONS

The R. B. Rodney properties consist of five adjacent sections on an east-west line in Township 3S, Range 5 - 6E, Pinal County, Arizona. The southern boundary of this land is common with the northern boundary of the Gila River Indian Reservation. Duval Corporation has an exotic copper deposit on the Indian reservation immediately south of the Rodney ground.

Field examination of both the Duval and Rodney properties indicates that the surface manifestation of copper mineralization diminishes northerly from the Duval ground to the Rodney ground. Previous drilling done by both Bear Creek Mining Company and Norandex tend to confirm this impression. It is recommended that this property is not attractive to IMC.

THE JAMES SULLIVAN PROPERTIES

SUMMARY AND CONCLUSIONS

The James Sullivan properties are located about 30 miles southeast of Phoenix, Arizona, and are immediately adjacent to and north of the newly discovered ASARCO Sacaton porphyry copper deposit. Mr. Sullivan has presented the properties in two packages, i.e., a southern package of mining claims and fee land and a northern package held under a prospecting permit and option to lease from the Gila River Indians.

The southern package is unattractive geologically and on the basis of the terms proposed by Mr. Sullivan. The northern package contains a target area of some merit in the eastern part. Previous work consisting of geophysics, geochemistry and geology indicate the possibility of a northerly dipping body of unknown sulfide content in this area. If IMC is willing to risk $30,000 on a fast drilling shot at a possible prophyry copper target, then I recommend that the eastern target area should be tested by drilling.

INTRODUCTION

The James Sullivan properties are located in portions of Townships 4 & 5 S, Ranges 5 & 6 E, Pinal County, Arizona. The properties lie about 30 miles southeast of Phoenix and are easily accessible via paved highways and graded desert roads. The newly discovered Asarco Sacaton prophyry copper deposit is approximately three quarters of a mile south of the southern boundary of the Sullivan properties. The properties have been divided into two packages; the northern package consists of 13,492 acres on the Gila River Indian Reservation which is controlled through a prospecting permit with an option to lease, and the southern package consists of 322 lode claims and two separate 120-acre parcels of fee land.

In addition to work done on both parts of the property by James Sullivan, Asarco and Penarroya have conducted work, including drilling, on the southern package and Bear Creek Mining Company has conducted surface work, including geology, geophysics and geochemistry, on the Reservation lands. It appears that Asarco's drilling was for the purpose of condemning part of the southern package as a possible extension of the Sacaton deposit, but recent drilling in the same area by Penarroya encountered some mildly interesting mineralization. Penarroya reportedly

relinquished their option with Sullivan because of too tough a deal and major disagreement as to performance. Sullivan picked up the Reservation property after Bear Creek dropped its prospecting permit, but it is reported by Mike Dibble that Bear Creek would like to get the property back.

Sullivan has remarkably complete and well organized data on work done on the property by himself, Bear Creek and Penarroya. No results are available on work done by Asarco. Unfortunately, the property situation is not quite so clear. Sullivan appears to have a clean deal with the Gila River Indians, but the status of lode claims and fee land is rather muddy because of complex deals through which Sullivan has gained control of these grounds. I would strongly recommend that IMC or any other organization who might be interested in these properties, should secure the services of an Arizona mining attorney and proceed with extreme caution before entering into any kind of agreement.

This preliminary report is based on one-half day of discussion and one-half day in the field with Mike Dibble and one full day spent with James Sullivan reviewing data, examining core and discussing the terms and arrangements of a possible deal. Final judgment on these properties is reserved pending receipt of petrographic analyses of samples collected.

POTENTIAL OF PROPERTIES

General

The most favorable aspect of the Sullivan property is its proximity to the Sacaton deposit. This general area lies at the intersection of a northeast trending mineralized belt extending from Ajo, through Sacaton, Mineral Buttes, Superior, Miami and Globe and a NNW-trending structural belt. This type of intersection represents a more or less classic setting for Arizona porphyry copper deposits. The magnitude of the area of intersection certainly provides room for the characteristic cluster of porphyry copper deposits. This is indeed "elephant country."

Southern Package

That part of the southern package considered to be the most favorable by Mr. Sullivan, lies in Section 28 approximately 3/4 of a mile north of the Sacaton deposit. This area was drilled on a wide spacing and apparently condemned by Asarco. No data is available from the Asarco work. Later drilling in this area by Penarroya encountered several mineralized intercepts, but the grade and geometry of these intercepts certainly do not permit them to be classified as ore. Data from the Penarroya work is appended to this report. Interpretation of this data indicates andesite sills or flows with interbedded quartz monzonite porphyry sills to be dipping gently to the northeast and off of the ground controlled by Sullivan. I do not consider this area to have much potential.

In my opinion, the most promising area in the southern package is along the northern extension of the NNW-trending structural belt that encompasses the Sacaton deposit. This structural belt has surface manifestations and copper shows where it enters the southern part of the west end of the Sacaton Mountains in the northwest part of Section 15 and the northeast part of Section 16. This belt continues into the Sacaton Mountains on the Gila River Indian Reservation. Some prospecting and geochemical work have been done in this area but there is no record or evidence of geophysics or drilling. Altered quartz monzonite porphyry is reported to occur along this zone in the Sacaton Mountains on the Indian Reservation. Exploration of this zone would essentially require a fundamental prospecting program.

Northern Package

Aside from the fact that the northern package is farther away from the Sacaton deposit than the southern package, I consider this area to have the greatest potential of the two. Two locations within the northern package are presently known to have reasonable target areas. These are designated the western target area and the eastern target area.

The western target area, previously mentioned, is in that part of the west end of the Sacaton Mountains containing the extension of the NNW structure that passes through the

Sacaton deposit. This area is reported to contain exposures of altered quartz monzonite porphyry and shows of copper. Exploration in this area would require some rather fundamental geological, geochemical, and geophysical work in order to refine a target or targets.

The eastern target area is located in Sections 5, 6, 7 and 8, T-5S, R-6E, on the eastern edge of the Reservation. In this area, Laramide quartz monzonite porphyries intrude Precambrian granite and Cambrian (?) - Precambrian sedimentary and metasedimentary rocks. Strong northeast-trending structures occur in this area. Several places along these structures show quartz-sericite alteration and copper oxide.

As indicated on the accompanying data, this area contains a northeast-trending zone of alteration and geochemically anomalous copper and molybdenum. A parallel zone consisting of an I.P. high and a magnetic low lies to the northwest of the zone containing the alteration and geochemical anomaly. This work was done by Bear Creek Mining, and it is reported that no drilling was done. My interpretation would be that the alteration/geochemical anomaly zone represents the surface expression of a northerly dipping body that contains sulfides that are represented by the zone of high I.P. response. The nature and concentration of these sulfides is purely speculative. This target could be checked out rather easily with a few fairly inexpensive

drill holes. Petrographic samples have been collected and submitted from this area.

PROPERTIES AND OBLIGATIONS

Gila River Indian Reservation Land

The Gila River Indian Reservation land consists of 13,492 acres held under a two-year prospecting permit dated March 23, 1972 with an option to obtain a ten-year lease on March 23, 1974. After the initial ten-year period, the lease remains in effect only so long as continuous economic production takes place.

The only requirement during the prospecting period is the performance of $25,000.00 worth of work per year. Sullivan has performed $17,500.00 worth of work to date and has received a 120-day extension until July 23, 1973 to complete the remaining $7,500.00 for the first year. In spite of the first year extension, the second year requirement is to have an additional $25,000.00 in work completed by March 22, 1974.

If the option to lease is exercised on March 23, 1974, a rental fee of $1.00 per acre must be paid upon signing and upon each anniversary date. In carving out areas for lease, each lease shall not exceed 2,500 acres in a reasonably compact body, and shall conform to the public

land survey. In addition to the rental fee of $1.00 per acre, a minimum advance royalty of $10.00 per acre leased is due at the beginning of the second year and each year thereafter.

A dilligence requirement of work to be performed on all land leased is set forth in the following schedule:

1st year	$30.00/acre
2nd year	$40.00/acre
3rd year	$50.00/acre
4th year and thereafter	$100.00/acre/year.

A sliding scale production royalty in abbreviated form is set forth as follows:

5% NSR ores returning	$3.00/ton or less
6%	$3.00 - $3.25
7%	$3.25 - $3.50
8%	$3.50 - $3.75
9%	$3.75 - $4.00
10%	$4.00 - $7.00
11%	$7.00 - $10.00
12%	$10.00 - $11.00
25%	$25.00
50%	$100.00

A 12% royalty is required on the sales price of all leached products.

In addition to all other requirements, a one time fee of $300.00 per acre is imposed on all areas used for dumps, tailings, camp sites, etc.

Although the lease states that it is only possible to adjust royalties every five years, the custom and practice in Arizona is to accept anything initially and then

renegotiate the entire lease to more reasonable terms at a later time. Quite obviously, the terms of the present lease would make it almost impossible to conduct a porphyry copper operation.

Lode Claims and Fee Land

James Sullivan purports to own outright 312 Federal Lode Mining Claims by virtue of location. I can only account for 296 claims on the property map submitted by Mr. Sullivan, and approximately 10% of these are fractions rather than full size claims. Mr. Sullivan is acquiring 10 more lode claims, the Van M 1 through 5 and 5 V.S. Claims, through purchase option. If all of the purported claims are valid and can be accounted for, this would amount to 322 lode claims requiring annual assessment work in the amount of $32,200.00. Mr. Sullivan has currently done $5,000.00 worth of work on all claims with $27,200 in work required to be performed prior to September 1, 1973.

The V.S. claims have a total of $21,000 plus interest remaining to be paid out over an eight year period on an escalating payment schedule. The next payment of $1,133.00 is due on August 5, 1973. Mr. Sullivan has graciously offered to carry the remaining obligation on the Van M claims himself.

Two 120-acre parcels of fee land constitute the remainder of the southern package. The supposedly prime parcel constitutes the S$\frac{1}{2}$ and NW$\frac{1}{4}$ of SE$\frac{1}{4}$, Section 24, T-5S, R-5E. This parcel has $220,000.00 plus interest remaining to be paid against a total of $240,000.00. The payment schedule calls for payments of $15,000.00 on February 1, 1973 and 1974, followed by payments of $31,000.00 on February 1, 1975 and each year thereafter until the total remaining amount of $220,000.00 plus interest has been paid. As in the case of the V.S. claims, interest is calculated annually on the unpaid balance using the current prime interest rate quoted by the Valley National Bank less 1$\frac{1}{2}$% discount.

The second 120-acre parcel is located in Section 10, T-5S, R-6E, and does not show on the furnished maps. Although Sullivan claims to be throwing this parcel in free of charge, the deals through which he is arguing both parcels are so complex, that he has, in fact, put the total price into the cleaner deal and is settling the other on his own. In other words, the total price for both parcels is actually $240,000.00 less $20,000.00 paid to date.

PROPOSED DEAL AND SCHEDULE OF REQUIREMENTS

The deal proposed by James Sullivan on the entire package is as follows:

Period I - Signing through September 1, 1973.

Cash to be paid upon signing	
Recovery of $15,000.00 option payment on fee land due 2-1-73.	$15,000.00
Recovery of current assessment work done on unpatented claims.	5,000.00
Earnest Money - i.e. "front money."	5,000.00
	$25,000.00
Cash obligations due during Period I	
Payment on V.S. claims 8-5-73	~ 1,133.00
Recovery of assessment work done in excess of $5,000.00 prior to signing.	+ ? ? ?
Work obligations during Period I	
Assessment work on lode claims	27,200.00
Reservation work requirement	
Prior to 7-22-73	7,500.00
Prior to 3-23-74	17,500.00
Period I Total Cash	$26,133.00
Period I Total Work Requirement	52,200.00
Period I Total Expenditure	$78,333.00

Period II - September 1, 1973 through September 1, 1974.

Decision: To assume all commitments falling due during this year including decision to take out lease(s) on one or more parts of Gila River Indian Reservation.

Cash obligations

Payment on 9-1-73 to J. Sullivan	$ 12,500.00
Payment on 2-1-74 on Fee Land	15,000.00
Payment on 8-5-74 on V.S. claims	~ 1,500.00
Rental fee on 3-23-74 on lease on Indian Reservation (if all leased)	13,492.00
Total cash payments Period II	$ 42,492.00

Work obligations

Remainder of second year work obligation on Gila River Indian Reservation by 3-22-74	7,500.00
Assessment work on 322 unpatented claims prior to 9-1-74	32,200.00
Work commitment on Indian Reservation if all leased. (This is absurd!)	404,760.00
Total work requirement Period II	$444,460.00

In actuality, if the Reservation lands were still of interest during Period II, the area leased would be more on the order of 1,000 to 1,500 acres and the work requirement on these lands would be in the range of $30,000 to $45,000. The actual total expenditure during Period II would be somewhere around $90,000.00.

Period III - September 1, 1974 through September 1, 1975

Decision: To commit to all obligations falling due during this year including the $10.00 per acre minimum advanced royalty on all leased Indian Lands.

Cash obligations

Payment on 9-1-74 to J. Sullivan	$ 50,000.00
Payment on 2-1-75 on fee land	31,000.00
Rental on 3-23-75 on Indian lands (assume 1,500 acres)	1,500.00
Minimum advance royalty on Indian lands (assume 1,500 acres) (3-23-75)	15,000.00
Payment on 8-5-75 on V.S. claims	3,500.00
Total cash Period III	$101,000.00

Work obligations

Assessment work on 322 claims	$ 32,200.00
Work commitment on Reservation (assume 1,500 acres @ $40/acre)	60,000.00
Total work Period III	$ 92,200.00
Total expenditure Period III	$193,200.00

Period IV - September 1, 1975 through September 1, 1976.

Cash obligations

Payment 9-1-75 to J. Sullivan	$100,000.00
Payment 2-1-76 on fee land	31,000.00
Rental 3-23-76 on Indian lands (assume 1,500 acres)	1,500.00
Minimum advance royalty 3-23-76 on 1,500 acres of Indian land	15,000.00
Payment 8-5-76 on V.S. claims	~ 3,500.00
Total cash Period IV	$151,000.00

Work obligations

Assessment work 322 claims	32,200.00
Reservation work commitment (1,500 acres @ $50/acre)	75,000.00
Total work Period IV	$107,200.00

Total expenditure Period IV	$258,200.00

Period V - September 1, 1976 through September 1, 1977

Cash obligations

Payment 9-1-76 to J. Sullivan	$150,000.00
Payment 2-1-77 on fee land	31,000.00
Rental 3-23-77 on Indian lands (assume 1,500 acres)	1,500.00
Minimum advance royalty 3-23-77 on 1,500 acres Indian land.	15,000.00
Payment 8-5-77 on V.S. claims	3,500.00
Total cash Period V.	$201,000.00

Work obligations

Assessment work 322 claims	$ 32,200.00
Reservation work commitment (1,500 acres @ $100/acre)	150,000.00
Total work Period V	$182,200.00
Total expenditure Period V	$383,200.00

Period VI - September 1, 1977 through September 1, 1978

Cash obligations	
Same as Period V	$201,000.00
Work obligations	
Same as Period V	$182,200.00
Total expenditure Period VI	$383,200.00

Period VII - September 1, 1978 through September 1, 1979

Cash obligations	
Same as Periods V & VI	$201,000.00
Work obligations	
Same as Periods V & VI	$182,000.00
Total expenditure Period VII	$383,200.00

At end of Period VII, Sullivan wants:

	$7,500,000
less previous payments	617,500
	$6,882,500

Also: Fee land has remaining - $72,974 to be paid in a year, and Optional claims have $5,368 due.

In addition:

Sullivan wants the right to acquire, i.e. buy back a 12½% participating interest cost at a net cost figure. Net cost to be 12½% of everything IMC has in the property to that point except monies paid to Sullivan, i.e. total cost less 7.5 million dollars.

In the event that only one package is taken, obligations will be reduced accordingly, and payment schedule to Sullivan will be as follows:

Period I	$ 5,000.00
Period II	10,000.00
Period III	25,000.00
Period IV	50,000.00
Period V	100,000.00
Period VI	150,000.00
Period VII	150,000.00

Total payments to Sullivan at end of Period VII are $2.5 million for the reservation package and $5 million for the southern package. In any event, Sullivan reserves the right to buy back a 12½% participating interest at net cost in either or both packages.

Comment:

It may be possible to negotiate the total price down, but I think Sullivan is firm on the annual payments.

If IMC decided to take a shot at this property, the whole mess would have to be renegotiated no later than the end of Period II in order to be feasible.

RECOMMENDATIONS

The northern package, that part of the Gila River Indian Reservation held under permit with option to lease, represents the most attractive area for prospecting. If IMC is willing to risk $30,000.00 on a fast drilling shot at a possible porphyry copper target, then I recommend that the eastern target area should be tested by drilling. This is probably as good and as cheap an opportunity on this type of target as is likely to show up through referral. If this property is optioned, it would be mandatory to renegotiate the terms of the agreement with the Gila River Indians.

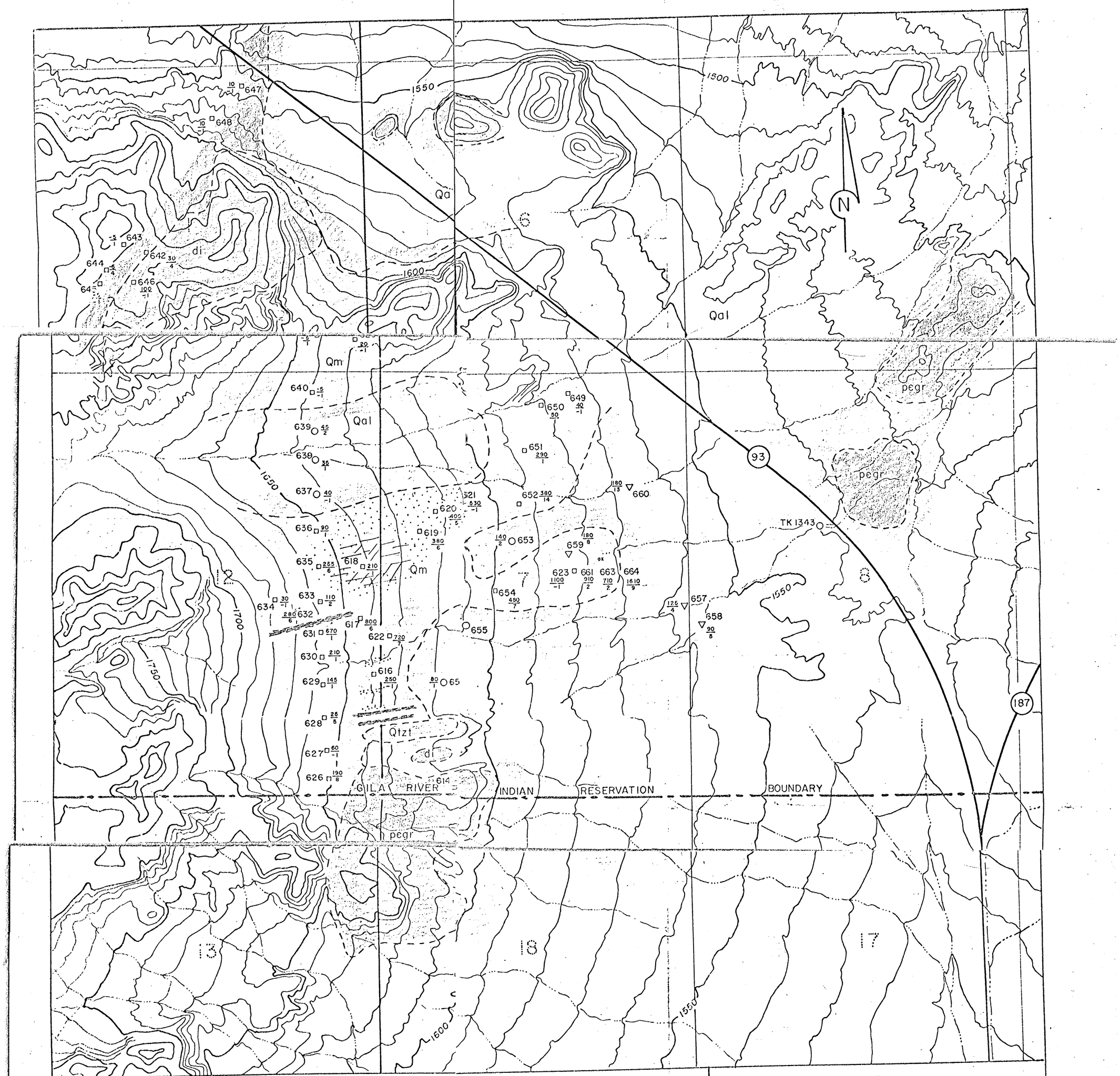
The deal and potential on the southern package are not attractive. I recommend that IMC should have no further interest in this part of the Sullivan properties.

Enclosed Plates -

Claim Map - Sacaton Project
Location Map - Sacaton Project

Northern Package - Eastern Target Area
- Geology & Alteration (1/2/71)
- Induced Polarization (7/20/71)
- Geochem (7/20/71)
- Megnetometer Survey (7/20/71)

Southern Package - Work Done by Penarroya
- Drill Holes - Sacaton (3/16/72)
- Geochemical Survey
- Cross-Section Drilling Survey
- Cross-Section
- Drilling Cross Sections (3 plates)



E X P L A N A T I O N

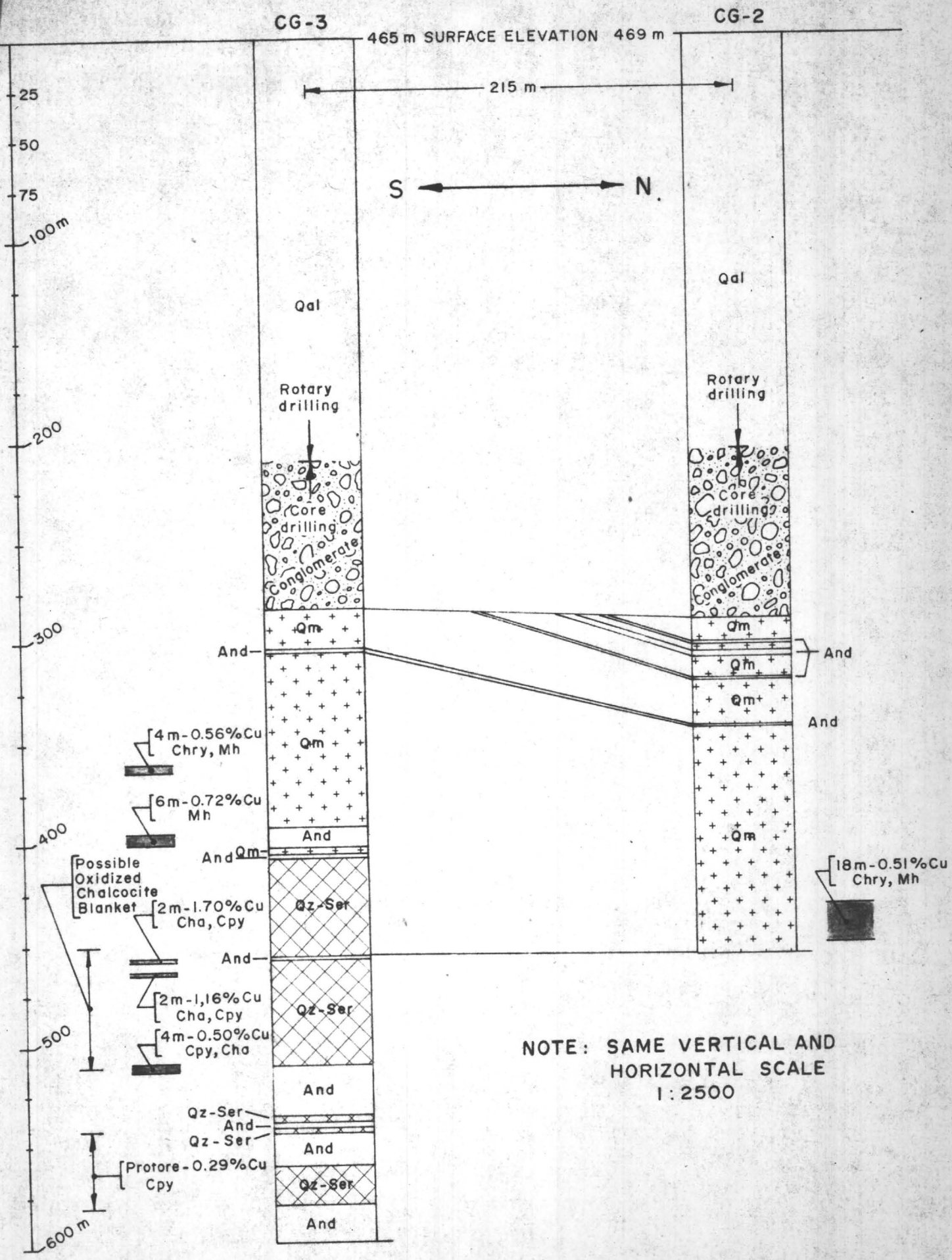
Qal	Alluvium	Weak clay or sericite alteration	300/6 Cu in ppm / Mo in ppm
Qmd	Quartz monzonite dikes	Sulfide quartz veinlets	
Qm	Quartz monzonite	Disseminated sulfide casts	
di	Diorite	630 Rock chip sample	
pegr	Precambrian granite	655 Soil sample	
Qtzt	Quartzite	658 Stream sediment sample	

GEOLOGIC MAP OF PART OF THE
GILA RIVER INDIAN RESERVATION
PINAL COUNTY, ARIZONA

Scale 0 1000 2000 3000
1 inch = 1000 ft.

Drawn by

CASA GRANDE — PLATE 1



NOTE: SAME VERTICAL AND HORIZONTAL SCALE 1:2500

March 26, 1973

Mr. James Sullivan
J. Sullivan & Co.
P.O. Box 3241
Scottsdale, Arizona 85257

Dear Jim:

Enclosed please find petrographic analyses as promised. Good luck with your prospect.

Sincerely yours,

J. Bruce Imswiler
District Geologist

JBI/mp
Enc.

Send Sullivan sample location

P. O. Box 872
Douglas, Arizona 85607
Feb. 21, 1973

J. B. Imswiler
International Minerals and Chemical Corp.
504 Abbay Way
Sparks, Nevada 89431

Dear Bruce:

I studied the four slides you told Betty to have done and took a look at the other five. Alteration is relatively weak despite the good mineralization, and I would postulate a source rock which would be a bit too basic to be a porphyry copper - i.e. a rock which could have become one but was interrupted in its process of differentiation. We see our share of such things and they can be real "teasers". I think you were wise to reject this one.

Sincerely,

Sid

Sidney A. Williams

SAW/bj

5787

The specimen is a granite composed of coarse anhedral orthoclase and quartz. The orthoclase is perthitic and perthite stringers leak out from undigested relict plagioclase grains in many coases; the orthoclase has shown some crystalloblastic growth. The plagioclase is generally only mildly sericitized but locally it has been replaced by coarse muscovite. Clusters of secondary biotite (largely altered back to pennine) replace former mafites.

Chalcopyrite occurs sparingly in fractures which may cut orthoclase or plagioclase but evince no alteration in their selvages. Pyrite occurs along late fractures in smears of chlorite and sericite.

Minerals appear in the following estimated amounts: quartz 20%, orthoclase 57%, plagioclase 16%, muscovite 2%, biotite 2%, rutile tr., chalcopyrite tr., pennine 2%.

5788

The specimen is a granite composed of large subhedral plagioclase crystals set in a matrix of even coarser anhedral orthoclase and quartz. The orthoclase is but slightly perthitic although it shows evidence of late magmatic growth where it has corroded adjacent plagioclase grains.

Biotite crystals originally present have been altered, in some cases, to a mush of pennine and accessory rutile; in others to a laminated sericite-pennine pseudomorph; or to a patch of granular orthoclase. Plagioclase is weakly sericitized and occasionally hosts large epidote grains.

Sulfides (pyrite and chalcopyrite) occur in discontinuous microfractures with little apparent alteration. When in feldspars, the adjacent feldspar may seem "freshened" a bit.

Mineral percentages are estimated as: quartz 24%, orthoclase 46%, plagioclase 22%, sericite 3%, epidote 1%, sulfides 1%, pennine 2%, rutile 0.5%, apatite tr..

5790

The rock is a microbreccia derived from a granite. It consists of fragments of plagioclase, quartz, and orthoclase (some sharply angular) cemented by ever-smaller grains of quartz and feldspars.

Mild epizonal alteration occurred during and after shattering. Quartz has not been affected but orthoclase has recrystallized somewhat and loosely cements the rock. In places it has invaded and replaced both plagioclase and quartz. Plagioclase has been mildly sericitized. Mafites (biotite?) are wholly altered to loose aggregates of sericite and accessory rutile.

Mineral percentages appear as follows: quartz 38%, orthoclase 52%, plagioclase 5%, sericite 4%, rutile 0.5%, hematite 0.5%.

5789

The specimen is a rhyodacite porphyry with subhedral plagioclase, round β quartz, hornblende, and biotite phenocrysts set in a granophyric matrix. The matrix consists of small plagioclase laths cemented by interstitial quartz crystalloblasts and some granular orthoclase. A second generation of wispy biotite flakes occurs in the matrix. Hydrothermal alteration (and K-metasomatism) has been moderate.

The rock is cut by a thick vein (and a few thin ones) of granular orthoclase carrying coarse, round pyrite grains, massive chalcopyrite, and granular calcite derived from plagioclase (along with kaolin). While all hornblende is penninized, biotite is but slightly altered. Plagioclase is relatively fresh except in vein selvages where it is riddled with sericite veinlets. Sulfides are disseminated throughout the rock but not in close association with secondary orthoclase.

An estimate of mineral percentages is: quartz 28%, orthoclase 18%, plagioclase 31%, biotitie 12%, pennine 5%, sulfides 3%, calcite 2%, apatite tr., rutile tr., kaolin 0.5%, epidote tr..

Jim Sullivan
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Scottsdale, Arizona 602-947-8075

P.O. Box 3241
Scottsdale, Arizona

Mike Dibble
8537 East San Miguel Ave.
Scottsdale, Arizona 85253

602-945-6023

WATTS 56

Barar Khin - Sid's ent.

goes w/ sample loc. map - Area is just N. of Casa Grande in Sacaton Mtns, few miles W. of Sacaton mine

APPENDIX 2

GEOCHEM SAMPLE DESCRIPTIONS

Sample Number	PPM CU	PPM MO	Sample Description
TD-612	8	-1	Quartz monzonite - strongly broken, strong iron stain after mafics.
TD-613	6	-1	Volc. Bx - in fault zone, strongly broken and strong iron stain.
TD-614	36	-1	pЄ Granite - unaltered, unmineralized.
TD-615	720	-1	Quartz monzonite dike - 5 to 10 ft. wide dikes. No alteration or mineralization but near Cu mineralization in N80W shear zone.
TD-616	250	-1	Quartz monzonite - weak sericite alteration, trace of sulfides, local iron stain.
TD-617	800	6	Quartz monzonite - weak clay- sericite alteration sulfides in veinlets, trace of Cu Ox.
TD-618	210	-1	Quartz monzonite - stockwork - quartz - sulfide veinlets with sericite alteration.
TD-619	380	6	Quartz monzonite - as above, with disseminated sulfide casts.
TD-620	400	5	Quartz monzonite - moderate sericite alteration and locally 2 to 5% sulfide casts.
TD-621	530	-1	Quartz monzonite - trace sericite alteration and a few sulfide veinlets and sulfide casts.

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TD-615	720	-1	Quartz monzonite dike - 5 to 10 ft. wide dikes. No alteration or mineralization but near Cu mineralization in N80W shear zone.
TD-616	250	-1	Quartz monzonite - weak sericite alteration, trace of sulfides, local iron stain.
TD-617	800	6	Quartz monzonite - weak clay- sericite alteration sulfides in veinlets, trace of Cu Ox.
TD-618	210	-1	Quartz monzonite - stockwork - quartz - sulfide veinlets with sericite alteration.
TD-619	380	6	Quartz monzonite - as above, with disseminated sulfide casts.
TD-620	400	5	Quartz monzonite - moderate sericite alteration and locally 2 to 5% sulfide casts.
TD-621	530	-1	Quartz monzonite - trace sericite alteration and a few sulfide veinlets and sulfide casts.

APPENDIX 2

Sample Number	PPM CU	PPM MO	Sample Description
TD-622	720	7	Quartz monzonite - as above.
TD-623	1100	-1	Quartz monzonite - unaltered and unmineralized. near contact with quartzite or quartz veins with some copper oxides.
TD-624	20	-1	Quartz monzonite - unaltered and unmineralized.
TD-626	190	8	Quartz monzonite - weak sericite alteration, trace sulfide casts in E-W micro veinlets.
TD-627	60	-1	Quartz monzonite - as above.
TD-628	25	5	Quartz monzonite - thin K-spar veinlets, some iron stain.
TD-629	145	1	Quartz monzonite - as above.
TD-630	210	1	Quartz monzonite - trace sericite alteration and sulfide casts, some Cu Ox, K-spar veinlets, strong iron stain.
TD-631	670	1	Quartz monzonite - trace of sericite and sulfide casts.
TD-632	280	6	Quartz monzonite dike - 10 ft. wide, trace sericite alteration.
TD-633	110	2	Quartz monzonite - as in TD-631, N75E sulfide veins.
TD-634	30	-1	Quartz monzonite - background - no alteration or mineralization.
TD-635	255	6	Quartz monzonite - quartz sulfide vein stock work 5 to 10 ft. Trace sericite alteration.

APPENDIX 2

Sample Number	PPM CU	PPM MO	Sample Description
TD-622	720	7	Quartz monzonite - as above.
TD-623	1100	-1	Quartz monzonite - unaltered and unmineralized. near contact with quartzite or quartz veins with some copper oxides.
TD-624	20	-1	Quartz monzonite - unaltered and unmineralized.
TD-626	190	8	Quartz monzonite - weak sericite alteration, trace sulfide casts in E-W micro veinlets.
TD-627	60	-1	Quartz monzonite - as above.
TD-628	25	5	Quartz monzonite - thin K-spar veinlets, some iron stain.
TD-629	145	1	Quartz monzonite - as above.
TD-630	210	1	Quartz monzonite - trace sericite alteration and sulfide casts, some Cu Ox, K-spar veinlets, strong iron stain.
TD-631	670	1	Quartz monzonite - trace of sericite and sulfide casts.
TD-632	280	6	Quartz monzonite dike - 10 ft. wide, trace sericite alteration.
TD-633	110	2	Quartz monzonite - as in TD-631, N75E sulfide veins.
TD-634	30	-1	Quartz monzonite - background - no alteration or mineralization.
TD-635	255	6	Quartz monzonite - quartz sulfide vein stock work 5 to 10 ft. Trace sericite alteration.

APPENDIX 2

Sample Number	PPM CU	PPM MO	Sample Description
TD-636	90	1	Quartz monzonite - no alteration, weak iron stain.
TD-637	40	-1	Soil sample - over quartz monzonite.
TD-638	30	1	Soil sample - as above.
TD-639	45	2	Soil sample - as above.
TD-640	-5	-1	Quartz monzonite - background.
TD-641	-5	1	Quartz monzonite - background.
TD-642	30	4	pЄ Granite - strong clay alteration and hematite stain in restricted zones, a few sulfide casts. Rocks immediately adjacent are unmineralized.
TD-643	-5	1	pЄ Granite - as above.
TD-644	-5	4	pЄ Granite - as above,
TD-645	-5	-1	pЄ Granite - unaltered and unmineralized.
TD-646	100	-1	Biotite diorite - unaltered and unmineralized.
TD-647 ✓	10	-1	pЄ Granite - Strongly clay altered with about 1% sulfide casts.
TD-648	10	-1	pЄ Granite - as above.
TD-649	40	-1	Quartz monzonite - no alteration or mineralization.
TD-650 ✓	50	-1	Quartz monzonite - weak Fe stain, 1/2% sulfide casts, no alteration.
TD-651	290	1	Quartz monzonite - as above.
TD-652 ✓	380	14	Quartz monzonite - moderate sericite alteration mainly in narrow E-W zones, about 1% sulfide casts.

APPENDIX 2

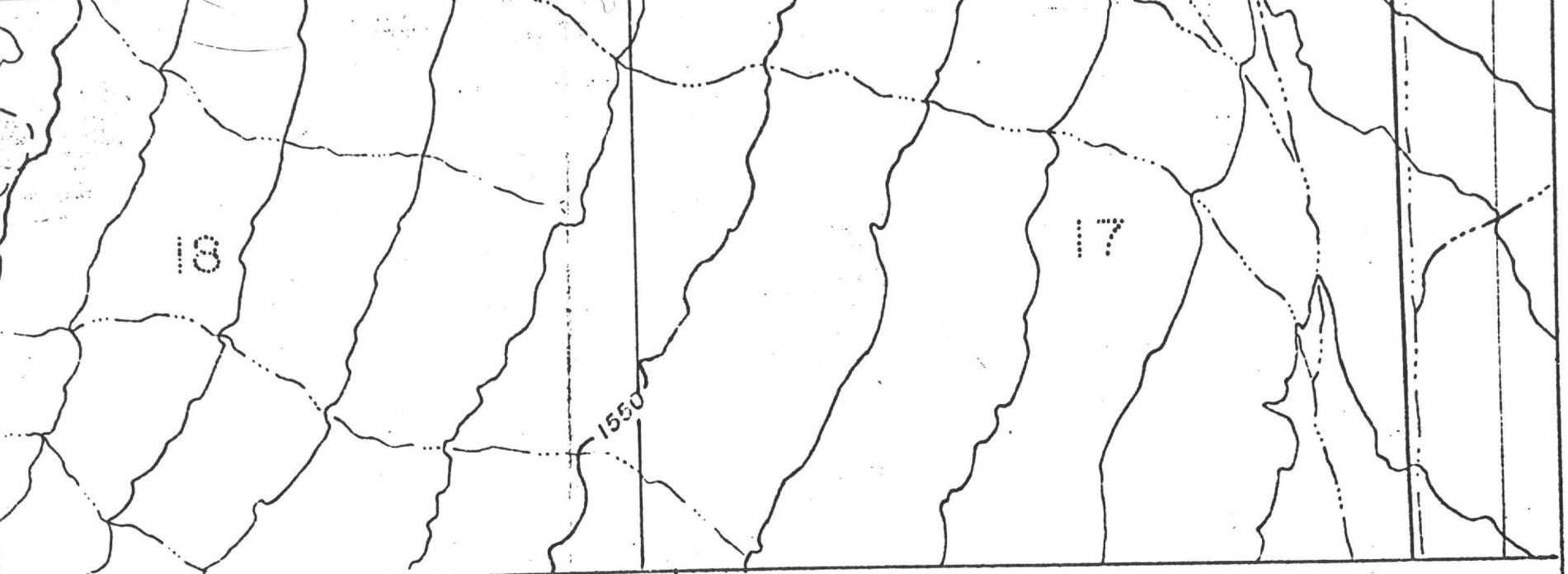
Sample Number	PPM CU	PPM MO	Sample Description
TD-636	90	1	Quartz monzonite - no alteration, weak iron stain.
TD-637	40	-1	Soil sample - over quartz monzonite.
TD-638	30	1	Soil sample - as above.
TD-639	45	2	Soil sample - as above.
TD-640	-5	-1	Quartz monzonite - background.
TD-641	-5	1	Quartz monzonite - background.
TD-642	30	4	pЄ Granite - strong clay alteration and hematite stain in restricted zones, a few sulfide casts. Rocks immediately adjacent are unmineralized.
TD-643	-5	1	pЄ Granite - as above.
TD-644	-5	4	pЄ Granite - as above,
TD-645	-5	-1	pЄ Granite - unaltered and unmineralized.
TD-646	100	-1	Biotite diorite - unaltered and unmineralized.
TD-647 ✓	10	-1	pЄ Granite - Strongly clay altered with about 1% sulfide casts.
TD-648	10	-1	pЄ Granite - as above.
TD-649	40	-1	Quartz monzonite - no alteration or mineralization.
TD-650 ✓	50	-1	Quartz monzonite - weak Fe stain, 1/2% sulfide casts, no alteration.
TD-651	290	1	Quartz monzonite - as above.
TD-652 ✓	380	14	Quartz monzonite - moderate sericite alteration mainly in narrow E-W zones, about 1% sulfide casts.

APPENDIX 2

Sample Number	PPM CU	PPM MO	Sample Description
TD-653	140	2	Soil sample - over quartz monzonite.
TD-654	480	7	Quartz monzonite - no alteration or mineralization.
TD-655	120	3	Soil sample - over quartz monzonite.
TD-656	80	1	Soil sample - as above.
TD-657	125	4	Stream sediment - drains quartz monzonite, quartz monzonite dikes and aplites.
TD-658	90	5	Stream sediment - drains quartz monzonite, quartzite and pЄ Granite.
TD-659	180	8	Stream sediment as in TD-657.
TD-660	180	13	Stream sediment as above.
TD-662	910	10	Quartz monzonite - replicate TD-623, unaltered and unmineralized - a few N20E sulfide veinlets.
TD-663	710	2	Quartz monzonite - as above.
TD-664	1610	9	Sulfide veinlets - sample site - TD 663.

APPENDIX 2

Sample Number	PPM CU	PPM MO	Sample Description
TD-653	140	2	Soil sample - over quartz monzonite.
TD-654	480	7	Quartz monzonite - no alteration or mineralization.
TD-655	120	3	Soil sample - over quartz monzonite.
TD-656	80	1	Soil sample - as above.
TD-657	125	4	Stream sediment - drains quartz monzonite, quartz monzonite dikes and aplites.
TD-658	90	5	Stream sediment - drains quartz monzonite, quartzite and pЄ Granite.
TD-659	180	8	Stream sediment as in TD-657.
TD-660	180	13	Stream sediment as above.
TD-662	910	10	Quartz monzonite - replicate TD-623, unaltered and unmineralized - a few N20E sulfide veinlets.
TD-663	710	2	Quartz monzonite - as above.
TD-664	1610	9	Sulfide veinlets - sample site - TD 663.



I · O N

300/6 Cu in ppm
Mo in ppm

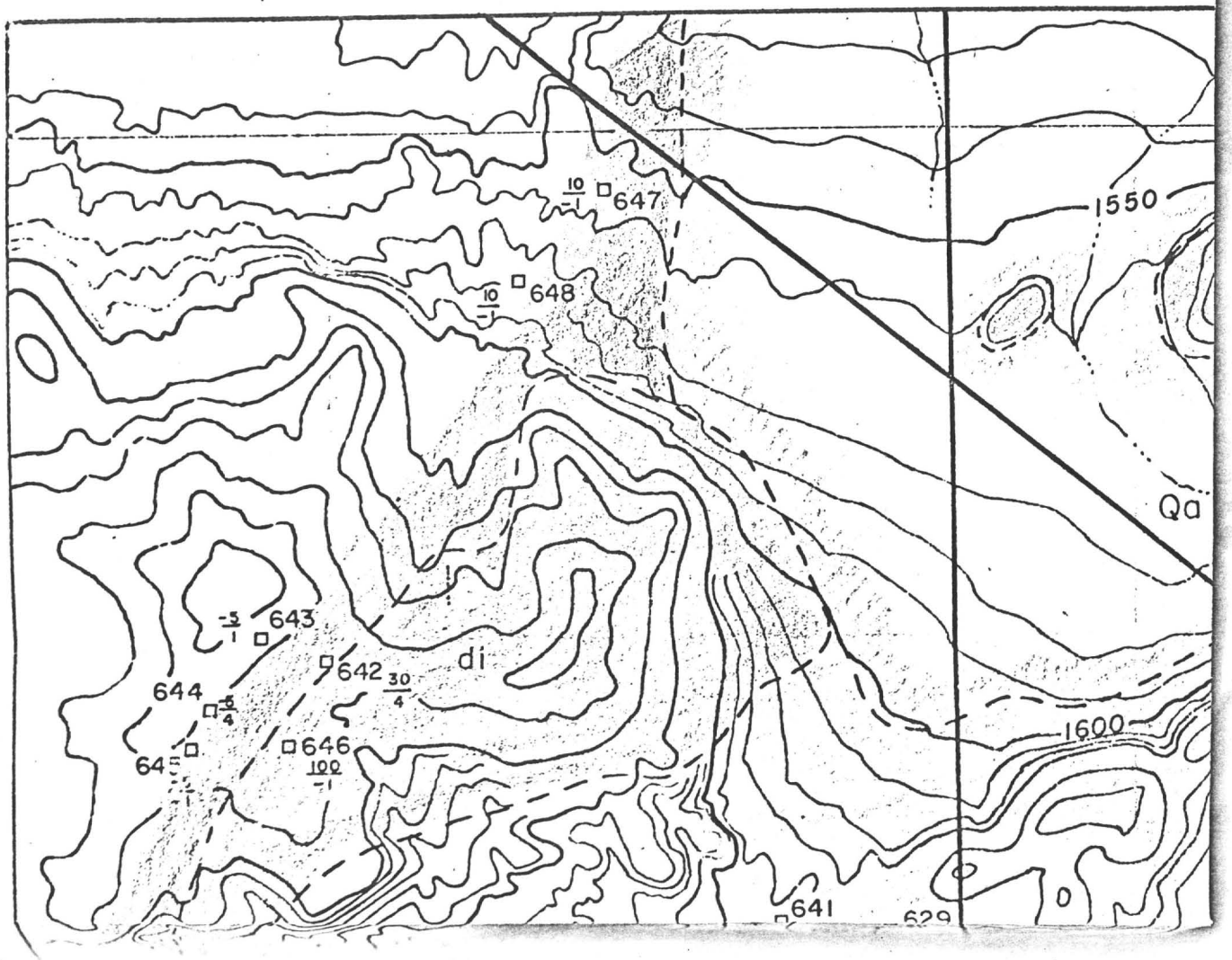
GEOLOGIC MAP OF PART OF THE
GILA RIVER INDIAN RESERVATION
PINAL COUNTY, ARIZONA

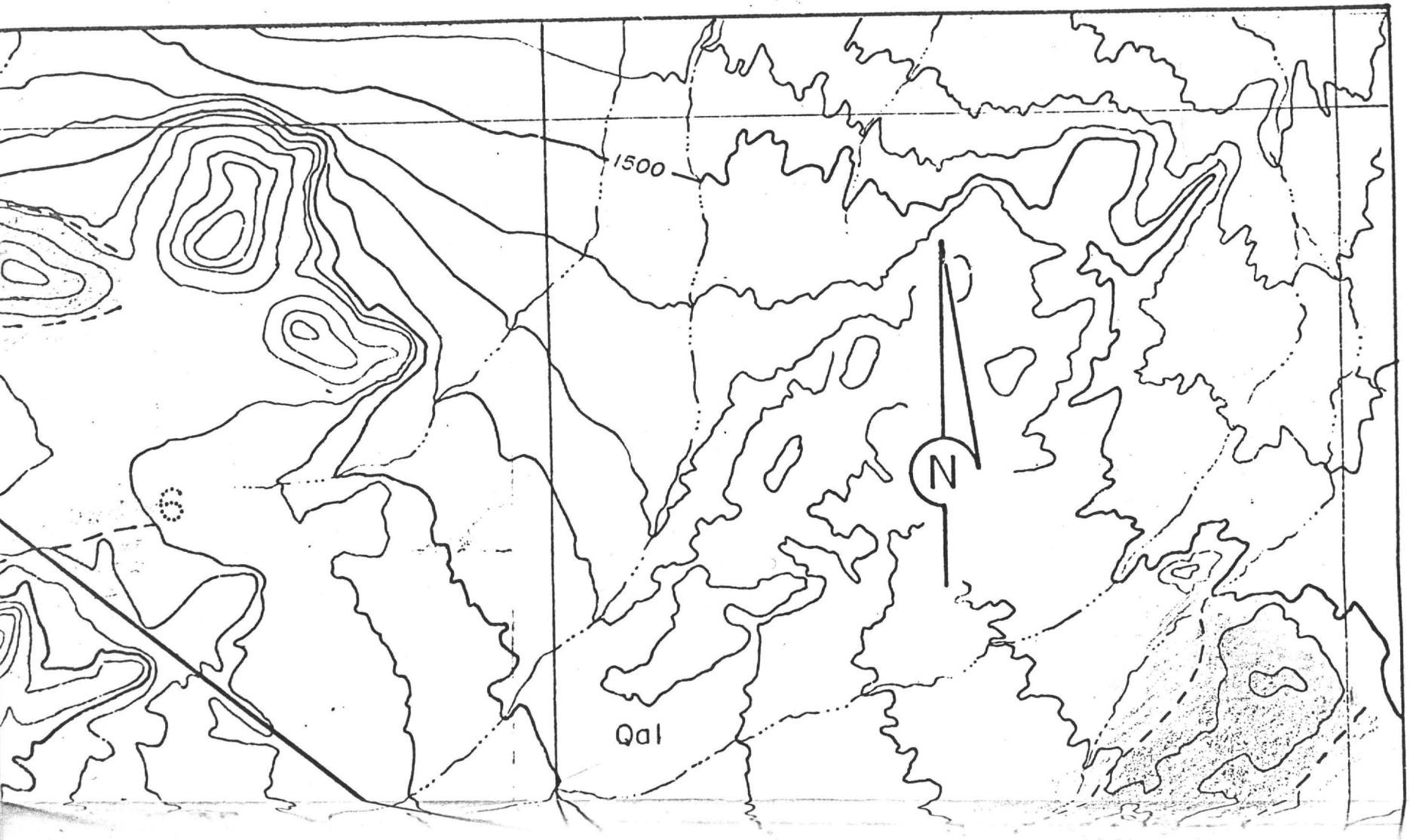
Scale

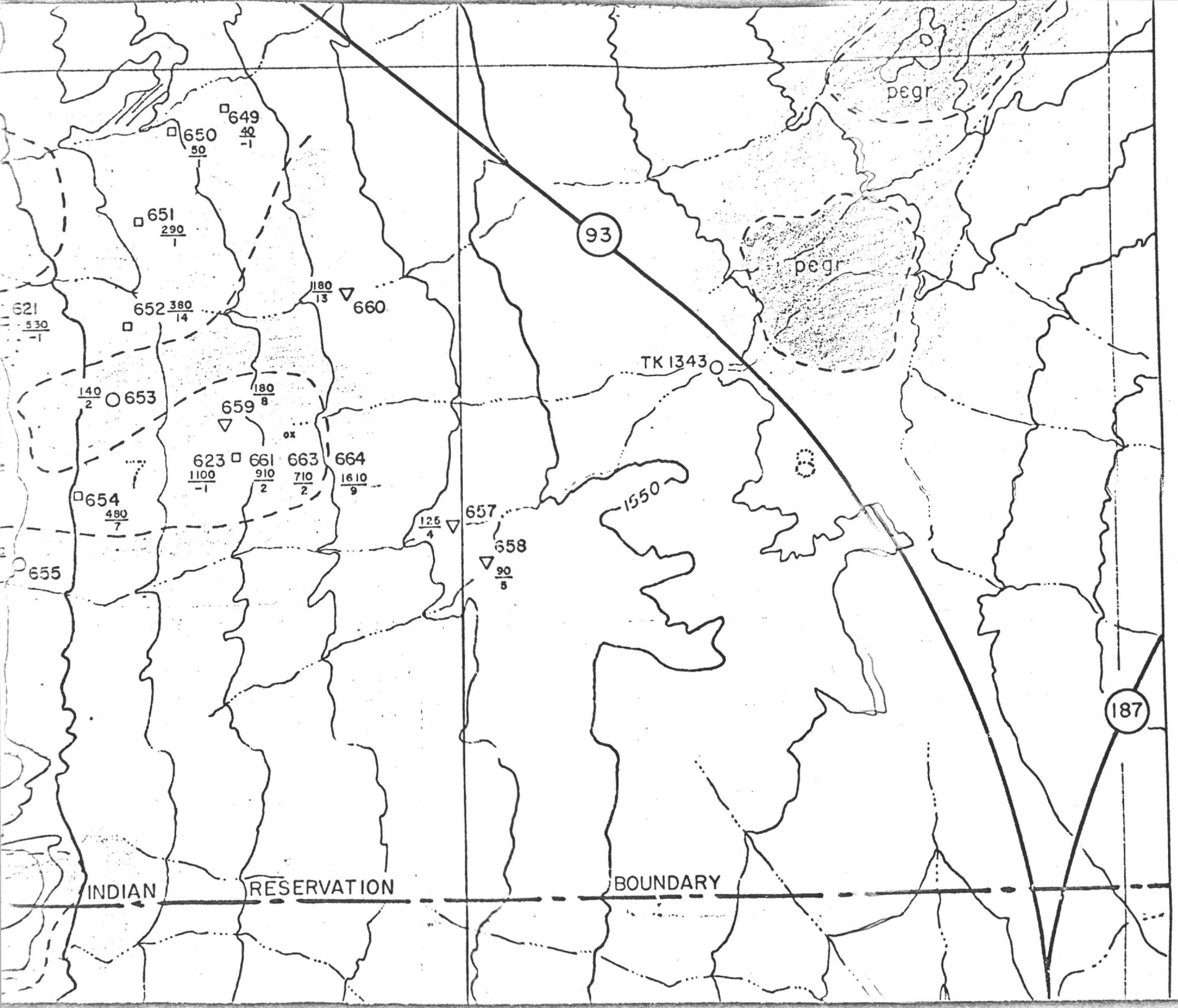
0 1000 2000 3000

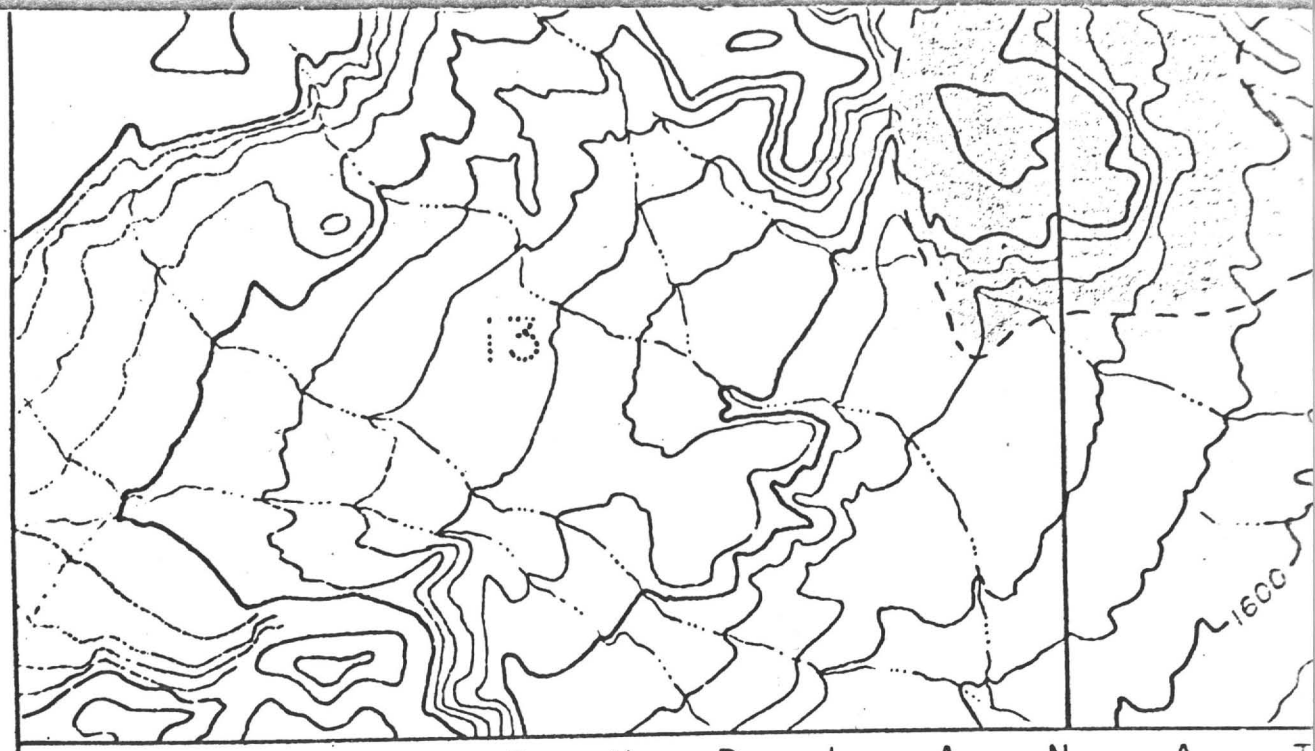
1 inch = 1000 ft.

Drawn by


647
648
643
642
644
646
641
di
Qa
1550
1600

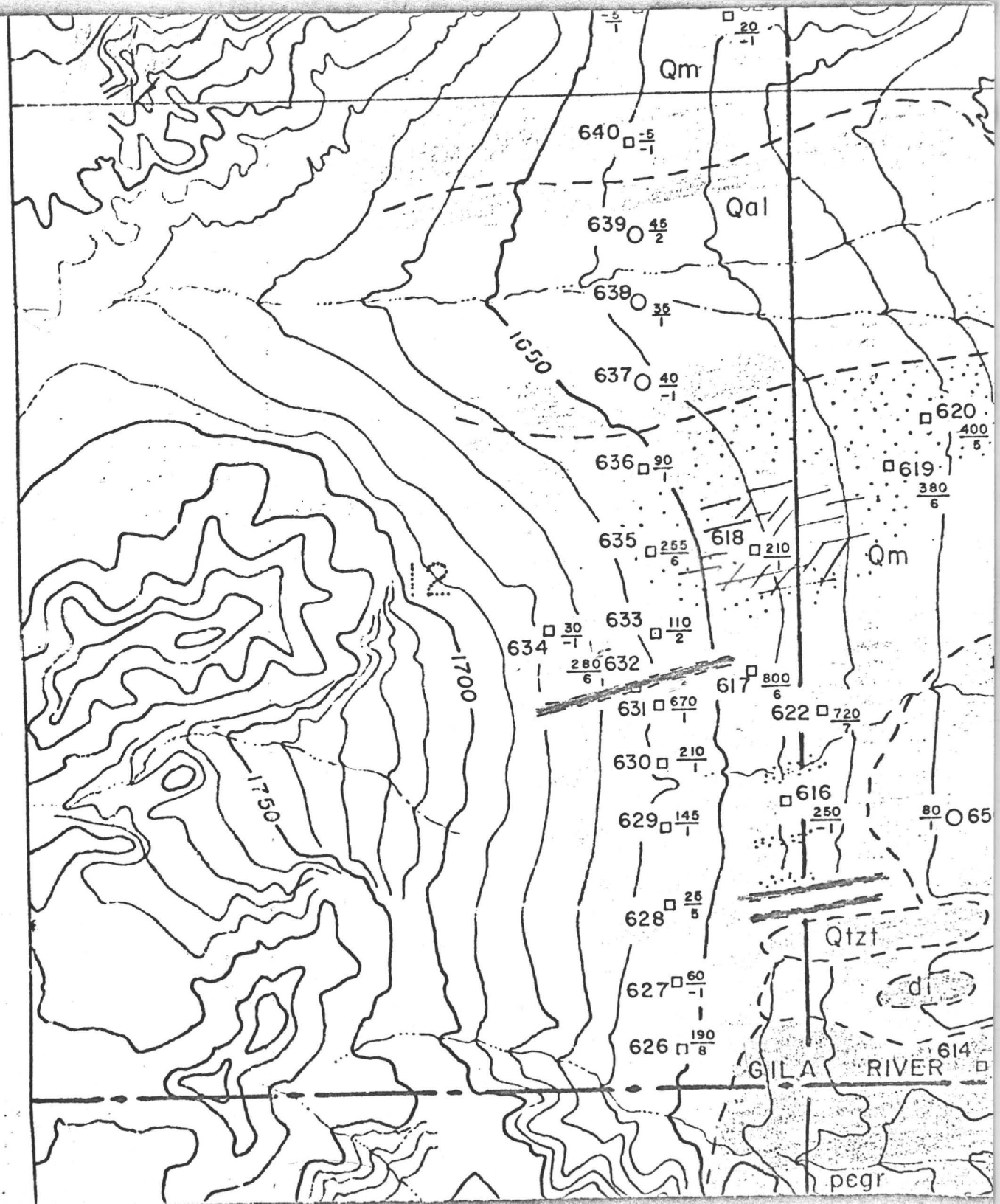

1500
N
Qal


pegr
pegr
93
187
649
40
-1
650
50
651
290
1
652
380
14
621
530
-1
180
13
660
TK 1343
140
2
653
180
8
659
ox
623
1100
-1
661
910
2
663
710
2
664
1610
9
654
480
7
125
4
657
658
90
5
655
1550
INDIAN RESERVATION BOUNDARY



E X P L A N A T

Qal	Alluvium		Weak clay or sericite alteration
Qmd	Quartz monzonite dikes		Sulfide quartz veinlets
Qm	Quartz monzonite		Disseminated sulfide casts
di	Diorite	630	Rock chip sample
p€gr	Precambrian granite	655	Soil sample
Qtzt	Quartzite	658	Stream sediment sample


Qm
Qal
Qm
Qtzt
di
GILA RIVER
pegr
1650
1700
1750
640
639
638
637
636
635
634
633
632
631
630
629
628
627
626
620
619
618
617
616
614
622
65

Mike Dobbs
Arizona Properties

NOTE: 1-29-73
Call from Betty Williams: Ted out of town for two weeks.

Samples sent to S.A. Williams for Petrographic Analysis
1-27-73

5787
Sullivan - Sacaton Fee Land
Drill Hole CG3 - 576 meters
"Protore" - Qtz Monzonite Porphyry
c̄ Qtz Sericite Alteration

5788
Same as 5787
573 meters

5789
Same as above
"Protore" - Andesite
551 meters

5790
Same as above
"Secondary Blanket" - Oxide Zone
QMP c̄ Qtz Sericite Alteration
487 meters

5791

Mineral Butter, Pinal Co., Arizona
~~Ran~~ Ted Rodney Property - Noranda Hole
MB-70-1 Core 169 ft
50 N - 280 W

5792

Mineral Butter, Pinal Co, Arizona
Ted Rodney, Noranda Hole
MB-70-1 core 170 ft
50 N, 280 W

5193

Sullivan - Seaton - Indian Res.
altered area c̄ some CuOx - QMP c̄ Qtz flow alt.
Between old + new road on east side

5794

Same as above
Quartz Quarry Adit

5195

Mineral Butter - Rodney - "Bat Cave"
i.e. pits near dike (Pinal Schist ?) no!

1

Feb 1, 1973
Patented Land 15,000

July 23, 1973 have $7,500 work to be done on Reservation (out of 25,000)

August 5, 1973 1,100 due on unpatented mining claims

Before Sept 1, 1973
32,200 in assessment work must be completed
5,000 done

~~Feb 5, 1974 1000 on unpatented claims~~

Feb 1, 1974 $15,000 on patented land

March ~~23~~, 1974 Commit to ~~second year exploration~~ lease on Reservation.

First yr. of lease { Pay $1 per acre minimum lease package in 4 sections (2560 acres)
$10 per acre work requirement
? $10 " " advance royalty

Sept 1, 1974 32,200 assessment work done

31,000
6
186,00

Feb 1, 1975 Geneco option on $190,000 on patented ground in equal payments 31,000 for 6 years plus interest

March 1975 Indian Assess.

#2

Assessment work on claim 7500 on

Recovery of 15,000
Recovery of exploration costs 5,000 + relating gas between now + agreement.
and part on assessment

20,000 + work done against assessment and Reservation commitment between now and on agreement.

32,200 — The equipment etc. i.e Plant.
25,000
7,500
1,100
65,800

Upon signing 5,000 to 7,500 upon

20,000
5,000
90,800

~~6 months~~

Period I Begins thru Sept 1, 1973.

~~Period~~ Sept 1, 1973 - Decision on all commitments including Indian Lease.

Period II Commit for 1 yr.
$12,500 Sept. 1, 1973 IND. ONLY $10,000.00

Period III Begin Sept 1, 1974 25,000.00
$50,000

Period IV Begin Sept 1, 1975 $50,000.00
100,000

Period V Begin Sept, 1976 $100,000.00
150,000

#3

Period VI Begin Sept, 1979
150,00

Period VII Begin Sept, 1978
150,000
PRODUCTION 6 yr 9 mo

A. For explor + dev. to ~~production~~ company obtains IMC
optains up to 75% ~~of~~ a new company.

B. Set end price with right to acquire i.e.
buy back an interest in operation at a net
figure including explor + dev. cost but not including
any payments to Sullivan.
12½% participating interest
7.5×10^6 less previous payments
{ To be paid according to agreement.
2.5×10^6

C:

Proposed Schedule of Requirements on Indian Reservation

Period I - Signing thru September 1, 1973

Cash to be paid upon signing

Earnest money to J. Sullivan	$5,000.00

Work obligation

Prior to 7-22-73	7,500.00
Prior to 3-23-74	17,500.00
	25,000.00
Total expenditure	30,000.00

Decision:
To do work committment and take out lease(s) on Indian Reservation

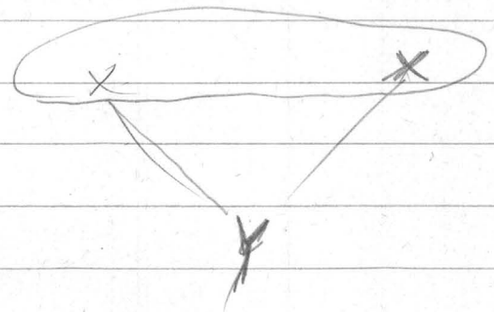
Period II - September 1, 1973 through September 1, 1974

Cash

Payment 9-1-73 to J. Sullivan	10,000.00
Rental fee on 3-23-74 on lease	
Assume 1500 acres @ $1 per acre	1,500.00
~~Advance Roys~~	
	11,500.00

Work obligation

Carle
Get.
Burg.
Taylor



1 50,000 per Wed.

Lease
Terms of
J.V.

April 15, 1973 50,000
74 50,000
75 50,000
150,000

150,000

1. Purchasing Property for $150,000
Purchase minus gold.

2. Profit sharing = Lease on Net operating Profit

3. Standard royalty 0 Min Adv. Roy
50,000/yr for first ~~two~~ (2) year
100,000/yr mdl. from

4.

Fee Fund - total interest

total paid		interest
15,000	I	11,000
15,000	II	10,800
31,000	III	10,590
31,000	IV	9,570
31,000	V	8498
31,000	VI	7373
31,000	VII	6119
31,000	VIII	4951
31,000	IX	3649
31,000	X	2281
17,749	XI	845
295,749		75,676

76,623 to pay off

295,749
75,676

220,073

220,000

73 ? error in rounding ?

Fee land 270,000 @ 5% on unpaid balance

			Balance
I	231,000 -220,000 11,000 interest	231,000 - 15,000 216,00	216,000
II	226,800 216,000 10,800 interest	226,800 -15,000 211,800	211,800
III	222,390 211,800 10,590 interest	222,390 31,000 191,390	191,390
IV	200,960 191,390 9,570 interest	200,960 31,000 169,960	169,960
V	178,458 169,960 8,498 interest	178,458 31,000 147,458	147,458
VI	154,831 147,458 7,373 interest	154,831 31,000 123,831	123,831

VII

130,023	130,023	
123,831	31,000	
6,192 interest	99,023	99,023

VIII

103,974	103,974	
99,023	31,000	
4,951 interest	72,974	72,974

IX

76,623	76,623	
72,974	31,000	
3,649 int.	45,623	45,623

X

47,904	47,904	
45,623	31,000	
2,281 int	16,904	16,904

XI

17,749	17,749
16,904	
845 int	

Payments to Sullivan

I	5,000.00
II	12,500.00
III	50,000.00
IV	100,000.00
V	150,000.00
VI	150,000.00
VII	150,000.00
	617,500.00

Payments on claims

I	1,133.00
II	1,500.00
III	3,500.00
IV	3,500.00
V	3,500.00
VI	3,500.00
VII	3,500.00
	20,133.00

Payments on Fee land

I	15,000
II	15,000
III	31,000
IV	31,000
V	31,000
VI	31,000
VII	31,000
	185,000

Skillings'
Mining Review

PUBLISHED EVERY SATURDAY MORNING

MINE	MINING DISTRICT
(Mn, Cu)	Casa Grande

COUNTY	STATE	COUNTRY
Pinal & Maricopa	Arizona	U.S.A.

AMS 1° x 2° Topographic Map	U.S.G.S. Topographic Map 30'
Tucson	None
U.S.G.S. Topographic Map 15'	U.S.G.S. Topographic Map 7-1/2'
Casa Grande, Signal Peak	None

AERIAL PHOTOGRAPHY AVAILABLE: (Including photo mosaics)
AMS: Photomosaic 55AM81, sheet 1, (1:250,000). Photography - 1956, 1:50,000, Project 55AM81, Roll 11, Nos. 1056 thru 1057, Nos. 1041 thru 1042.
USDA-ASCS: 1964, 1:20,000, Project DHR, Roll 2EE, Nos. 160 thru 162; Nos. 128 thru 130. Photomosaic of above, sheet 3 of 12.

GEOLOGIC MAPS AVAILABLE:
Pinal County, 1:375,000, 1959, Arizona Bureau of Mines.
Maricopa County, 1:375,000, 1957, Arizona Bureau of Mines.

OTHER MAPS AVAILABLE:

Aeromagnetic map, see reference below.

REFERENCES

Aeromagnetic map of the Casa Grande area, Maricopa and Pinal Counties, Arizona, by C. M. Mitchell and G. L. Zandle (1965), Lat. 32°40' - 33°22'30", Long. 111°40' - 112°10'. Scale, 1:62,500. Cost, 50¢. Magnetic contours 20 gammas, 36" x 52", USGS Map GP-548.

Casa Grande Mining District
Pinal and Maricopa Counties, Arizona

AERIAL PHOTOGRAPHY AVAILABLE (Continued)

USDA-ASCS: 1954, 1:20,000, Project DHR, Roll 4N, Nos. 111 thru 112; Nos. 150 thru 152.
Photomosaic of above, sheet 5 of 8.

J. SULLIVAN CLAIMS

A - 1 thru 14	14
AUBART 1 thru 5	5
M 1 thru 6	6
VAN M 6, 7, 8, 13, 14	5
1 thru 36	36
21-A & 22-A	2
41 thru 58	18
79 thru 85	7
87 thru 130	44
117-A, 117, B, 118-A, 118-B	4
140 thru 165	26
166-A	1
167 thru 174	8
176 thru 177	2
179 thru 183	5

185 thru ~~187~~ 217	33
219 thru 237	19
252 thru 289	38
1008 thru 1013	6
	279

18	58	31
28	75	36
31	163	64
34	296	120?
22		40
54		
14	296	
78		
28		
309		

(8)

~ 13,492 Per.
312 Lode Claims + 10 in aquisition
+ 2 - 120's Fee in aquisition
Owe 21,000 on one 50
475,000 on property exclusive of 2 - 5's claims and 2 - 120 fees | owe assessment
Check?

200
500/acre
100,000

1500
2100
ac

All assessment work current

25,000/yr on exploration on Reservation
17,500 done
7,500 to be done

15,000 due February 1st on private ground

Private Ground
20,000 paid
15,000 due Feb. 1st
15,000 Feb. 1st 74
31,000 annually

↓

503,000 expended total to date

2 ~~40~~,000 owed on entire property exclusive of reservation

Rec. 1960 J. S.
Kennecott
Aerial Recon + survey
B+W + Color photography
new topo ft. + metric
1:5,000
1:10,000
Selective Geochem
I. P. Hemicon + Geotronics
Geology - Al Perry

Bear Creek
Mag., I.P., Geochem, Geol + alt.

Area on Rec
Geochem + alt south side
I.P. High + Mag low nw side

(A)

Property 13,498 acres

Reservation:

PROSPECTING PERMIT

A. Prospect permit 3-23-72 thru 3-22-74

B. Option to lease for 10 years & continuing term as long as production continues. Royalty renegotiable at 5 yr. intervals.

C. Annual work requirement of $25,000

NOTE! BY 9-1-73 IMC MUST PERFORM $25,000 WORK ON RESERVATION. i.e. $7,500 REMAINING BY July 23 on 120 day extension + $17,500 BY 9-1-73 on 2nd yr. Requirement

LEASE

D. Rental of $1 per acre (13,492) upon signing lease and upon each anniversary date

E. Minimum advance royalty $10.00/acre beginning of second year and thereafter

F. Work requirement

1st year = $30.00/yr/acre
2nd year = $40.00/acre/yr
3rd year = $50.00/acre/yr
4th year and thereafter = $100.00/acre/year

G. Production Royalty - Sliding scale

5% USR	on $3.00 or less
6%	3.00 - 3.25
7%	3.25 - 3.50
8%	3.50 - 3.75
9%	3.75 - 4.00
10%	4.00 - 7.00
11%	7.00 - 10.00
12%	10.00 - 11.00
25%	- 25.00
50%	- 100.00

(12% of Sales Price on leached products)

B.

H. 12% of Sale Price of all Leased Product

I One time Fees:

① $300.00/acre IN ADDITION TO all other requirements for all areas of dumps, tailings, camps, etc.

J. Only possible to adjust royalty every 5-years.

K. In carving out areas for lease, each lease shall not exceed 2,560 acres in a reasonably compact body, and shall conform to the public land survey.

Federal Tenke Claims

A. J.S.	312
B. Acquiring	5
① Pacheco of 5	5
② Pacheco of 5	322

CHECK PAYMENT + TIME SCHEDULE

A. J.S. (312 claims)

① Required by Sept, 1 1973 work = 32,200

Done 5,000

TO BE DONE 27,200

Committment for first ~~paid~~ thru Sept 1, 1973

Cash:

Reimbursement for payment on fee land other Parcel ?	15,000
Recovery of $5,000 assessment work done to date	5,000
Unpatented claim – both grants?	1,133
Front money	5,000
	26,133 (+)

(+) PLUS: Recovery of cost of work done between now and time of signing. i.e. presently negotiating with K.O. Bunt for drilling.

Work Committment

Before July 23, 1973 on Reservation	7,500
Before Sept 1, 1973 on unpatented claims	17,200

Claim for $20,000

Payments		Interest
1133	I	1,000
1500	II	993
3500	III	968
3500	IV	841
3500	V	708
3500	VI	569
Balloon 8868	VII	422
25,501	~~VIII~~	5501

25,501
5,501
20,000

8868
3500
5,368

Claim 20,000 @ 5% for 6 years

			Balance
I	21,000 20,000 int = 1,000	21,000 1,133 19,867	19,867
II	20,860 19,867 int = 993	20,860 1,500	19,360
III	20,328 19,360 int = 968	20,328 3,500 16,828	16,828
IV	17,669 16,828 int = 841	17,669 3,500 14,169	14,169
V	14,877 14,169 int 708	14,877 3,500 11,377	11,377
VI	11,946 11,377 int 569	11,946 3,500 8,446	8,446

VII Balloon @ end of yr 6 = 8868

8868
8446
int = 422

~~[illegible]~~

Call about 6

602-947-8075

Question for Jim

1. Check minimum advance royalty in Indian lease. $10/acre/year (?) or does it escalate.

2. Payout and payments on 2 groups of unpatented claims in Yuma

Group I

	Total Purchase Price	
VAN Scooter will	Payed to Date	
V.S. & be	Remaining to be payed	21,000
Carried		
~~VA~~		
Fiduciary Pay 8,000	Number of years for balance over 8 yrs	
owns 1/3 12,000		
	approximate schedule	

Group II

	Total Purchase Price	
	Payed to date	
VAN M'z	Remaining to be paid	
No payment	number of years for balance	
	approximate schedule.	

Fedric

3. Payout and Payments on 2 pieces of patented land in aquisition.

Parcel I section 10

Total Purchase Price
Payed to date
Remaining to be payed

Number of years for balance

Approximate schedule

Parcel II section 24 S½ + NW¼ of SE¼ Sect 24 T 55 R

240 acres
1,000/acre
20, payed
220,000

Total Purchase Price
Payed to date 220,000 on of new
Remaining to be paid 220
prime rate less 1½% discount on balance plus interest @

Number of years for balance

2 yrs @ 15,000 = 30,000

Approximate schedule

190,000
31,000 + prime less 1½%
159,000

Total of all in aquisition to be payed over ____ years?

NOTE: J. S. gave figure of $241,000 based on entire property exclusive of reservation
How does this compare?

2/ 1/3 of $7000

④ General accounting of $503,000 expended to date?
475,000 on property leaseline of
? 2-5½ claim ad = 200 acres x 500/acre = $100,000 ?
2-120 Fee

⑤ Some confusion in notes regarding Patented ground;
i.e., I have:

"2 - 120½ Fee in aquisition
owe 21,000 on one ?

⑥ Mine Dubble's address:
8537 East San Miguel Ave
Scottsdale, Ariz 85253

⑦ Work obligation on Reservation. We are only committed to do the [7,500] by Sept 1, 73?
July 23, 1973

17,500 25,000

Marpez

7,500
25,000
32,500

Balance nothing less than 7,500

PORPHYRY COPPER PROSPECT
ARIZONA

CONTACT: MIKE DIBLEE 602-945-6023
METALLURGIST
USED TO WORK FOR IMC

PROPERTY: ADJACENT TO SACATON
20,000 ACRES
7,000 CLAIMS + FEE LAND
13,000 INDIAN LAND
CONTROLLED BY: — TOLLISON
EX. SEC. STATE

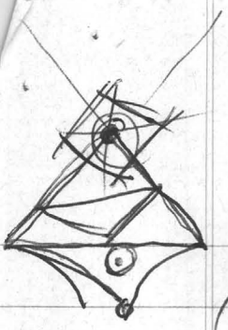
WORK: 9 HOLES — 1,000 FT OR MORE
7 WITH ORE INTERCEPTS.

4 PM

4 PM

2 properties
1 adjacent to border of pit 1/2 mile
Tertiary intrusion Gila River Indian Res
7 drill holes in area SE 1/4 of claims
0.44 — 1.03
On NE flank of Ozanic pit
Series of ~~[illegible]~~ dipping NE

3 different Duval Hanchel + Tollison
have leases on Gila Indian Res.
2 P ō Geode 500 - 900 ppm Cu
20 - 75 moly
62 1/2 mill ypa

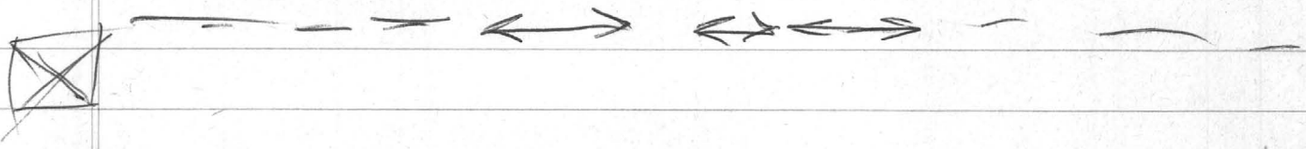


2-3

Sacaton Project

Jim Sullivan 602 947-8075
Casa Grande Properties
7459 ~~El M.~~ E. Almeria Rd.
Scottsdale Arizona

P.O. 3241
Scottsdale 8525?(7)



Washington

EXXON NE cor
10th Lane S side
white & Black shutters

2 blocks beyond Scottsdale Road = 74th St.
VNB on one corner, EXXON station on NE cor
10th Lane on S. side. White with black shutters.

Total Package

Reserve

7,500 + 25,000

March 23, 1974 -

Package

$15,000 - Feb 1.
1100

1800 6 mo

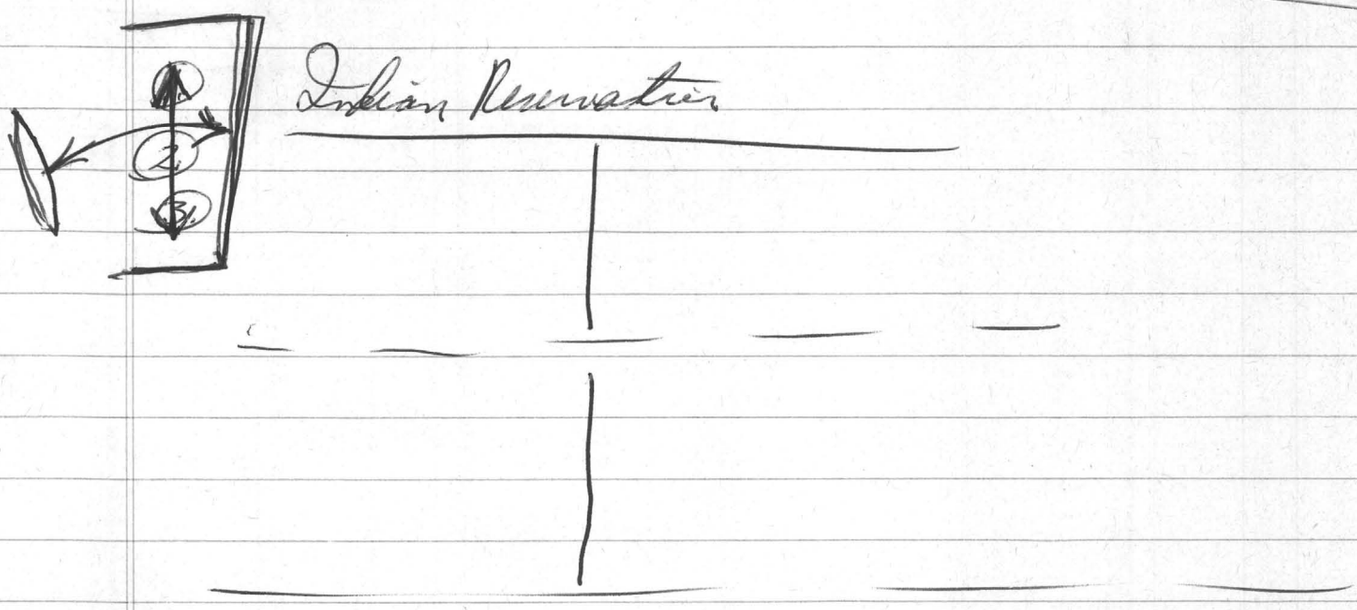
15,000
2,300 1 yr. 74-75

30,000 on finish Feb 1, 75
4,000 on unpatented

Feb 1 73 - Feb 1 74

68,722

Bert Tallion



6

1. Assume full committment.

* Rebate of cost expenditures for tax purposes.

Indian Reservation.

In carving out areas for lease, each lease shall not exceed 2,500 acres in a reasonably compact body, and shall conform to the public land survey.

Diligence during permit =
25,000/yr in work

Effective date of Permit = March 23, 1972

Alex

Development

1st year $30/yr work 1

2nd year 40/yr

3rd 50/

4th and thereafter 100/yr.

$300 per acre fee (one time) in addition to other premium fee

all dumps, tailings, camps.

Prospecting Permit:

March 23, 1977 for 2 yr i.e to March 3, 1979

13,497.12 acre

Ala

Lease

Minimum advance royalty $10.00 per acre
due at beginning of second year

Rental of $1 per acre due at signing
and each anniversary date.

Production Royalty

5 %	$3.00	or less
6 %	3.00	– 3.25
7	3.25	– 3.50
8	3.50	– 3.75
9	3.75	4.00
10 %	4.00	– 7.00
11 %	7.00	– 10.00
12 %	10.00	– 11.00

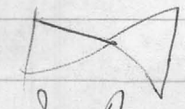
etc

12 % on leased products

Adjustment of royalty every 5 years

Second property

Also due north of Duval estate bequest
20 - 100 mil. to .45 - .75
100 ft acres

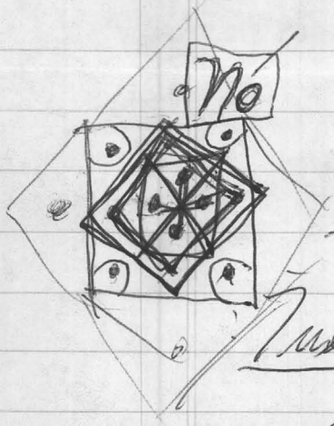


Z.P. 7 section under claim

Part of Baco Hills →

Location

Property adjacent to Asar →



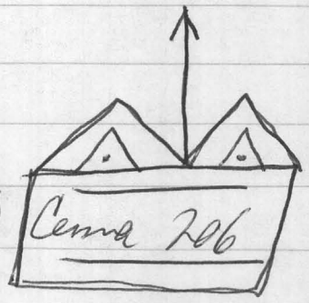
Put in touch

Scottsdale

Tues or Wed

Used to work in Fl.

Tues.



Payment in next few weeks

$15,000 payment on $950/acre

Possible

Tues

Lv Mrs 8:10

Mike Dibble (DIBEC)
DIB - BCE

23.

24. Ground on Properties

~~American Can Prospecting Agreement~~ Lease

MIKE