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**ASSET STATUS DOSSIER
JOINT VENTURE PROJECT
TOMBSTONE TS CLAIMS**

Prepared by:

JABA, Inc.

2100 N. Wilmot
Suite 218
Tucson, AZ 85712
(602) 885-9141

144-01-270
January 17, 1989
Rev: 06/07/89
06/15/89



JABA, INC.

ASSET STATUS DOSSIER

June 2, 1989

I. GENERAL

- A. Project #: 144-01-270
- B. Property Name: TS Claims
- C. Major Commodity: Gold and silver
- D. By-Product Commodity: Lead, copper and zinc
- E. Property Owner: JABA, Inc.
 - 1. Address: 2100 North Wilmot - Suite #218
Tucson, Arizona 85712
 - 2. Telephone: (602) 885-9141
- F. Country: USA
- G. State: Arizona
- H. County: Cochise
- I. Mining District: Tombstone
- J. Claim Information:
 - 1. Township: 20S. Range: 22E.
Section: 1, 12 & 13 Meridian: G.&S.R.B.M
 - 2. Number of claims: 55
 - 3. Claim numbers: See Attachment 1
 - 4. Acreage: Approximately 1,000
 - 5. Lease renewal date: None
 - 6. Filing Status: Assessment work and filings completed for the 1988-89 assessment year - assessment work not due until September 1, 1990
 - 7. Amount: \$5,500
 - 8. Type: Drilling
 - 9. Latitude: Longitude:
 - 10. UTM N.: E.:
 - 11. Elevation: 4,500 feet
 - 12. Climatic Zone: Upper Arizona Sonora
 - 13. Annual Rain Fall: 15 inches
 - 14. Site Infrastructure
 - a. Access Roads: U.S. Interstate 80 runs through the south edge of the property, and the paved portion of the Courtland-Gleeson County Road runs through the center-western portion of the property.
 - b. Rail: The nearest railhead is approximately 25 miles north at Benson - the main line of the Southern Pacific.



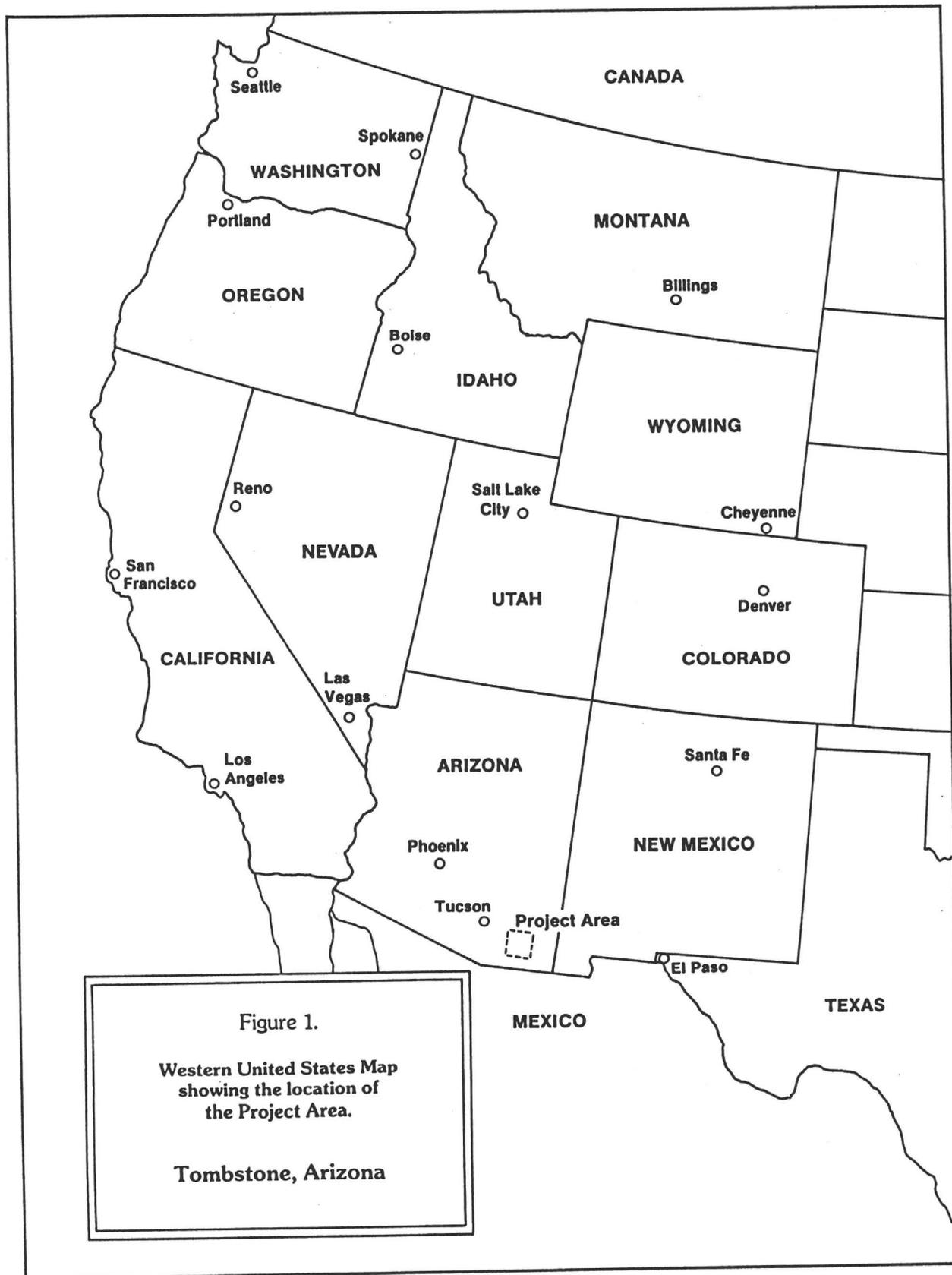


Figure 1.
 Western United States Map
 showing the location of
 the Project Area.
 Tombstone, Arizona

- c. **Air:** Non-surfaced Tombstone Municipal Airport lies 3 miles south - suitable only for light planes. Commercial intrastate air service is available at Sierra Vista, 20 miles southwest. International air service available at Tucson International Airport, 75 miles northwest.
- d. **Power:** Adequate power is available for mining needs by Trico Electric Cooperative, Inc., within 1/2 mile or less
- e. **Water Source:**
 - 1) Tombstone Municipal Water Company
 - a) Quality: Excellent
 - b) Quantity per hour: Assumed to be in the 500 gal/hr range, though perhaps more
 - c) Distance to source: 1/2 mile or less
 - 2) Company drilled wells - Tombstone has historically had an excess of water encountered by mine operations below the 600 foot level. The cost of pumping the mines dry below 600 feet contributed to the demise of economic operations below the water level, in the early 1900's. Thus, water for mining purposes pumped from the mine property should be essentially inexhaustible as far as the contemplated mining purposes are concerned.
 - a) Quality: Good
 - b) Quantity per hour: Whatever necessary
 - c) Distance to Source: New wells to be drilled on the mine property.
- f. **Goods and Services:** Light supplies, including grocery, hardware, lumber, auto parts, truck parts and fuel are available in Tombstone, approximately 1/2 mile distant. More substantial supplies can be obtained in Sierra Vista, 20 miles southwest, or at Tucson, a major metropolitan area, 75 miles northwest.
- g. **Labor:** A labor pool of 50 or perhaps 75 men available in Tombstone, a pool of mining talent is available at Bisbee, and a pool of engineering, electronics, accounting and other business and mining professionals are available at Sierra Vista and at Tucson. The economy of Cochise County is currently somewhat depressed, so labor should be relatively inexpensive in relation to other areas of the country.

II. TARGET LOCATION See attached maps.

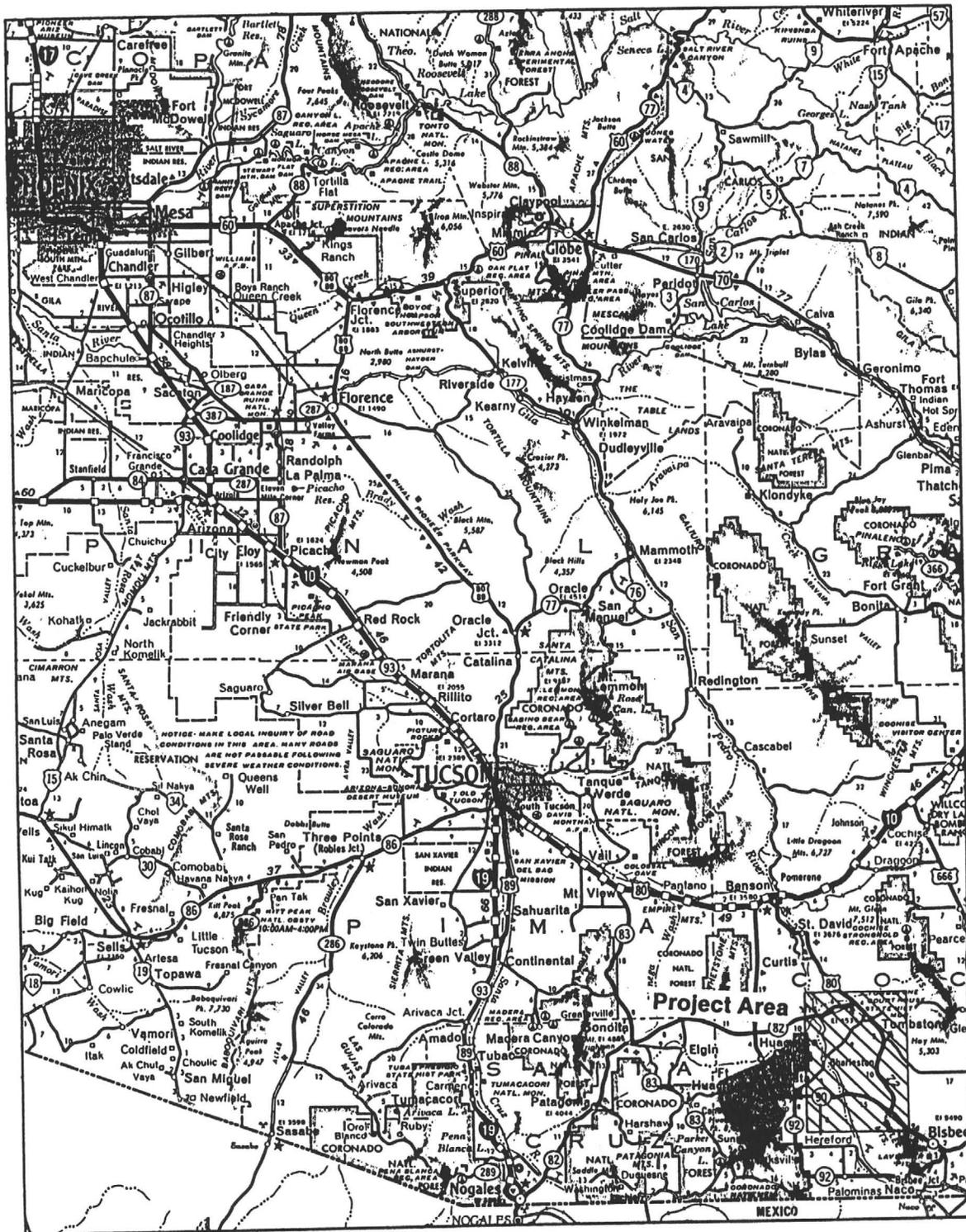
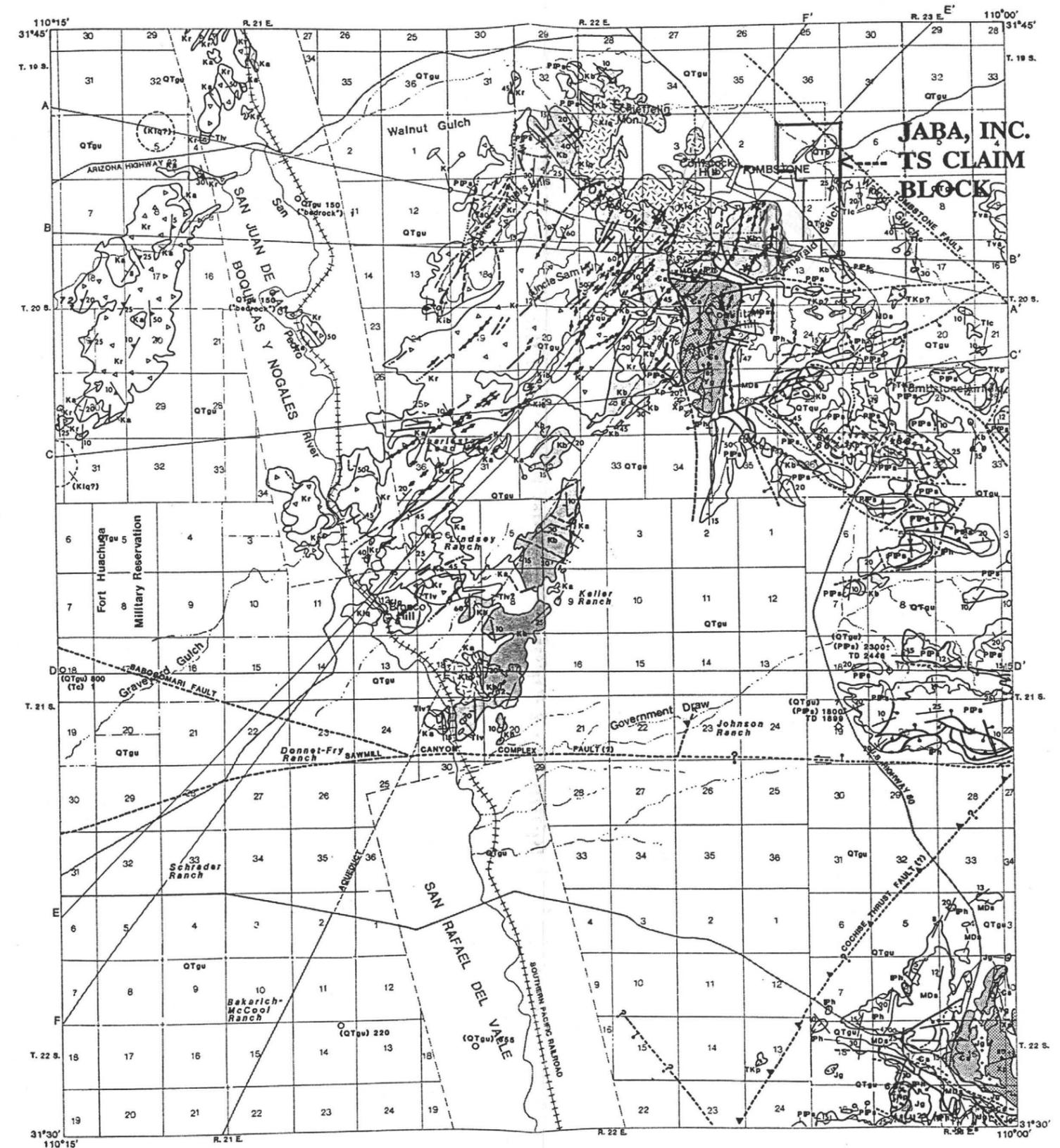


Figure 2. Highway map showing the location of the Project Area in relation to Tucson and Phoenix, Arizona

Explanation

Geology

<p>QTgu OLDER OR UNDIFFERENTIATED SURFICIAL DEPOSITS (HOLOCENE TO OOLIGOCENE)—Gravel, sand, and silt (Pleistocene and Pliocene)—Mainly alluvium of basins, includes some caliche and landslide deposits. Generally light-pinkish gray, weakly indurated, and with poorly rounded clasts; locally well indurated. Thickness several meters to hundreds of meters.</p> <p>QTb Basal (Pleistocene to Pliocene)—Lava flows, pyroclastic rocks, and some intercalated gravel. Thickness several meters to a few hundred meters in most places. Radiometrically dated at 0.25, 1.0, and 3.2 m.y. old.</p> <p>Tva Extensive andesite and dacite (Miocene and Upper Oligocene)—Lava flows, pyroclastic rocks, some intercalated epiclastic rocks, and dikes. Mostly gray, fine-grained, porphyritic rocks; includes some very coarse feldspar porphyry andesite (Turkey track porphyry, an informal term of Cooper, 1961). Thickness mostly several meters to several tens of meters. Dated at 24, 25, 27, 33, and 39 m.y.</p> <p>Tv Estrusive rhyolite and rhyodacite (Miocene and Upper Oligocene)—Lava flows, welded tuff, pyroclastic rocks, and some intercalated epiclastic rocks. Light-gray to grayish-pink, vitro to fine-grained, porphyritic. Commonly a few tens to a few thousand meters thick. Dated at 23, 24, 25, 26, 28, 30, and 27 m.y. An additional date of 47 m.y., if substantiated, may indicate the presence of Eocene rocks in the lower member of the S O Volcanics of Cochise Co.</p> <p>Tic Lower conglomerate, gravel, and sand (Oligocene and Eocene?)—Alluvium; commonly grayish-red deposits of small, well rounded, nonvolcanic clasts. Mostly several meters to a few tens of meters thick.</p> <p>Tiv UPPER CORDILLERAN (LARAMIDE) IGNEOUS ROCKS (LOWER PALEOCENE)—Lower volcanic rocks—Rhyolite to andesite lava flows, pyroclastic rocks, and some intercalated epiclastic rocks. Dated at 57 m.y. Possibly younger age to east.</p> <p>Kib MAIN CORDILLERAN (LARAMIDE) IGNEOUS ROCKS—Porphyritic and aplite intrusive rocks (Paleocene and Upper Cretaceous)—Mostly lentic porphyry to dacite porphyry in small stocks and plugs and aplite bodies not associated with other rocks. Dated at 61, 63, 64, 65, and 66 m.y.</p> <p>Kr Fluited intrusive breccia—exact age unknown, but penetrates, and thus younger than Uncle Sam porphyry.</p> <p>Ka Rhyodacite tuff and welded tuff.—Includes parts of Salero Formation, Sugarloaf Quartz Lattice, and Bronco Volcanics, and all of Red Bay Rhyolite, Cat Mountain Rhyolite of Brown (1939) and Uncle Sam Porphyry. Includes local intrusive bodies and locally contains fragments of exotic rocks. Thickness commonly several tens of meters to several hundreds of meters. Dated at 66(7), 70, 72, 73, and 73 m.y. The Uncle Sam, in the Tombstone area, is dated 72 m.y.</p> <p>Ka Andesitic to dacitic volcanic breccia.—Includes parts of Salero Formation, Sugarloaf Quartz Lattice, and Bronco Volcanics, and all of Demetrie Volcanics and Silverball Formation of Courtwright (1968). Commonly contains large blocks of exotic rocks and locally includes some sedimentary rocks and intrusive rocks. Several tens of meters to several hundreds of meters thick in most places.</p> <p>Kb Lower quartz monzonite and granodiorite—Includes some quartz diorite; appears in small stocks. Locally associated with mineralization. Dated at 70, 71, 72, 73, 74, 74, 74, and 76 m.y. The Schefflin granodiorite at Tombstone is 72 m.y.</p>	<p>Kb BISBEE FORMATION OR GROUP, UNDIFFERENTIATED (LOWER CRETACEOUS)—Upper part of Bisbee Formation or Group, undifferentiated, and related rocks.—Includes upper part of Bisbee Formation, Mural Limestone, Morris, Centura, Canyon, Apache Canyon, Shellenberger Canyon and Turney Ranch Formations (not listed in stratigraphic sequence) of the Bisbee Group. Amole Arkose of Byers and Giverson (1954), and Angelic Arkose. Consists of brownish to reddish-arkose, gray siltstone, sandstone, conglomerate, and some fossiliferous gray limestone. Commonly several hundred meters thick.</p> <p>PPa Sedimentary rocks (Lower Permian and Upper Pennsylvanian)—consists of Epitaph Dolomite (Lower Permian), Colina Limestone (Lower Permian), and Earp Formation (Lower Permian and Upper Pennsylvanian), undifferentiated. Epitaph Dolomite is a dark- to light-gray slightly cherty dolomite, limestone, marl, siltstone, and gypsum, 120-200 meters thick. Colina Limestone is a medium-gray, thick-bedded, sparsely cherty, and sparsely fossiliferous limestone 120-200 meters thick. Earp Formation is a pale-red siltstone, mudstone, shale, and limestone, 120-240 meters thick.</p> <p>Ph Horquilla Limestone (Upper and Middle Pennsylvanian)—Light pinkish-gray, thick to thin-bedded, cherty, fossiliferous limestone and intercalated pale-brown to pale-reddish-gray siltstone that increases in abundance upward. Typically 300-490 meters thick.</p> <p>MDa SEDIMENTARY ROCKS (MISSISSIPPIAN AND DEVONIAN)—Consists mainly of Escabrosa Limestone (Mississippian)—locally (Armstrong and Silberman, 1974) called Escabrosa Group—and Martin Formation (Upper Devonian), undifferentiated. In part of the Chiricahua Mountains also includes Paradise Formation (Upper Mississippian) and Portal Formation of Salvo, 1957a (Upper Devonian). In the Little Dragon Mountains and some adjacent hills also includes Black Prince Limestone, whose fauna and correlation show strongest affinities with Mississippian rocks but which may include some Pennsylvanian rocks. Escabrosa Limestone is a medium-gray, massive to thick-bedded, commonly crinoidal, cherty, fossiliferous limestone 90-310 meters thick. Martin Formation is thick to thin-bedded, gray to brown dolomite, gray sparsely fossiliferous, and some siltstone and sandstone, 90-120 meters thick. Paradise Formation is a brown, fossiliferous, shaly limestone. Portal Formation is a black shale and limestone 6-105 meters thick. Black Prince Limestone is pinkish-gray limestone with a basal shale and chert conglomerate, as much as 52 meters thick.</p> <p>OCa SEDIMENTARY ROCKS (LOWER ORDOVICIAN TO MIDDLE CAMBRIAN).—B Paso Limestone (Lower Ordovician and Upper Cambrian), Abrigo Formation (Upper and Middle Cambrian), and Bola Quartz (Middle Cambrian), undifferentiated.—B Paso Limestone is a gray, thin-bedded cherty limestone and dolomite 90 meters to about 220 meters thick. Abrigo Formation is a brown, thin-bedded fossiliferous limestone, sandstone, quartzite, and shale, 210-240 meters thick. Bola Quartzite is a brown to white or purplish-gray, thick-bedded, coarse-grained quartzite and sandstone with a basal conglomerate, 90-180 meters thick. To the east, equivalents of part of the Abrigo Formation and Bola Quartzite are known as the Coronado Sandstone.</p>	<p>Ca Sedimentary rocks (Upper and Middle Cambrian)—Abrigo Formation (Upper and Middle Cambrian), and Bola Quartzite (Middle Cambrian), undifferentiated.</p> <p>Ph GRANITOID ROCKS (PRECAMBRIAN Y)—Mainly granodiorite and quartz monzonite, unfoliated to foliated, in part metamorphosed. Generally in stocks, which have been little studied.</p> <p>Ph PINAL SCHIST (PRECAMBRIAN X)—Chlorite schist, phyllite, and some metavolcanic rocks, metavolcanic rocks, metaquartzite, metaquartzite conglomerate, and gneiss. One metavolcanic rock dated at 1715 m.y.</p> <p>Ca CONTACT—Dotted where concealed.</p> <p>Ph MARKER HORIZON—Dotted where concealed.</p> <p>Ca DIPES—Showing dip.</p> <p>Ca FAULTS—Showing dip. Dotted where concealed or reversed; ball and bar on downthrown side.</p> <p>Ca Normal</p> <p>Ca Reverse</p> <p>Ca Strike-slip—Arrow couple shows relative displacement. Single arrow shows movement of active block.</p> <p>Ca Major thrust fault—Sawtooth on upper plate.</p> <p>Ca Thrust fault—Sawtooth on upper plate.</p> <p>Ca Anticline</p> <p>Ca Syncline</p> <p>Ca Inclined strike and dip of beds.</p> <p>Ca EXOTIC-BLOCK BRECCIA—Rock contains chip or block inclusions of rock different from those of host or other blocks nearby. Typically of volcanic-tectonic or sedimentary-tectonic origin; excludes Tertiary megabreccia deposits.</p> <p>Ca Site of well or generalized site of several wells, showing unit penetrated, if known, and depth of well, in feet. 100 feet equals 30.5 meters.</p> <p>Ca COLLECTION SITE—Radiogenically dated rock showing age in millions of years. Query before symbol where precise location uncertain.</p>
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Tombstone Development Company, Inc. Tombstone, Arizona

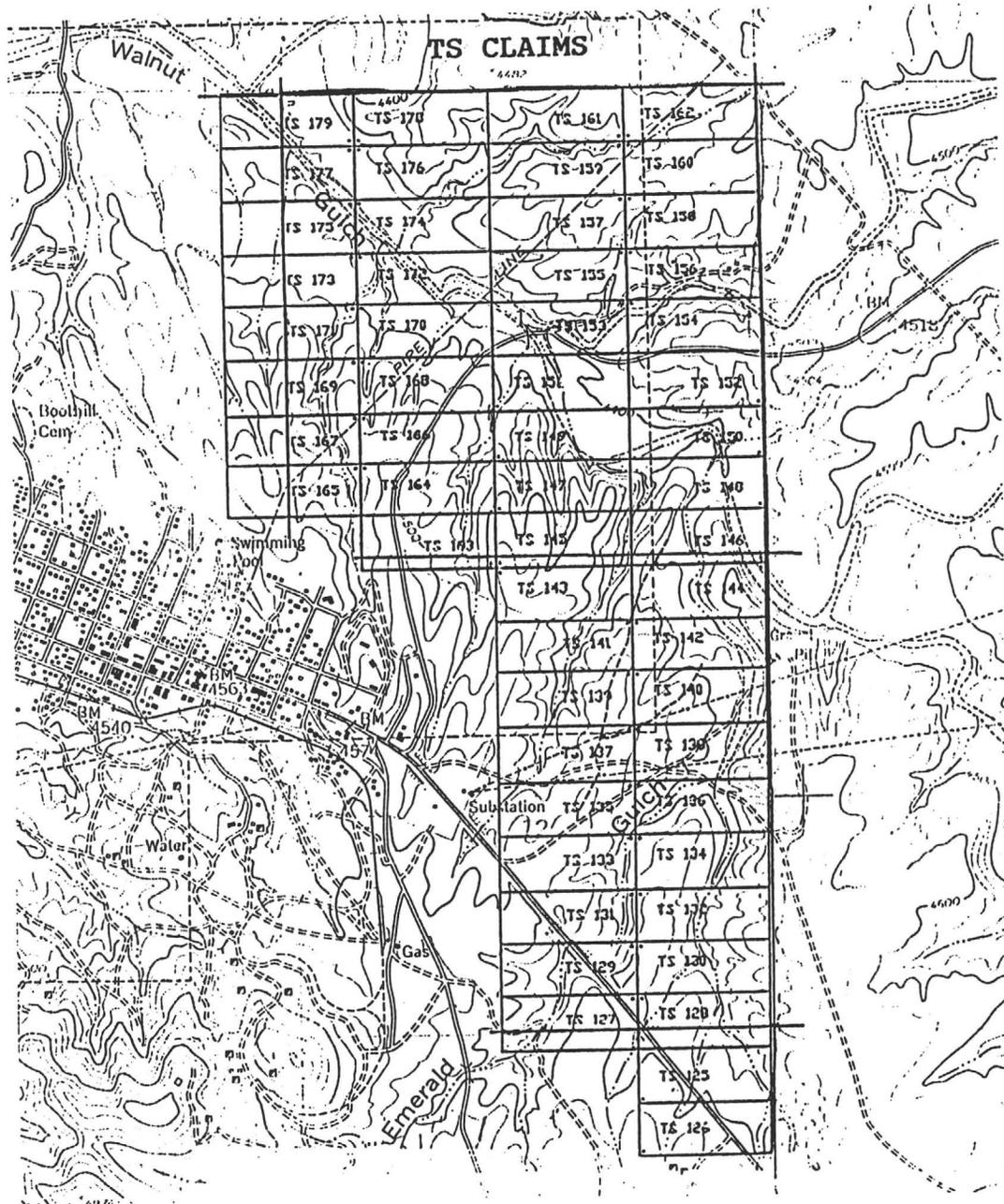
Geology adopted from Drewes, Harold, 1980, and Newell, R.A., 1973.

Figure 3. Generalized geological and structural map on screened topographic base.

By James A. Briscoe
James A. Briscoe and Associates
Tucson, Arizona



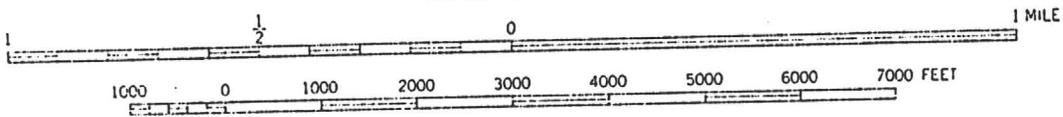
FIGURE 4



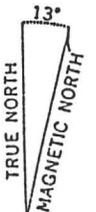
JABA Inc. T.S. CLAIMS
 Tombstone Mining District
 Cochise County, Arizona

Contour Interval = 25'

SCALE 1:24000



QUADRANGLE LOCATION



APPROXIMATE MEAN DECLINATION, 1952



III. MINERAL CHARACTER

HISTORY: The JABA, Inc. TS claims lie within the main part of the Tombstone Mining District, adjacent to the east side of the town of Tombstone, Figure 3 & 4. In 1877, Ed Schieffelin, the son of a California 49'er gold prospector, discovered bonanza-grade silver in Arizona Territory, some 20 miles northeast of Fort Huachuca. Fort Huachuca, a calvary post, had been established to fight Apaches from the heart of their territory. Schieffelin, a part-time Apache scout, was derisively told by the soldiers at the fort - "the only thing you will find out there is your tombstone". Thus, when the strike was made, the adjacent town and the mining district were called Tombstone.

Schieffelin was prospecting because of the high silver prices caused by the Civil War. In the year of his discovery, the price of silver was \$1.25 per ounce. Subsequently, the silver price went into a decades long decline and didn't reach \$1.25 per ounce again until 1962, a period of 85 years - see Figure 5. Schieffelin, his brother, and their partner Dick Gird, sold their interest in their Tombstone mines at a handsome profit. The district went on to produce approximately 33 million ounces of silver, 260 thousand ounces of gold, 65 million pounds lead, 2.5 million pounds copper, and 1.1 million pounds of zinc. (See Figure 6 - 10)

The most productive period took place between 1878 and 1911, when the lower levels of the mines were allowed to flood (see Figure 5). From 1911 production was small and sporadic but generally continuous until the Great Depression when the silver price sank to less than 30 cents per ounce and all mines closed. Some gold production was made after Franklin Roosevelt raised the price of gold in 1932, to \$35 per ounce. During World War II, some manganese, copper, lead and zinc were produced as part of the war effort. After the war several companies made desultory attempts at exploration, however, low precious metal prices and poor understanding of the district geology resulted in a lack of significant discovery. In 1972, the writer first started studying the geology of the district for 1971 Minerals Limited, who consolidated the old mine dumps for heap leaching.

In 1980, Tombstone Exploration, Inc. opened the Contention open pit mine, identified by the writer as having good economic potential. Production was secret, but \$15 million in gold and silver is rumored to have been produced before the mine closed around 1983.

Between 1981 and the present time, JABA, Inc. has compiled data and performed geologic studies identifying the district as part of a large, 65 million year old (Laramide), caldera complex.

In the spring of 1988, Santa Fe Mining began drilling deep (3,500') diamond drill holes on the Tombstone Development Company land in the central part of the old district, just south of the Tombstone town site. Encouraging results appear to have been obtained, and Santa Fe is continuing to drill in the area as of this writing.

SUMMARY OF TOTAL RECORDED PRODUCTION AT TOMBSTONE
 1879 TO 1937
 CALCULATED TO CURRENT VALUES - \$400 GOLD, \$10 SILVER, \$1.00 COPPER, \$.50 LEAD, \$.40 ZINC

SOURCE & YEAR	TOTAL VALUE OF PRODUCTION IN YEAR PRODUCED	CALCULATED OUNCES OF GOLD PRODUCED	VALUE AT \$400/OZ.	CALCULATED OUNCES OF SILVER PRODUCED	VALUE AT \$10/OZ.	CALCULATED POUNDS OF LEAD PRODUCED	VALUE AT \$.50/LB.	CALCULATED POUNDS OF COPPER PRODUCED	VALUE AT \$1.00/LB.	CALCULATED POUNDS OF ZINC PRODUCED	VALUE AT \$.40/LB.	TOTAL CURRENT VALUE OF PRODUCTION
J. B. TENNEY												
1879 TO 1907	28400000	192356	76942400	24338159	243381590	31805070	15902535	NRP*	NRP	NRP	NRP	336226525
MINERAL RESOURCES OF THE UNITED STATES												
1908 TO 1934	8138571	57971	23188400	6659692	66596920	23767829	11883915	2358495	2358495	1058234	423294	104451023
TOMBSTONE DEVELOPMENT TOMBSTONE MINING CO'S.												
1935 TO 1936	564437	6375	2550000	390305	3903050	3197305	1598653	157536	157536	NRP	NRP	8209239
TOMBSTONE EXTENSION												
1930 TO 1937	374972	1083	433056	1080491	10804907	6335734	3167867	NRP	NRP	NRP	NRP	14405829
TOTAL	37477980	257785	103113856	32468647	324686467	65105938	32552969	2516031	2516031	1058234	423294	463292616
AVERAGE/TON**		0.21	82.22	25.89	258.90	51.91	25.96	2.01	2.01	0.84	0.34	369.42

*NO RECORDED PRODUCTION

**TOTAL TONNAGE ASSUMED TO BE - 1254097

FIGURE 6



PRODUCTION OF THE TOMBSTONE MINING DISTRICT
 1879 TO 1907*
 CALCULATED TO CURRENT VALUES - \$400 GOLD, \$10 SILVER & \$.50 LEAD

YEAR	TOTAL VALUE OF PRODUCTION IN YEAR PRODUCED	CALCULATED** OUNCES OF GOLD @14% OF TOTAL PRODUCED	VALUE AT \$400/OZ.	CALCULATED** OUNCES OF SILVER @81% OF TOTAL PRODUCED	VALUE AT \$10/OZ.	CALCULATED** POUNDS OF LEAD*** @5% OF TOTAL PRODUCED	VALUE AT \$.50/LB.	TOTAL CURRENT VALUE OF PRODUCTION
1879-1880	2318567	15704	6281555	1633078	16330776	2318567	1158284	23771615
1881	5040633	34141	13656287	3613197	36131971	5250659	2625330	52413588
1882	5202876	35240	14095842	3696780	36967803	5309057	2654529	53718174
1883	2881900	19519	7807760	2122126	21221264	3351047	1675523	30704547
1884	1380788	9352	3740887	1016762	10167621	1865930	932965	14841472
1885	1320978	8947	3578842	999991	9999912	1651220	825610	14404363
1886	1050000	7112	2844702	859091	8590909	1141304	570652	12006264
1887	600000	4064	1625544	495918	4959184	666667	333333	6918061
1888	600000	4064	1625544	517021	5170213	681818	340909	7136666
1889	250000	1693	677310	215426	2154255	320513	160256	2991822
1890	600000	4064	1625544	462857	4628571	666667	333333	6587449
1891	674650	4569	1827789	551986	5519864	784477	392238	7739891
1892	490000	3319	1327528	456207	4562069	597561	298780	6188377
1893	450000	3048	1219158	467308	4673077	608108	304054	6196289
1894	300000	2032	812772	244890	2448900	454545	227273	3488945
1895	300000	2032	812772	373846	3738462	468750	234375	4785609
1896	300000	2032	812772	357353	3573529	500000	250000	4636302
1897-1901	1539610	10428	4171174	2078474	20784735	1877573	938787	25884695
1902-1906	2550000	17271	6908563	3500847	35008475	2771739	1385870	43302907
1907	550000	3725	1490082	675000	6750000	518868	259434	8499516
TOTAL	28400000	192356	76942429	24338159	243381589	31805070	15902535	336226552
AVERAGE/TON****		0.32	126.48	40.01	400.07	52.28	26.14	552.69

**UNPUBLISHED FIGURES & ESTIMATES COMPILED BY J.B. TENNEY FROM OLD COMPANY REPORTS", ARIZONA BUREAU OF MINES, GEOLOGICAL SERIES, NO. 10, BULLETIN NO. 143 (BUTLER & WILSON)

**AS REPORTED BY BUTLER & WILSON, "THE PRODUCTION OF THE TOMBSTONE DISTRICT BY VALUE WAS ABOUT 81% SILVER, 14% GOLD AND 5% LEAD, WITH MINOR COPPER AND MANGANESE". THE METAL PRODUCTION IN THIS TABLE WAS CALCULATED BY MULTIPLYING THOSE PERCENTAGES BY TOTAL DOLLAR PRODUCTION, AND THEN DIVIDING THE RESULTING FIGURE BY THE METAL PRICE FOR THAT YEAR TO YIELD A CALCULATED PRODUCTION IN TROY OUNCES, OR POUNDS.

***INCLUDED ARE SOME TRACES OF COPPER, MANGANESE & ZINC PRODUCTION.

****ASSUME TONNAGE MINED FROM 1879 TO 1907 EQUAL TO THAT FROM 1908 TO 1934 - 608345 TONS

FIGURE 7

James A. Briscoe & Associates, Inc.
 Tucson, Arizona

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FIGURE 8

PRODUCTION OF THE TOMBSTONE MINING DISTRICT
1908 TO 1934*
CALCULATED TO CURRENT VALUES - \$400 GOLD, \$10 SILVER, \$1.00 COPPER, \$.50 LEAD & \$.40 ZINC

YEAR	TONS	GOLD (OUNCES)	VALUE AT \$400/OZ.	SILVER (OUNCES)	VALUE AT \$10/OZ.	COPPER (POUNDS)	VALUE AT \$1.00/LB.	LEAD (POUNDS)	VALUE AT \$.50/LB.	ZINC (POUNDS)	VALUE AT \$.40/LB.	TOTAL CURRENT VALUE
1908	51266	4106	1642304	357414	3574140	7608	7608	1770784	885397	173313	69325	6178774
1909	27123	2280	911832	201700	2017000	27706	27706	1535637	767819	713116	285246	4009603
1910	4619	1062	424712	116520	1165200	31163	31163	305876	152938	0	0	1774013
1911	8797	2155	862196	224098	2240980	68209	68209	962010	491005	0	0	3662390
1912	7405	1363	545272	158377	1583770	27723	27723	617820	308910	0	0	2465675
1913	5760	1230	491824	126392	1263920	10657	10657	334923	167462	36503	14601	1948464
1914	6063	1380	552144	108868	1088680	14217	14217	234345	117173	39324	15730	1787943
1915	9003	1216	486404	100115	1001150	36075	36075	164136	82068	63386	25354	1631051
1916	57200	3950	1580144	343453	3434530	131546	131546	983983	491892	0	0	5638212
1917	57474	3373	1349220	444139	4441390	229488	229488	1278754	639377	0	0	6659475
1918	19507	1389	555760	283412	2834120	41503	41503	457183	228592	0	0	3659975
1919	27445	1946	778328	450366	4503660	290182	290182	289424	144712	0	0	5716882
1920	28946	1788	715104	456855	4568550	144010	144010	243946	121973	0	0	5549637
1921	18594	1057	422632	423688	4236880	132688	132688	678946	339473	0	0	5131673
1922	44347	2322	928980	613700	6137000	196740	196740	744529	372265	0	0	7634965
1923	32770	3093	1237040	495943	4959430	195485	195485	465914	232957	0	0	6624912
1924	15448	2459	983456	247642	2476420	72836	72836	465323	232662	0	0	3765374
1925	27760	2677	1070692	241381	2413810	77340	77340	1527019	763510	32592	13037	4338388
1926	47708	2990	1195860	220579	2205790	113476	113476	1970986	985493	0	0	4500619
1927	31196	2459	983456	159944	1599440	68867	68867	800178	450089	0	0	3101852
1928	24172	2297	918644	164161	1641610	135643	135643	247316	123658	0	0	2819555
1929	15601	1671	668216	99423	994230	86793	86793	843817	421909	0	0	2171148
1930	8734	1875	748800	74837	748370	32903	32903	936862	468431	0	0	2000504
1931	15623	2204	881568	101504	1015040	62440	62440	476814	238407	0	0	2197455
1932	5067	485	194096	48021	480210	24810	24810	1166700	583350	0	0	1282466
1933	7018	1441	578464	100323	1003230	27875	27875	1744270	872135	0	0	2479704
1934	3701	3706	1482448	296737	2967370	70512	70512	2400324	1200162	0	0	5720492
TOTAL	608345	57971	23188596	6659692	66596920	2358495	2358495	23767829	11883915	1058234	423294	104451219
AVERAGE/TON		0.10	38.12	10.95	109.47	3.88	3.88	39.07	19.53	1.74	0.70	171.70

*AS RECORDED IN "THE MINERAL RESOURCES OF THE UNITED STATES"

$$\text{AVERAGE VALUE PER TON AT CURRENT PRICES (SEE ABOVE)} - \frac{\$104,451,219}{608,345} = \$171.70/\text{TON}$$



PRODUCTION OF THE TOMBSTONE MINING DISTRICT
 1935 TO 1936*
 CALCULATED TO CURRENT VALUES - \$400 GOLD, \$10 SILVER, \$1.00 COPPER, \$.50 LEAD, \$.40 ZINC

YEAR	TONS	GOLD (OUNCES)	VALUE AT \$400/OZ.	SILVER (OUNCES)	VALUE AT \$10/OZ.	COPPER (POUNDS)	VALUE AT \$1.00/LB.	LEAD (POUNDS)	VALUE AT \$.50/LB.	TOTAL CURRENT VALUE
1935	12907	3450	1380000	243087	2430870	103574	103574	2228288	1114144	5028588
1936	9305	2925	1170000	147218	1472180	53862	53862	969017	484509	3180651
TOTAL	22212	6375	2550000	390305	3903050	157536	157536	3197305	1598653	8209239
AVERAGE/TON		0.29	114.80	17.57	175.72	7.09	7.09	143.94	71.97	369.59

*AS STATED BY THE TOMBSTONE DEVELOPMENT CO. & THE TOMBSTONE MINING CO.

FIGURE 9

FIGURE 10

TOMBSTONE EXTENSION AREA
 PRODUCTION STATISTICS OF THE TOMBSTONE MINING CO. FOR THE TOMBSTONE EXTENSION AREA - 1930 TO 1937
 CALCULATED TO CURRENT VALUES - \$400 GOLD, \$10 SILVER & \$.50 LEAD

OPERATOR	WET TONS	DRY TONS	GOLD (OUNCES)	VALUE AT \$400/OZ.	SILVER (OUNCES)	VALUE AT \$10/OZ.	LEAD (POUNDS)	VALUE AT \$.50/LB.	TOTAL GROSS VALUE
TOMBSTONE MINING CO.									
1930	2910.78	2759.64	204.60	81840.00	21896.64	219966.40	887952.45	443976.23	745782.63
1931	311.66	299.69	44.21	17684.00	5800.71	58007.10	232098.67	116049.34	191740.44
1932	2482.88	2348.69	225.56	90224.00	32392.00	323920.00	1226722.00	613361.00	1027505.00
HAYWARD & RICHARDS									
1933	795.00	747.31	60.27	24108.00	9093.00	90930.00	336810.00	168405.00	283443.00
A. S. & R.									
1933	3041.00	2819.36	224.14	89656.00	37840.00	378400.00	1145565.00	572782.50	1040838.50
1934	2018.00	2006.20	116.38	46552.00	18836.00	188360.00	726559.00	363279.50	608191.50
HOLT & D'AUTREMONT									
1934	1195.01	1123.03	79.38	31752.00	15796.27	157962.70	553991.48	276995.74	466710.44
HASSELGREN & D'AUTREMONT									
1935	2308.64	2164.36	79.86	31844.00	27055.81	270558.10	842762.11	421381.06	723883.16
CARPER LEASE									
1935	196.71	183.35	8.14	3256.00	2421.26	24212.60	88951.82	44475.91	71944.51
TOMBSTONE MINING CO.									
1935	118.50	110.02	2.49	996.00	961.49	9614.80	38143.48	19571.74	30182.64
1936	80.78	75.93	2.36	944.00	648.74	6487.40	21970.27	10985.14	18416.54
1937	461.05	412.48	27.55	11020.00	4437.05	44370.50	167849.24	83974.62	139365.12
MACIA LEASE									
1936	96.48	88.96	3.56	1424.00	983.68	9836.80	36054.80	18027.45	29288.25
GALLAGHER LEASE									
1936	65.37	56.63	4.14	1656.00	1228.01	12280.10	29203.22	14601.61	28537.71
TOTAL	16081.86	15195.65	1082.64	433056.00	180490.66	1804906.60	6335733.64	3167866.82	5405829.42
AVERAGE/TON			0.07	28.50	11.88	118.78	416.94	208.47	355.75

$$\frac{\text{AVERAGE VALUE PER TON AT CURRENT PRICES (SEE ABOVE) - \$5,405,829.42}}{15,195.65} = \$355.75/\text{TON}$$



PBR Minerals, a junior company, with a lease of the surface to 500' around the Contention open pit, from Tombstone Development Company, is putting the Contention Mine back into production. Both the Santa Fe lease and the PBR lease are adjacent to the JABA, Inc. TS claim ground.

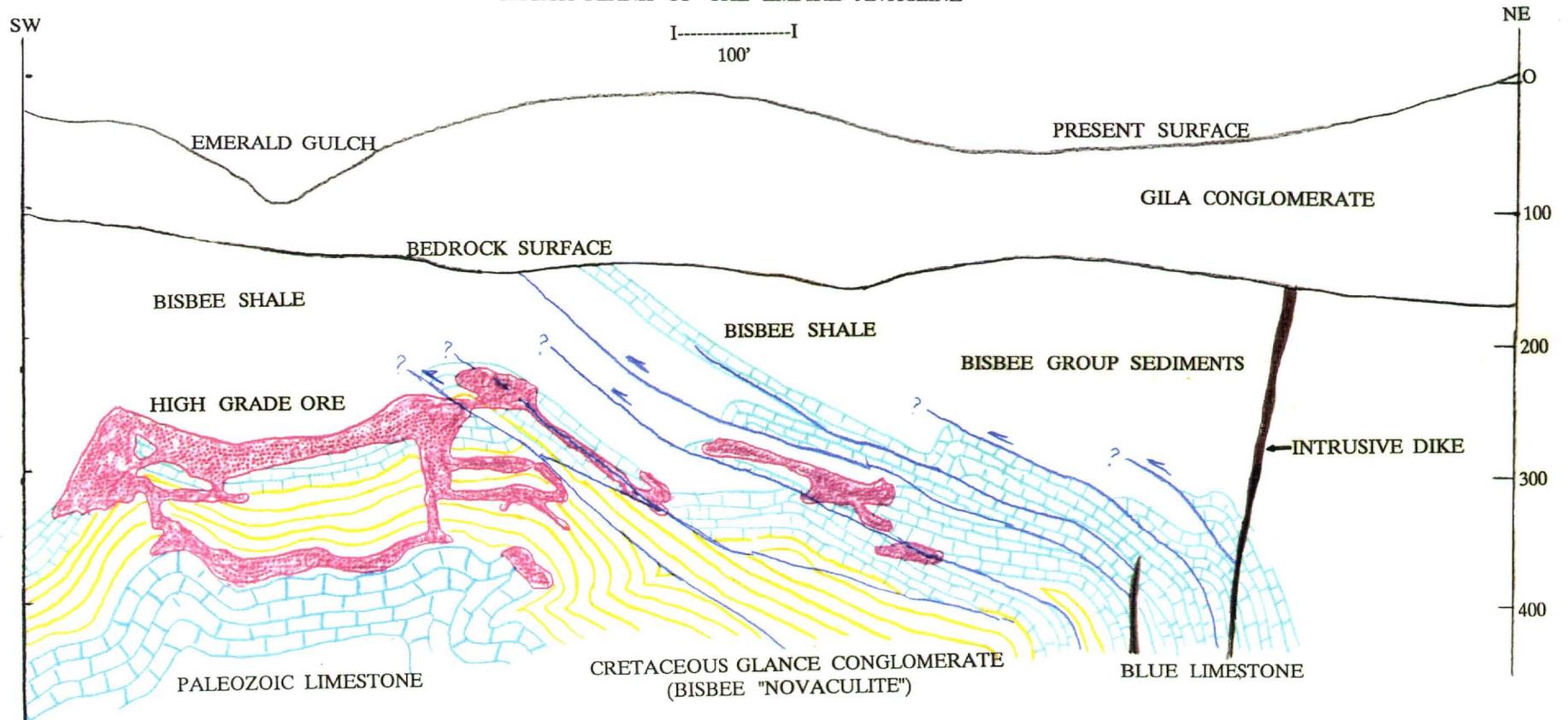
GEOLOGIC SUMMARY: Recent geologic work (Briscoe, 1973; Newell, 1974; Briscoe and Waldrip, 1982; Briscoe, 1985; and Lipman and Sawyer, 1985) have shown the Tombstone Mining District to be part of a large 65 million year old (Laramide) caldera complex. Also recently recognized by Briscoe and Waldrip (1982) and Sawyer (1983) is that Laramide porphyry copper systems in Arizona are frequently associated with caldera features. It has been concluded by Briscoe that the alteration features in the Tombstone Mining District and caldera complex are related to multiple porphyry copper centers. These centers have been reasonably confirmed by mapping characteristics typical of porphyry copper zones, including structures, geology, alteration, and mineralization. These centers include Tombstone (the old district south of the Tombstone town site), the State of Maine mine area, and Robbers Roost. Other suspected porphyry centers based on geology and geophysics are located at the Charleston Lead Mine, the Charleston Crossing, and near Fairbanks.

The JABA, Inc. TS claims over lie the northeast quadrant of the Tombstone porphyry center and lie adjacent and northeast of the old producing part of the district, covered by thin (50 to 200 feet+) cemented gravel (Gila conglomerate). The copper center of this porphyry system, indicated by geochemical halos, lies beneath the southeast corner of the town of Tombstone, perhaps at a depth of more than 1,000 feet. High grade halos of gold-silver and silver-lead-zinc manganese extend outward in veins cutting the Bisbee group sediments, in typical porphyry copper halo fashion. Where these veins cut drag folds of the Empire anticline and chemically favorable limestone horizons, the vein material is concentrated to form bonanza grade silver and gold, as well as lead, zinc, and copper bodies. These were the bonanza ore bodies mined in the early days of the Tombstone camp. The master fold -the Empire anticline-projects on to the JABA TS claims, beyond the Contention - Silver Thread fault system, which stopped the early day miners.

All of the mineralized rock on JABA, Inc. TS claims are covered with the much younger cemented gravels (quaternary Gila conglomerates) to a depth of 50 to perhaps 200 - 500 feet. Underneath this thin cover are the same high-grade silver-gold mineral bodies, grading downwards into porphyry copper mineralization with depth.

Santa Fe Mining is drilling for additional ore at depth in the previously mined area. JABA, Inc.'s adjacent TS claims should have the same type of mineralization for which Santa Fe is drilling, however, with the high grade mineralization in tact, not mined out by the early miners, as is the case in the Santa Fe ground.

FIGURE 11
IDEALIZED CROSECTION
SHOWING A DRAG FOLD ON THE
NORTH FLANK OF THE EMPIRE ANTICLINE



MINERAL POTENTIAL: Not including recent heap leach production from the 71 Minerals heap leach nor the Tombstone Exploration, Inc. (TEI) Contention pit for which data are uncertain, Tombstone has produced the following (rounded to 2 place accuracy): 260,000 ounces of gold, 33,000,000 ounces of silver, 65,000,000 pounds of lead, 2.5 million pounds of copper and 1,100,000 pounds of zinc. At the current approximate price for gold of \$400 per ounce, silver of \$6 per ounce, lead at \$0.50 per pound, copper at \$1.35 per pound and zinc at \$0.75 per pound the aggregate value of past production would total approximately \$340 million, all of this production coming from the old, exposed portion of the district. There is substantially more potential in this area as witnessed by the Santa Fe drilling. At least as much again, as has been produced in the past, would be required to justify Santa Fe's interest. Thus we could extrapolate a potential value conservatively at \$680 million for the past and potential future production from the old exposed part of the district where Santa Fe is working.

The JABA, Inc. TS claims cover a similar area in the northwestern quadrant of the circular surface projection of the porphyry copper system thought to be responsible for the mineralization. Thus, it appears reasonable that potential for near surface (but underground mined) gold, silver, lead, copper, and zinc mineralization would be equivalent to 2 times the past production, or a total approximate value of \$680 million. This potential does not include the deeper seated porphyry copper system and potential massive zinc ore bodies thought to exist by Billiton geologist, Bert DeVere (personal communication 1983). This porphyry system, by comparison with other known porphyry systems emplaced in reactive Paleozoic rocks, which are known to exist below Tombstone, is capable of containing at least 390 thousand tons copper, 980 thousand tons lead, 1.1 million tons zinc, an unknown but significant amount of molybdenum, 20 million ounces silver, and 220 thousand ounces of gold. Total aggregate value at approximate current metal prices would be about \$3 billion.

Further mineral potential exists through cooperation and potential joint venture with PBR Minerals. Discussions of cooperative effort have been made over the last twelve months with PBR, and there is certainly a good chance for a joint venture effort in mining their ore body. Further, should an ore body be developed on the Santa Fe ground, as their continued drilling suggests it might, there is a reasonable opportunity for a joint venture between Santa Fe and JABA, Inc., to mine in a central mining and milling operation, mineralization from each land parcel.

EXPLORATION PROCEDURES: As described in the proceeding sections, the TS claim mineral target is based on detailed knowledge of the Tombstone Mining District and its geologic environment. This has come through years of work by JABA, Inc. and a compilation of the work of others into JABA, Inc.'s data base and recently into JABA, Inc.'s computer mapping system. This includes:

- * A compilation of all the underground mine maps covering the old district - these dating back to the early part of the century when the mines were accessible;

- * A compilation of underground and surface geologic data from Ransom (1914) and others;
- * A compilation of regional geology from Drewes, 1983; and Newell, 1973;
- * An interpretation of U.S. Geological Survey aro-magnetic data using the previously mentioned geologic information; and
- * Alteration mapping from a custom color aerial photography program designed by Briscoe.

A small amount of additional work needs to be done. This includes:

- * The tie in of JABA, Inc.'s geologic mapping computer base into a new triangulation - topographic survey performed last year by PBR Minerals in connection with their new open pit project;
- * Adding new data on surface mineralization in the PBR area; and
- * New third dimensional information from deep drilling by Santa Fe Mining which might be obtained through cooperation with Santa Fe.

The above geologic information might be augmented by soil gas geochemical test work which would allow us to perhaps discern the precise location of mineral bodies below the cemented gravel in the TS claim area. This might include mercury soil gas, bacillus cereus soil test work, radon soil gas, and perhaps a few others.

Some geophysics that could be run quickly and easily that might be helpful would include a detailed ground magnetometer survey and a CSAMT (controlled source audio magneto telluric) survey which is similar to induced polarization but has particular advantages for this type of work.

The additional data would be quickly put into JABA, Inc.'s computer data base map system, and the soil gas and geophysical surveys run and also added to the data base. A two phased drill program would follow. The first phase would include reverse circulation or perhaps standard rotary drilling to simply map the depth to bedrock and get a small sample of bedrock so that the subsurface geologic map could be extended. The second phase would be either reverse circulation, and/or diamond core drilling to find mineral reserves.

Further detail regarding calculated hypothetical mineral bodies that are expected in the TS claim area are described in the following paragraphs. The potential for porphyry copper mineralization, though present, has not been addressed.

Type #1: Oxidized gold/silver ore

Units: Ounces per ton

High Values: 0.32 ounces per ton gold and 40.01 ounces of silver - mined from 1879 through 1907.

Low Value: 0.10 ounces per ton gold and 10.95 ounces per ton silver - mined between 1908 and 1934.

Average: Weighted by produced tons, average grades were 0.21 ounces gold and 25.89 ounces per ton silver

Reference: Briscoe, 1982, from Butler, B.S., and Wilson E.D., 1937

Other Mineralization Factors: Almost all of the mineralization at Tombstone came from between 0 feet and 600 feet (or the "6" level) and consisted of enriched silver chlorides and free gold. Mineralization in the TS target is thought to be of similar nature, but covered by thicker Gila conglomerate. It is thus estimated that the tonnage and grade will be the same as produced in the main Tombstone District, since the area of potential mineralization is the same as that in the old part of the district.

Remediation Requirement: None - oxidized ore to the 600 level were easily treated. With modern cyanidation equipment, there should be no problem in treating this ore, and high recovery should be attained.

Type #2: Lead, zinc, copper sulfide or mixed oxide/sulfide ores

Units: Percent per ton

High Values: Not available

Low Values: Not available

Average: 2.6% lead, 0.1% copper and 0.04% zinc

Reference: Briscoe, 1982, Butler, B.S. and Wilson, E.D., 1937, and personal communication with Mr. Burt Devere, Billiton Minerals.

Other mineralization factors: The precious metals, gold and silver, are associated with lead-zinc-copper mineralization, as is typical in porphyry copper systems, which the Tombstone District appears to be the top most portion of. Thus, as depth is attained, there should be more and more lead-copper-zinc, as sulfides of those metals. Mr. Burt Devere, who has copies of records from the Eagle-Pitcher Mining Company, who mined high grade lead-zinc ores under the southeast portions of town during World War II, has stated that Tombstone may have very significant deposits of zinc ore in the Paleozoic limestones, that would be attractive to a major company. Ore reserves have only been considered equivalent to the old production at Tombstone, above the 600 foot level. Below the 600 foot level, gold and silver values will most undoubtedly decrease, to be replaced by a significant increase in bodies of lead-zinc-copper mineralization.

Remediation requirement: None - Recovery of copper-lead-zinc mineralization is well understood, and can easily be accomplished through floatation, with precious metals either being removed by cyanidation at the mill site, or at the smelter.

IV. MINERAL DEPOSIT ESTIMATION PARAMETERS

Mineral Body Type	USGS Reserve Classification	Approximate Dimensions	Tons	Recovery Rate	Ounces/ % Per Ton	Recoverable Ounces or Tons	Gross Recoverable Metal Value Before Taxes or Operating Costs*
Gold: underground room and pillar/ trackless mining equipment	Hypothetical	Veins occurring over a Length of 1 1/4 miles over a zone 3/4 mile wide trending north-easterly	1,300,000 equal to past production at Tombstone	95%	0.21	260,000 oz	\$100,000,000
Silver: *	*	*	*	85%	26.0	29,000,000 oz	\$170,000,000
Copper: *	*	*	*	85%	0.1%	1,100 T	\$2,200,000
Lead: *	*	*	*	85%	2.6%	29,000 T	\$23,000,000
Zinc: *	*	*	*	85%	0.04%	440 T	\$640,000
						TOTAL	\$300,000,000

NOTE: Gold @ \$400 per ounce
 Silver @ \$6 per ounce
 Lead @ \$800 per ton (\$.40 per pound)
 Copper @ \$2,000 per ton (\$1 per pound)
 Zinc @ \$1,440 per ton (\$.72 per pound)

V. MINERAL PROCESSING PARAMETERS

Mineral Body Type	Tons /Day	Mill Operations Circuit Name			
		A	B	C	D
Veins & replacements in Cretaceous Bisbee sediments, & Paleozoic limestone	500	Counter current decantation cyanide or	Carbon in leach cyanide and	Froth floatation to recover copper, lead & zinc values	

VI. MINING COSTS

Mine Type	Rate in \$/Ton	Waste/Ore	\$/T Ore	T/D Ore	D/Y Ore
Underground mine-0 to 600' room & pillar method w/ trackless mining equipment	\$14/ton*	NA	14	500	260

* From Peters, 1987, page 267

VII. CAPITAL COSTS

\$34,300 per ton per day installed mine and mill capacity - similar to Snow Lake, Manitoba, Canada - from Peters 1987, page 264

VIII. SUMMARY (See Calc Sheet, Page 5)

	<u>Lower Range</u>	<u>Median Range</u>	<u>Upper Range</u>
Total capital cost	\$17,150,000		
Estimated net value after all operating costs, but before taxes	\$264,250,480		
Mine life	10 years		
Estimated annual net value	\$26,425,048		

IX. PREVIOUS EXPENDITURES AND ACTIVITIES

- A. Work by or for others for which JABA has, or has access to data from - 1971 Minerals Ltd., Tombstone Silver Mines, Inc., Tombstone Development Corp.
Start Date: 1972
Completion Date: 1985
Total Cost: \$209,000
- B. Recent work by JABA:
Start Date:
Completion Date:
Total Cost: \$57,000
- C. Site Acquisition Cost: 0
Total Cost to Date: \$266,000
- D. Helix Chart:

REFERENCES

1. Butler, S.B., Wilson, E.D. and Rasor, C.A., 1938, Geology and Ore Deposits of the Tombstone District, Arizona: Arizona Bureau of Mines Geological Series #10, Bulletin #143, 114 pages.
2. Briscoe, James A. and Waldrip, Thomas E., Jr., November, 1982, A Summary of the Tombstone Development Company Lands in the Tombstone Caldera Complex, Cochise County, Arizona - A Geologic Appraisal and Estimate of Mineral Potential: A private report prepared for the Tombstone Development Company.
3. Peters, William C., 1987, Exploration and Mining Geology, Second Edition: John Wiley and Sons, 685 pages.

JABA, Inc.
HELIX CHART

Project Name: Tombstone TS		Completion Status				
Project Number: 144 - 1 - 270						
Date: 06/07/89						
ACTIVITY	I	II	III	IV	V	
A) LITERATURE RESEARCH						
1) Literature Identification & Acquisition						
a) General	■	■				
b) Detailed	■	■				
c) Site Specific	■	■	■	■	Ⓞ	
2) Literature Review & Evaluation						
a) General	■	■				
b) Detailed	■	■				
c) Specific		■	■	■	Ⓞ	
B) REMOTE SENSING						
1) Space Imagery						
a) Acquisition	Ⓞ					
b) Processing	Ⓞ	Ⓞ	Ⓞ			
2) Color Aerial Photography						
a) Flying Multiscale-Multispectral Photography		■	■			
b) Custom Processing/Printing		■	■	■		
c) Construction of Mosaics		■	■	■		
3) Image/Photo Interpretation		■	■	Ⓞ		
C) LAND STATUS						
1) Land Data Acquisition						
a) Preliminary Ownership Status (Governmental/Private)	■					
b) Claim Records (Federal/County)		■	■			
c) Private Ownership Status		■	■			
2) Land Research						
a) Owner Identification		■				
b) Owner Location		■	■	■	Ⓞ	
c) Land Map Preparation		■	■			
D) FIELD GEOLOGY						
1) Reconnaissance Geology						
a) Air Reconnaissance		■	■			
b) Ground Reconnaissance		■	■			
c) Geochemical Sampling		■	Ⓞ			
d) Reconnaissance Mapping		■	■			
2) Detailed Geology						
a) Geological Mapping			■	■	Ⓞ	
b) Geochemical Sampling			■	Ⓞ	Ⓞ	
c) Geophysical Surveys			■	Ⓞ	Ⓞ	
d) Compilation of Data			■	■	Ⓞ	
e) Preparation of Maps			■	■	Ⓞ	
3) Plan of Operations Preparation						
4) Drilling					Ⓞ	
a) Site Preparation					Ⓞ	
b) Drilling Supervision					Ⓞ	
c) Sampling					Ⓞ	
d) Logging					Ⓞ	
e) Assaying					Ⓞ	
f) Compilation of Data					Ⓞ	
g) Preparation of Maps					Ⓞ	
E) LAND ACQUISITION						
1) Federal Mining Claims						
a) Claim Staking		■	■	■	■	
b) Option/Lease of Claims			Ⓞ	Ⓞ	Ⓞ	
c) Claim Maintenance			■	■	■	
2) Private and State Leasing			Ⓞ	Ⓞ	Ⓞ	
F) EVALUATION						
1) Evaluation of All Inputs	■	■	■	■	Ⓞ	
G) REPORTING						
1) Bimonthly Reports	■	■	■	■	Ⓞ	
2) Archiving of Information & Data	■	■	■	■	Ⓞ	

LEGEND

Major Emphasis Activity ○
 Minor Emphasis Activity ◊
 Future Activity Ⓞ (Ⓞ)
 Activity in Process ◊ ○
 Activity Completed ■

INITIALS DATE
 PREPARED BY: JAB 06/07/89



TS
WORK PLAN AND PRODUCT

Introduction

The focus of the TS Program is to bring the Tombstone TS claim group into production. The end products are a Mine Plan, Financial Plan, Business Plan and a Plan of Operations.

What follows is a plan for obtaining the above documents. This is not a hard and fast schedule. JABA reserves the right to make, and accepts the responsibility for, deviations from the following plan. Any such deviations would be for the express purpose of furthering the likelihood of a significant economic mineral discovery. JABA, unlike many unsuccessful explorationists, does not operate by rote adherence to a plan. The major advantage to JABA's approach to exploration, using its GRE (Grass Roots Exploration) and MES (Mobile Exploration System), is the bringing together of the tools and personnel necessary, at the exploration site, to react immediately to changing circumstance. This increases the odds of success and shortens the process without short cutting the procedure.

OBJECTIVES**Preliminary Determination of Ore Quantity (Inferred Tonnage)**

Work undertaken to locate mineral zone below post mineral cover. Target zones are not exposed, and target delineation must be accomplished by indirect method. Inferred Tonnage may be determined by these indirect methods. Ore Type has been inferred by reference to exposed mineralization and the Tombstone District.

Preliminary Determination of Ore Quality (Inferred Grade)

The primary purpose of this Drilling is to gain information about depth to, and nature of, bedrock. From the Drill Data, it may be possible to determine Inferred Grade and Process Parameters. If such a determination cannot be made from the Drill Data, it may be possible to Infer the Grade from Tombstone District parameters.

MES Start Up

Detailing of the work to be performed by the MES. Transport and set up the MES on the TS claim group.

Determination of Inferred Reserves

This is the final classification of Inferred Reserves if not previously accomplished because of overburden cover. The results of this stage dictate where on the property the MES conducts intensive drilling and evaluation.

Determination of Probable and Proven Reserves

Intensive deposit evaluation by Drilling, application of Geological expertise and Geostatistical method. The tasks are conducted concurrently on-site and updated as data becomes available from the Drilling.

Preparation of Mine Plan

A Mine Plan is developed from the Ore Reserve and Geological parameters. In addition to final underground mine plan including shafts, the plan may be extended and amplified to include a schedule of mining activities by month and year for the life of the mine.

Prepare Preliminary Financial Model

A preliminary cost and cash flow analysis for the mine is prepared.

Intermediate Process Parameters

The above information and samples are used to conduct bench scale Metallurgical studies on recovery method.

Prepare Business Plan

The preparation of the documentation necessary to obtain Financing for Production of ore body.

TS

Sequence	Tasks	Description	Duration of Effort	Date From	Date To
1	B ^{IV}	Reinterpretation of color photography and preparation of base topo map.	1 mo.	08/01/89	09/01/89
2	D(2)(b) ^V	Soil gas geochem sampling and analysis.	2 mo.	08/01/89	10/01/89
3	D(2)(c) ^V	Detailed magnetometer/VLF survey.	1 mo.	08/01/89	09/01/89
4	D(2)(c) ^V	Detailed CSAMT survey.	1 mo.	09/01/89	10/01/89
5	B(1)(a) ^I	Acquire data from PBR Minerals.	3 mo.	08/01/89	11/01/89
6	B(1)(b) ^{I, II}	Add PBR data to CAD map base.	2 mo.	09/01/89	11/01/89
7	D(2)(d),(e) ^V	Compile, combine, analyze map data.	1 mo.	10/15/89	11/15/89

Sequence	Tasks	Description	Duration of Effort	Date From	Date To
8	D(3) ^V	Design drill program and apply for permits.	1.5 mo.	11/01/89	12/15/89
9	D(4)(a-g) ^V	Shallow hole (50' to 300'), wide spaced drilling to determine depth and type of bedrock.	1 mo.	12/15/89	01/15/90

Sequence	Task Description	Duration of Effort	Date From	Date To
10	Project review.	0.25 mo.	01/16/90	01/23/90
11	Select targets.	0.1 mo.	01/24/90	01/27/90
12	Mobilize MES and set up.	0.2 mo.	02/02/90	02/08/90

Sequence	Task Description	Duration of Effort	Date From	Date To
13	Preliminary drilling.	1.0 mo.	02/09/90	03/09/90

Sequence	Task Description	Duration of Effort	Date From	Date To
14	Grid drilling.	3.0 mo.	03/10/90	06/10/90
15	Prepare drill logs.	3.0 mo.	03/10/90	06/10/90
16	Prepare geological maps and cross section.	3.0 mo.	03/10/90	06/10/90
17	Construct geostatistical studies.	3.0 mo.	03/10/90	06/10/90
18	Calculation of proven and probable reserves.	1.7 mo.	04/20/90	06/10/90

Sequence	Task Description	Duration of Effort	Date From	Date To
19	Develop mine plan.	1.0 mo.	05/25/90	06/25/90

Sequence	Task Description	Duration of Effort	Date From	Date To
20	Prepare financial model.	0.3 mo.	06/26/90	07/06/90

Sequence	Task Description	Duration of Effort	Date From	Date To
21	Conduct preliminary metallurgical testing.	1.7 mo.	04/20/90	06/10/90

Sequence	Task Description	Duration of Effort	Date From	Date To
22	Prepare business plan.	1.0 mo.	07/06/90	08/06/90



Project Name: Tombstone M.D. TS Target - Below 600'
(lower range)

Total Mineral Resources
(Hypothetical)

Tons: 1,300,000

Grade & recoverable value/ton:	<u>0.21 oz/T Au x 95% recovery x 1,300,000 Tons =</u>	<u>260,000 oz Au x</u>	<u>\$400 =</u>	<u>\$100,000,000</u>
	<u>26 oz/T Ag x 85% recovery x 1,300,000 Tons =</u>	<u>29,000,000 oz Ag x</u>	<u>\$6 =</u>	<u>\$170,000,000</u>
	<u>2.6 % Pb x 85% recovery x 1,300,000 Tons =</u>	<u>29,000 Tons Pb x</u>	<u>\$800 =</u>	<u>\$23,000,000</u>
	<u>0.1 % Cu x 85% recovery x 1,300,000 Tons =</u>	<u>1,100 Tons Cu x</u>	<u>\$2,000 =</u>	<u>\$2,200,000</u>
	<u>0.04 % Zn x 85% recovery x 1,300,000 Tons =</u>	<u>440 Tons Zn x</u>	<u>\$1,440 =</u>	<u>\$640,000</u>

Recoverable gross value: \$300,000,000 or \$230 per ton \$301,950,480

Mine life in years 10

Operating Costs/Parameters:

Mine cost/ton of rock * \$14

Waste to ore ratio 0

Mine cost/ton of ore \$14

Recovery cost/ton * \$15

Total operating costs/ton \$29

Production days/year 260

Production (TPD) 500

Capital Costs:

Cost of mine/mill(per TPD) ** \$34,300

Total capital cost \$17,000,000

Estimated Net Value \$260,000,000

Estimated Annual Net Value \$26,000,000

Size 55 claims or 1000 acres

* Estimated from Peters (1986) pp. 262-267.

** Similar to Snow Lake, Manitoba, Canada (from Peters (1986) pp. 264.)



Project Name: Tombstone M.D. TS Target - 0 to 600'
(Lower range)

Total Mineral Resources
(Hypothetical)

Tons: 1,300,000

Grade & recoverable value/ton: 0.21 oz/T Au x 95% recovery x 1,300,000 Tons = 260,000 oz Au x \$400 = \$100,000,000
26 oz/T Ag x 85% recovery x 1,300,000 Tons = 29,000,000 oz Ag x \$6 = \$170,000,000

Recoverable gross value: \$280,000,000 or \$210 per ton \$276,120,000

Mine life in years 10

Operating Costs/Parameters:

Mine cost/ton of rock * \$14

Waste to ore ratio 0

Mine cost/ton of ore \$14

Recovery cost/ton * \$15

Total operating costs/ton \$29

Production days/year 260

Production (TPD) 500

Capital Costs:

Cost of mine/mill(per TPD) * \$34,300

Total capital cost \$17,000,000

Estimated Net Value \$240,000,000

Estimated Annual Net Value \$24,000,000

Size XXX claims or XXXX acres

* Estimated from Peters (1986) pp. 262-267.



TOMBSTONE PROJECT - MASTER CLAIM LIST
 LOPE MINING CLAIMS
 COCHISE COUNTY, ARIZONA
 CLAIMS LOCATED SEPTEMBER, 1981 & FEBRUARY, 1982

CLAIM NAME/ NUMBER	BOOK	PAGE	B. T. M. SERIAL NUMBER	LEGAL	SECTION	TOWN- SHIP	RANGE	MERIDIAN
T.S. # 125	1546	488	A-MC- 141 834	NE1/4	13	20S.	22E.	G. & S. R. B. M.
T.S. # 126	1546	489	A-MC- 141 835	NE1/4	13	20S.	22E.	G. & S. R. B. M.
T.S. # 127	1546	490	A-MC- 141 836	SE1/4	12	20S.	22E.	G. & S. R. B. M.
				SW1/4	12	20S.	22E.	G. & S. R. B. M.
				NE1/4	13	20S.	22E.	G. & S. R. B. M.
				NW1/4	13	20S.	22E.	G. & S. R. B. M.
T.S. # 128	1546	491	A-MC- 141 837	SE1/4	12	20S.	22E.	G. & S. R. B. M.
				NE1/4	13	20S.	22E.	G. & S. R. B. M.
T.S. # 129	1546	492	A-MC- 141 838	SE1/4	12	20S.	22E.	G. & S. R. B. M.
				SW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 130	1546	493	A-MC- 141 839	SE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 131	1546	494	A-MC- 141 840	SE1/4	12	20S.	22E.	G. & S. R. B. M.
				SW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 132	1546	495	A-MC- 141 841	SE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 133	1546	496	A-MC- 141 842	SE1/4	12	20S.	22E.	G. & S. R. B. M.
				SW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 134	1546	497	A-MC- 141 843	SE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 135	1546	498	A-MC- 141 844	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
				SE1/4	12	20S.	22E.	G. & S. R. B. M.
				SW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 136	1546	499	A-MC- 141 845	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				SE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 137	1546	500	A-MC- 141 846	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 138	1546	501	A-MC- 141 847	NE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 139	1546	502	A-MC- 141 848	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 140	1546	503	A-MC- 141 849	NE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 141	1546	504	A-MC- 141 850	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 142	1546	505	A-MC- 141 851	NE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 143	1546	506	A-MC- 141 852	NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 144	1546	507	A-MC- 141 853	NE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 145	1546	508	A-MC- 141 854	SE1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
				NE1/4	12	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 146	1546	509	A-MC- 141 855	SE1/4	1	20S.	22E.	G. & S. R. B. M.
				NE1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 147	1546	510	A-MC- 141 856	SE1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 148	1546	511	A-MC- 141 857	SE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 149	1546	512	A-MC- 141 858	SE1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 150	1546	513	A-MC- 141 859	SE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 151	1546	514	A-MC- 141 860	SE1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 152	1546	515	A-MC- 141 861	SE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 153	1546	516	A-MC- 141 862	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	1	20S.	22E.	G. & S. R. B. M.
				SE1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 154	1546	517	A-MC- 141 863	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				SE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 155	1546	518	A-MC- 141 864	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 156	1546	519	A-MC- 141 865	NE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 157	1546	520	A-MC- 141 866	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 158	1546	521	A-MC- 141 867	NE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 159	1546	522	A-MC- 141 868	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 160	1546	523	A-MC- 141 869	NE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 161	1546	524	A-MC- 141 870	NE1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 162	1546	525	A-MC- 141 871	NE1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 163	1546	526	A-MC- 141 872	SW1/4	1	20S.	22E.	G. & S. R. B. M.
				NW1/4	12	20S.	22E.	G. & S. R. B. M.
T.S. # 164	1546	527	A-MC- 141 873	SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 165	1546	528	A-MC- 141 874	SW1/4	1	20S.	22E.	G. & S. R. B. M.
				SE1/4	2	20S.	22E.	G. & S. R. B. M.
T.S. # 166	1546	529	A-MC- 141 875	SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 167	1546	530	A-MC- 141 876	SW1/4	1	20S.	22E.	G. & S. R. B. M.
				SE1/4	2	20S.	22E.	G. & S. R. B. M.
T.S. # 168	1546	531	A-MC- 141 877	SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 169	1546	532	A-MC- 141 878	SW1/4	1	20S.	22E.	G. & S. R. B. M.
				SE1/4	2	20S.	22E.	G. & S. R. B. M.
T.S. # 170	1546	533	A-MC- 141 879	NW1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 171	1546	534	A-MC- 141 880	NW1/4	1	20S.	22E.	G. & S. R. B. M.
				SW1/4	1	20S.	22E.	G. & S. R. B. M.
				NE1/4	2	20S.	22E.	G. & S. R. B. M.
				SE1/4	2	20S.	22E.	G. & S. R. B. M.

TOMBSTONE PROJECT - MASTER CLAIM LIST
 LOPE MINING CLAIMS
 COCHISE COUNTY, ARIZONA
 CLAIMS LOCATED SEPTEMBER, 1981 & FEBRUARY, 1982

CLAIM NAME/ NUMBER	BOOK	PAGE	D. L. M. SERIAL NUMBER	LEGAL	LEGAL DESCRIPTION			MERIDIAN
					SECTION	TOWN- SHIP	RANGE	
T.S. # 172	1546	535	A-MC- 141881	NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 173	1546	536	A-MC- 141882	NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 174	1546	537	A-MC- 141883	NE1/4	2	20S.	22E.	G. & S. R. B. M.
T.S. # 175	1546	538	A-MC- 141884	NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 176	1546	539	A-MC- 141885	NE1/4	2	20S.	22E.	G. & S. R. B. M.
T.S. # 177	1546	540	A-MC- 141886	NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 178	1546	541	A-MC- 141887	NW1/4	1	20S.	22E.	G. & S. R. B. M.
T.S. # 179	1546	542	A-MC- 141888	NE1/4	2	20S.	22E.	G. & S. R. B. M.

