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TIMOTHY ASHES
BANK AUSTRALIA

457 3601

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Telephone (602) 949-7897

7322 East Thomas Road, Scottsdale, Arizona 85251

483-5347

June 16, 1988

RECEIVED JUN 30 1988

JTB



Redfield T. Baum
O'Connor, Cavanagh, Anderson, Westover,
Killingsworth & Beshears
One East Camelback, Suite 1100
Phoenix, Arizona 85012-1656

Re: Tombstone Silver Mines Chapter 11

Dear Tom:

Your clients, the Escapules, are either directly or indirectly the largest shareholders of Tombstone Silver Mines. Therefore, they have the most at stake in its attempt to reorganize under Chapter 11.

Tombstone's Debtor-in-Possession, Bill Grace, has made a deal with Crossland Silver And Gold of Denver to acquire to Tombstone. Under this deal your clients would receive shares of Crossland in return for their shares of Tombstone. I have enclosed copies of the draft Crossland agreement, proposed plan and disclosure statements for your information.

In order for the Crossland deal to go down Tombstone must provide to Crossland all of its drilling logs, drillings maps, assay reports and other geological records. Most of these items of corporate property are in the possession of your clients. I need to make appropriate arrangements with you to obtain them from your clients.

In our last conversation regarding information on your clients' computer you indicated that your clients wanted \$200.00 to cover the costs of printing out that information. Frankly, Tombstone doesn't have those funds and there doesn't seem to be any possibility of it paying any sums to your clients.

I would remind you that the documents that are needed are corporate property and that your clients are directors of the corporation. I would suggest that their failure to cooperate in this matter could be perceived as a breach of their fiduciary duty to the corporation.

The only alternative to the Crossland deal appears to be the liquidation of Tombstone's assets. The Debtor-in-Possession has not found any other entity with any interest in Tombstone's claims and mineral rights. He has concluded that if the Crossland deal can not be consummated that it is probably in the best interest of the creditors to sell all of Tombstone's assets, including the mineral rights obtained from your clients, at public auction.

The best estimate of the Debtor-in-Possession is that the liquidation of Tombstone would generate enough funds to pay the tax liabilities, administrative costs and part but not all of the secured claims. In that situation your clients would receive nothing for their shareholdings.

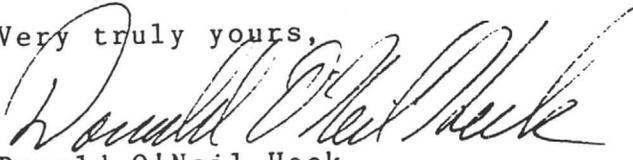
If your clients have any input on this matter or if they have an interest in buying the minerals rights back from Tombstone, please let me know.

There are a number of other matters that we need to address. The Debtor-in-Possession believes that your clients have not only been uncooperative but have also attempted to obstruct his efforts. He has advised me that he wants to dispute the claims of your clients, their corporation and their relatives for sums due for services rendered to Tombstone. He has also asked me to look into pursuing Tombstone's claim against Arizona Engineered Aggregates, a corporation controlled by your clients' relatives, and has told me that payment by Arizona Engineered Aggregates was guaranteed by one of your clients.

A final reason for your clients to be motivated to see the reorganization of Tombstone succeed is that the IRS has asserted the 100 % penalty against various directors and officers of Tombstone. I have been advised that your clients were the responsible parties and that the other directors have asserted that position with the IRS.

I would suggest that after you have had an opportunity to review these matters with your clients that we meet to discuss their resolution.

Very truly yours,


Donald O'Neil Heck

AGREEMENT

An Agreement entered into this _____ day of _____, 1988, by and between CROSSLAND SILVER AND GOLD, INC., (Crossland), a Colorado corporation, and TOMBSTONE SILVER MINES, INC., (Tombstone), an Arizona corporation.

RECITALS

WHEREAS, Tombstone is the owner of certain mineral rights, mining claims and leases, as set forth in the attached Schedule "A", and certain mining equipment and other assets, as set forth in the attached Schedule "B";

WHEREAS, Tombstone is currently under the protection of Chapter 11 of the Bankruptcy Act in a case pending in the United States Bankruptcy Court for the District of Arizona, case number B87-0517 PHX GBN; and

WHEREAS, Crossland desires to to acquire all of the outstanding shares of Tombstone and to operate Tombstone as a wholly owned subsidiary.

COVENANTS

Therefore, in consideration of the mutual promises and covenants contained in this Agreement, it is agreed that:

1. Tombstone shall submit a Plan of Reorganization to the Bankruptcy Court proposing:

a. The claims of the "priority" creditors set forth on the attached Schedule C shall be paid in full.

b. The secured creditors set forth on the attached Schedule D shall receive one (1) share of \$1.00 par value Crossland common for each dollar of their claim.

c. The unsecured creditors set forth on the attached Schedule E which are either undisputed or disputed and approved by the Bankruptcy Court shall receive:

(1) a sum of cash, rounded to the nearest whole dollar, equal to twelve and one half percent (12 1/2%) of the amount of the undisputed or allowed amount of the claim, and,

(2) .375 share of \$1.00 par value Crossland common stock for each \$1.00 of the undisputed or allowed amount of the claim. The actual number of shares to be issued to any such creditor shall be rounded up to the next higher whole number of shares in order to avoid the issuance of fractional shares.

on the attached schedule F

D. Each Tombstone shareholder shall receive One (1) share of \$1.00 par value Crossland common stock for each fifty (50) shares of outstanding Tombstone common stock held and all outstanding shares of Tombstone common being cancelled and a certificate for that number of Tombstone shares to be issued to Crossland.

E. The payment of all administrative costs and expenses of the bankruptcy.

2. Upon the approval of the Plan of Reorganization set forth in Section 1 without substantial change, Crossland shall within a reasonable period of time but not more than _____ days from the approval of the Plan or in the event of a subsequent discovery or allowance of a claim do the following:

A. Pay to Tombstone such sums as may be necessary to fund the cash payments required under Sections 1A and 1C(1). The estimated amount of cash necessary to fund these requirements is \$50,500.00.

B. Issue such number of shares of its \$1.00 common as may be required to comply with Sections 1B, 1C(2) and 1D.

C. Pay the additional sum of \$2,500.00 to Tombstone to be used to satisfy the administrative costs and expenses of its Bankruptcy.

3. Crossland's obligations to perform under the terms of this Agreement are expressly conditioned upon the following:

a. The approval by the Bankruptcy Court of the Plan of Reorganization for Tombstone substantially as set forth in Section 1.

b. The inspection and approval of Tombstone's title to the mineral rights, mining claims and leases set forth in Schedule A. In the event Crossland disapproves said title, it shall give notice of the defect within _____ days of the date of execution of this Agreement and Tombstone shall have an additional _____ days to correct that defect. In the event Crossland fails to notify Tombstone of a defect within said _____ day review period, it shall be deemed to have waived any defect.

c. The inspection and approval by Crossland of Tombstone's right to enter and remove minerals on any claim set forth on Schedule A for which Tombstone holds only the mineral rights, but not the surface rights. In the event any such right of entry fails to meet with Crossland's approval, it shall give notice of the defect in such right to Tombstone within _____ days of the date of execution of this Agreement and Tombstone shall have an additional _____ days to correct the defect. In the event Crossland fails to notify Tombstone of a defect with said _____ day review period, it shall be deemed to have waived any such defect.

4. Tombstone shall file a Disclosure Statement and Plan of Reorganization within _____ days of the date of execution of this Agreement. Copies of Tombstone's Disclosure Statement and Plan of Reorganization are attached as Schedules _____ and _____.

5. Crossland shall cooperate fully with Tombstone in the preparation of any necessary documents including but not limited to Disclosure Statements and Plans of Reorganization, necessary to implement this Agreement, including but not limited to disclosure of financial and business information about Crossland, its parents, affiliates, officers, directors, and principals or any such information required by the Bankruptcy Court.

6. Crossland shall pay all of its costs and fees arising out of this Agreement other than costs and fees arising from litigation to enforce this Agreement as covered under Section 5.

7. Crossland acknowledges that it has physically inspected all assets of Tombstone, accepts all such assets in their "as is" condition and waives any future claims it or its successors may have regarding the condition of said assets.

8. C.O.P.S. acknowledges that ^F it has inspected the geological reports listed in Schedule "B" and Tombstone makes no representations or warranties, either express or implied, regarding the geology of its claims and leases, including but not limited to the nature, type and extent of any mineral deposits on said claims and leases.

9. In the event of any breach of this Agreement by Crossland, Tombstone shall retain all sums paid by Crossland as liquidated damages. It is agreed it would be extremely difficult to determine Tombstone's actual damages in the event of a breach of this Agreement by Crossland.

10. Tombstone represents that the list of shareholders, secured creditors and unsecured creditors attached to this Agreement as Schedules C, D and E are accurate according to the best information available to Tombstone at the time of execution of this Agreement and no shareholder or creditor of Tombstone has been knowingly omitted. Crossland and Tombstone acknowledge that additional shareholders and/or creditors may be discovered after the execution of this Agreement and/or the amount of any claim or shares held may change for various reasons, including but not limited to the allowance in full or in part of a disputed claim. Crossland agrees that it will pay up to an additional fifteen percent (15%) of the total the estimated cash amounts set forth in Section 2 A and C and issue up to an additional fifteen percent (15%) of the shares required to be issued under Sections 1 and 2, as necessary to settle newly discovered or allowed claims and/or additional administrative expenses.

11. Crossland has reviewed and approves the proposed Disclosure Statement and Plan of Reorganization to be submitted by Tombstone to the Bankruptcy Court attached as Schedules ~~X~~ and ~~X~~
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which are incorporated by reference in this Agreement. Crossland further agrees, subject to the contingencies of Section 3, to take all actions necessary to accomplish said Plan of Reorganization.

12. This Agreement shall be interpreted under the laws of the State of Arizona.

13. This Agreement shall be binding upon the heirs, successors and assigns of each party.

14. The terms of this Agreement are severable and in the event any provision is found to be unenforceable, its unenforceability shall not effect the validity of any other provision.

15. In the event any party to this Agreement institutes litigation to enforce this Agreement, the party prevailing in that litigation shall be entitled to recover its costs and attorney's fees.

16. This Agreement together with all attached Schedules constitutes the entire agreement between the parties and there are no representations, warranties, agreements, understandings, or conditions, either express or implied, except as set forth in this Agreement.

17. This Agreement may not be amended except by a written document executed by all parties.

18. This Agreement may be executed in multiple counterparts, each of which shall be considered to be one and the same Agreement, and shall be binding Agreement when one or more counterparts have been signed by each party and delivered to the other.

19. This Agreement may not be signed by Crossland without the prior written consent of Tombstone.

20. The entry into and execution of this Agreement, the transactions contemplated in it and the performance of the obligations imposed upon Crossland by it have been properly and duly authorized and approved by Crossland's officers, directors and shareholders. Neither this Agreement nor the transactions contemplated in it contravene or breach Crossland's Articles, ByLaws, other agreements, instruments granting security interests or creating liens including but not limited to mortgages and Deeds of Trust and/or any law, statute or governmental regulation applicable to Crossland. Crossland shall provide such further assurance of these matters as required by Tombstone and/or the Bankruptcy Court.

IN WITNESS WHEREOF the parties have executed this Agreement on the date following their signature.

CROSSLAND

TOMBSTONE

By: _____

By: _____

Name: _____

W. W. Grace
Debtor in Possession

Its: _____

Dated: _____

Dated: _____

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In Re:) NO. 87-0517-PHX-GBN
)
TOMBSTONE SILVER MINES,) CHAPTER 11
INC.,)
) PLAN OF REORGANIZATION
Debtor.)
)
)
)
)

The Debtor, by and through its undersigned attorney,
proposes the following Plan of Reorganization:

I. Classification of Creditors.

The creditors are divided into the following classes:

- Class 1: Expenses and Costs of Administration
- Class 2: Taxing Authorities
- Class 3: Secured Creditor - Thunderbird Bank
- Class 4: Secured Creditors other than Thunderbird Bank
- Class 5: Unsecured Creditors with Undisputed or Allowed

Claims

- Class 6: Other Unsecured Creditors
- Class 7: Shareholders

II. Proposed Acquisition of Debtor.

Plan of Reorganization consists of the Debtor being
acquired by Crossland Silver and Gold, Inc., a Colorado

1 corporation, of Denver, Colorado. Crossland shall make a cash
2 infusion of approximately \$53,000.00 in the Debtor to be used to
3 pay some creditors and costs of administration and shall issue
4 approximately 156,000 shares of its \$1.00 par value common stock
5 of Crossland to the creditors and shareholders as set forth in
6 this Plan. Crossland intends to infuse further additional
7 capital into the Debtor and to resume mining operations on the
8 Debtor's claims. The operations will include the opening of an
9 underground mine to reach higher grade ore than is currently
10 available in the current open pit mine.

11 III. Provisions for the Treatment of Claims of Creditors.

12 Class 1: Expenses and Costs of Administration.

13 These fees and costs shall be paid in full from the
14 cash on hand and cash to be received by the Debtor from
15 Crossland.

16 Class 2: Taxing Authorities.

17 These claims will be paid in full from the cash to be
18 received by the Debtor from Crossland. These claims are
19 estimated to be:

20	a.	Internal Revenue Service	\$26,655.00
21	b.	Arizona	
22		(1) Department of Economic Security	\$ 1,853.00
23		(2) Department of Revenue	\$ 1,087.00
24		(3) Motor Vehicle Division	\$ 81.00
25			
26	c.	Cochise County	\$ 6,983.00

27 Class 3: Secured Creditor-Thunderbird Bank.

28 This creditor has been satisfied in full pursuant to a

OWENS, RYBARSYK & NUSSBAUM, P.C.
ATTORNEYS AT LAW
A PROFESSIONAL CORPORATION
LAW CENTER PLAZA
7322 EAST WILLOW MAS ROAD
SCOTTSDALE, AZ 85251
(602) 945-8208

1 Joint Motion and Stipulation to Lift Stay whereby the property
2 securing this claim, a crusher, was transferred to Delbert and
3 Karen Pierson for \$57,000.00 with the proceeds to be
4 received by Thunderbird Bank which shall in turn remit
5 approximately 10% or up to \$4,470.00 to the Debtor.

6 Class 4: Other Secured Creditors.

7 These creditors shall receive one share of the \$1.00
8 par value common stock of Crossland for each dollar of their
9 claim. These creditors and the amount of their claims are:

- 10 a. W. W. Grace \$ 7,000.00
- 11 b. David A. Thomas \$15,000.00
- 12 c. Hal Rouse \$ 8,000.00
- 13 d. Phillip Rouse \$ 8,000.00
- 14 e. Charles Sanders \$40,000.00

15 Class 5: Unsecured Creditors With Undisputed or Allowed
16 Claims.

17 These creditors shall receive a cash amount equal to
18 12.5 cents for each dollar of their claim and .375 share of
19 \$1.00 par value of Crossland common for each dollar of their
20 claim. The cash will be supplied by Crossland. All dollar and
21 share amounts shall be rounded to next highest whole dollar and
22 share.

23 Class 6: Other Unsecured Creditors.

24 This claims shall received nothing.

25 Class 7: Shareholders.

26 The shareholders shall receive one (1) share of the
27 \$1.00 par value of Crossland common stock for each fifty (50)

28 ///

1 shares of the Debtor's stock that they hold. All outstanding
2 shares of the Debtor will be cancelled and a certificate for
3 that number of shares issued to Crossland.

4 IV. Other Creditors and Bar Date.

5 The Plan recognizes there may be creditors who have
6 not filed a Proof of Claim. It makes no provision for any
7 creditor who fails to file a Proof of Claim. The Plan requests
8 the Court set a Bar Date. Any Proof of Claim filed prior to
9 this date will be classified into one of the existing classes
10 and treated the same as any other member of that class.

11 V. Execution and Implementation of the Plan.

12 The Plan is based upon completion of the acquisition
13 by Crossland of the Debtor. The obligation of Crossland Inc. to
14 proceed with that transaction is contingent upon the approval of
15 the Plan. Crossland, upon approval of the plan will pay the
16 funds necessary to fund the Plan within a reasonable time, not
17 to exceed _____ days following the approval of the Plan or in
18 the case of a claim disputed by the Debtor within _____ days
19 of the Court's approval of that claim, and it shall issue the
20 requisite number of its shares to the creditors and/or
21 shareholders of the Debtor within the same time period.

22 VI. Contested Claims.

23 Contested claims by the Debtor shall be paid only
24 upon their allowance by the Court, and in such allowed amount
25 according to the Class in which they belong.

26 VII. Modification of the Plan.

27 The Debtor may propose amendments or modifications of
28 this Plan at any time prior to confirmation by compliance with

1 11 U.S.C. Section 1127. After confirmation the Debtor may,
2 with approval of the Court, with notice and a hearing if the
3 Court so orders, and so long as they do not materially or
4 adversely effect the interests of the creditors, remedy any
5 defect or omission or reconcile any inconsistencies of the Plan
6 or in the order of confirmation in such manner as may be
7 necessary to carry out the purposes and effect of the Plan.

8 VIII. Jurisdiction of the Court.

9 The Court will retain jurisdiction, until the Plan has
10 been fully consummated, concerning, but not limited to, the
11 following:

12 1. The classification of the claim of any
13 creditor and the re-examination of the claims which have been
14 allowed for purposes of voting and the determination of such
15 objections as may be filed to creditors' claim. The failure by
16 the Debtor to object to or examine any claim for purposes of
17 voting shall not be deemed to be a waiver of the Debtor's right
18 to object to or re-examine the claim in whole or in part.

19 2. The determination of all questions and
20 disputes regarding title to the assets of the estate and
21 determination of all causes of action, controversies, disputes
22 or conflicts whether or not subject to any action pending as of
23 the date of confirmation between the Debtor and any other party
24 including but not limited to any right of the Debtor to recover
25 assets pursuant to the provisions of Title 11 of the United
26 States Code.

27 3. The modification of this Plan after
28 confirmation pursuant to the Bankruptcy Rules and Title 11 of

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the United States Code.

4. The enforcement and interpretation of the terms and conditions of this Plan.

5. The entry of any order, including injunctions, necessary to enforce the title, rights and powers of the Debtor and to impose such limitations, restrictions, terms and conditions of such title, rights and powers.

IX. Post Confirmation Activities.

After confirmation of the Plan, the Debtor will implement the Plan by commencing and completing the Crossland acquisition of the Debtor.

RESPECTFULLY SUBMITTED this ____ day of May, 1988.

DONALD O'NEIL HECK, P.C.

Donald O'Neil Heck
7322 East Thomas Road
Scottsdale, Arizona 85251
Attorney for Debtor

W. W. Grace
Debtor-In-Possession

OWENS, RYBARSYK & NUSSBAUM, P.C.
ATTORNEYS AT LAW
A PROFESSIONAL CORPORATION
LAW OFFICE PLAZA
7322 EAST THOMAS ROAD
SCOTTSDALE, AZ 85251
(802) 945-8208

IN TURN, SHALL DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE DEEMED APPROPRIATE.

I. History of Debtor.

The Debtor was incorporated in Arizona in March, 1984, for the purpose of acquiring mineral leases, rights and claims in the vicinity of Tombstone, Arizona and operating a sliver mine on said leases, claims and rights.

The Debtor issued shares of its common stock to various individuals and corporations for cash, property and services. A list of the current shareholders of the Debtor is attached as Schedule A.

The Debtor commenced mining operations in the fall of 1984 and continued mining operations through May, 1986. It ceased mining operations due to a decline in the price of silver. During this period the Debtor purchased various tools and equipment, including an ore crusher with a loan from Thunderbird Bank. The loan was secured by a lien upon the crusher. Also during this period the Debtor required additional working capital and obtained \$78,000.00 from various officers, directors and shareholders. These funds were treated as a loan and were to be secured by a lien on equipment of the Debtor with a value of \$100,000.00. A lien was recorded with Cochise County Recorder in favor of these creditors. A list of the individuals who loaned these funds to the Debtor is attached as Schedule B.

During 1986 the Debtor incurred but failed to pay withholding taxes.

In the Fall of 1986 the Debtor entered into an agreement with Arizona Engineered Aggregates, an Arizona

corporation, controlled by the family of one of the directors of the Debtor, Charles Escapule, to sell to it riprap (waste rock resulting from the Debtor's mining operations suitable for various construction uses). Arizona Engineered Aggregates failed to pay the Debtor for all riprap purchased by it from the Debtor.

The failure of the Debtor to ever operate at a profit due to the low market price for silver, the accumulation of various unpaid liabilities including unpaid withholding taxes, the failure to recover full payment from Arizona Engineered Aggregates, and the threat of immediate collection action by the Internal Revenue Service lead to the filing by the Debtor for the protection of the Bankruptcy Court.

II. Bankruptcy History.

The Debtor filed its Petition for protection under Chapter 11 of the Bankruptcy Act on January 27, 1987.

Interim Monthly Financial Reports have been filed. Attached is a copy of the most recent monthly report.

Donald O'Neil Heck, P.C. was retained by the directors to file the Petition and to handle certain other matters. George Hill subsequently became counsel for the Debtor and on January 28, 1988, the Court approved the substitution of Donald O'Neil Heck, P.C. for George Hill as counsel for the Debtor.

The Committee of Creditors has not met and no counsel has been appointed for it.

III. Incidents Precipitating Chapter 11.

The filing of the Bankruptcy Petition was directly precipitated by the Internal Revenue Service threatening to

commence collection action to collect unpaid withholding and employment taxes.

IV. Assets and Liquidation Analysis.

The Debtor owns the mineral rights, claims and leases set forth in the attached Schedule C. The Debtor-in-Possession estimates that in a forced liquidation these claims, etc. would have a fair market value of approximately \$50,000.00.

The Debtor owns the tools and equipment set forth in the attached Schedule D. The Debtor-in-Possession estimates that in a forced liquidation this equipment would have a fair market value of \$50,000.00.

The Debtor owns certain rock riprap by-products of its mining operations. The Debtor-in-Possession estimates the amount of this riprap to 20,000 cubic yards and its value to be approximately 1.00 per cubic yards, if and when it could be sold.

The liquidation and sale of these assets would at best be difficult. At the current price level of silver, there is doubt as to whether or not the silver ore in the current open pit mine could be profitably mined. This therefore makes the sale of assets and mine as a going concern unlikely in the view of the Debtor-in-Possession. Therefore, in the opinion of the Debtor-in-Possession, any likely sale would be a forced liquidation at rock bottom prices.

V. Valuation of Scheduled Claims.

The Debtor has incurred administrative expenses for fees and expenses of its counsel and the Debtor-in-Possession. These are estimated to be approximately \$5,000.00 to \$10,000.00

upon the acceptance of the Plan of Reorganization.

The creditors set forth in the attached Schedule ~~X~~^F are tax authorities and have priority. The amounts set forth in Schedule F are considered to be valid claims.

The creditors set forth in the attached Schedule ~~X~~^B are secured creditors other than Thunderbird Bank. The amounts set forth on Schedule ~~X~~^B are considered to be valid. An agreement has been reached with Thunderbird Bank for the automatic stay order to be lifted and for the sale of the crusher to Delbert and Karen Pierson in return for their promise to pay \$57,000.00 to Thunderbird Bank in full settlement of its claim.

Additionally, Thunderbird Bank shall remit approximately 10% percent of all sums received from the Piersons to the Debtor.

The claims set forth in the attached Schedule ~~X~~^F are unsecured claims. All such claims are considered to be valid except for the following claims:

1. State of Maine Mining Company	\$ 3,064.00
2. C. B. Escapule	\$ 1,850.00
3. Charlou Corporation	\$ 6,814.00
4. James A. Brisco & Assoc.	\$19,665.47
5. James Varga, CPA	\$ 1,622.73

It is estimated that the valid and provable claims total approximately \$40,000.00.

VI. Preparation and Accounting Information.

The Debtor has utilized the services of an accountant during this Chapter 11 proceeding to prepare income tax returns. The Interim Financial Reports have been prepared

by the Debtor-in-Possession.

VII. Litigation.

There is no pending litigation against the Debtor.

VIII. Business Expectations.

The Plan of Reorganization amounts to an acceptance by the Debtor of a proposal by Crossland Silver and Gold, of Denver, Colorado to: acquire the Debtor, make a cash infusion in the Debtor for the purpose of making a cash payment to some of the creditors and to pay some cash and issue shares of its stock to other creditors, and issue shares of its stock to shareholders of the Debtor.

Brief summaries of the backgrounds of Crossland's principals Charles H. King IV, Milton C. Heaney and Daniel H. Overmyer, are attached as Schedules ⁶X, ^HX. and ^IX.

Crossland further proposes to infuse additional funds into the Debtor for the purpose of opening an existing mine shaft and to commence mining underground in order to produce a higher grade of ore, an ore with a sufficient silver content to allow silver to be produced profitably. An outline of Crossland proposed plan of operations is attached as Schedule ^JX.

The Debtor cannot resume mining operations unless and until it receives an infusion of working capital. The Debtor-in-Possession estimates that the minimum amount of additional working capital required to resume operations is \$200,000.00. There is no readily available source for these funds and the Debtor's ability to raise this cash in existing capital markets is unlikely, in the opinion of the Debtor-in-Possession, given the current price levels of silver and the fact the Debtor could

not operate the existing mine profitably. The opening of an underground shaft under the Crossland Plan would allow the possible mining of a higher grade of ore at a profit.

Further, the Debtor currently has no employees and no in place management personnel. The Debtor would have to obtain these individuals if it was to start operating and, in view of its financial condition, attracting competent professional management would be most difficult.

IX. Committee of Unsecured Creditors.

The Committee of Unsecured Creditors has neither met nor participated in the formulation of the Plan of Reorganization.

X. Summary of Plan of Reorganization.

The Plan divides the creditors into the following classes:

1. Expenses and Costs of Administration.
2. Claims of Various Taxing Authorities.
3. Secured Claim of Thunderbird Bank.
4. Secured Claims other than Thunderbird Bank.
5. Valid Claims of Unsecured Creditors.
6. Invalid and Disallowed Unsecured Claims.
7. Shareholders.

The first class consists of claims by Donald O'Neil Heck, P.C. and George Hill for legal fees incurred in the representation of the Debtor in this proceeding and fees and expenses incurred by the Debtor-in-Possession, W. W. Grace. These claims are expected to total between \$5,000.00 and \$10,000.00 and are to be paid in full.

The second class, the claims of the various taxing authorities are set forth in Schedule ^DX. They are estimated to total approximately 37,200 and are to be paid in full.

The third class, the secured claim of Thunderbird Bank, will be satisfied in full pursuant to the previously discussed an Court approved joint Motion and Stipulation between the Debtor and Thunderbird Bank.

The fourth class, secured claims other than Thunderbird Bank, are set forth in Schedule B. They total \$78,000.00 and creditors in this class shall receive one (1) share of the \$1.00 par common stock of Crossland for each dollar of their claim.

The fifth class, valid unsecured claims, are estimated to total approximately \$40,000.00 in valid claims. Creditors in this class shall receive a cash payment equal to 12.5 cents on the dollar for each dollar of an allowed claim and .375 shares of \$1.00 par value Crossland common stock for each dollar of an allowed claim. All dollar and share amounts will be rounded to the next highest whole dollar or share.

All disputed claims that are allowed by the Court shall fall into the sixth class. All disputed claims not allowed by the Court shall receive nothing.

All shareholders shall receive one (1) share of \$1.00 par value Crossland common stock for each fifty (50) shares or part thereof they hold of Tombstone common.

The Plan further proposes that the Court set a Bar Date and any Proofs of Claim filed before that date be

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classified and treated accordingly.

RESPECTFULLY SUBMITTED this ____ day of May, 1988.

DONALD O'NEIL HECK, P.C.

WILLIAM M. GRACE
Debtor-In-Possession

By

Donald O'Neil Heck
7322 East Thomas Road
Scottsdale, Arizona 85251
Attorney for Debtor.

SHAREHOLDERS OF TOMBSTONE SILVER MINES, INC.

NAME	NUMBER OF SHARES
Allen, Edmund T., III P.O. Box 32672 Phoenix, AZ 85064	30,000
The Charlou Corp. P.O. Box 715 Tombstone, AZ 85638	792,143
DeMille, Newey 5819 East Jean Avenue Phoenix, AZ 85018	53,334
Escapule, Bailey P.O. Box 715 Tombstone, AZ 85638	60,595
Escapule, Charles P.O. Box 715 Tombstone, AZ 85638	20,000
Escapule, Louis & Jacqueline P.O. Box 715 Tombstone, AZ 85638	80,594
Escapule, Wallace P.O. Box 715 Tombstone, AZ 85638	6,667
Grace, W. W. 8238 East Indian School Road Scottsdale, AZ 85251	193,334
Graeb, William E.	6,250
Henderson, Bill	3,125
Henderson, P.S.	6,250
Hicks, Kermit G. 598 Meadowview Circle Greencastle, PA 17225	53,334
Horne, Maurine D. and M. Seth 3033 North Central Avenue Phoenix, AZ 85012	53,334
Howard, David M. Suite 401 1770 West 7th Avenue Vancouver, British Columiba V6J 4Z4	100,000

Jeffrey, P. Joseph and Diane G.
Route 2, Box 127
Lexington, NEB 68850

53,334

Krehbiel, L. J. and Doris M.
7329 Red Ledge Drive
Scottsdale, AZ 85253

~~53,334~~
44,445

Krehbiel, Stanley E. and Betty S.
3064 Bluebird
Wichita, KS 67204

53,334

Mixer, Kenneth D.
Peterson, L. R.
1100 Melville Street
Vancouver, British Columiba V6E 4B4

3,215
53,334

Rouse, Hal D.
406 North Caswell Street
LaGrange, NC 28551

53,334

Rouse, Phillip W.
406 North Caswell Street
LaGrange, NC 28551

53,334

Saunders, Charles D.
P.O. Box 1154
Greenwood, MI

186,667

Silver Venture Mining Co., Inc.
8238 East Indian School Road
Scottsdale, AZ 85251

300,000

Summerville, Donald
Thomas, David A.
North 284 Scottsdale House
4800 North 68th Street
Scottsdale, AZ 85251

6,250
193,334

Trecker, Dorothy G.
936 Shaker Circle
Mequon, WI 53092

53,334

~~2,531,764~~

~~Geo~~
Tingom, George and Barbara
c/o L. J. Krehbiel
7329 Red Ledge Drive
Scottsdale, Arizona 85253

8889

2,531,764

SECURED CREDITORS OF TOMBSTONE SILVER MINES, INC.

OTHER THAN THUNDERBIRD BANK

NAME	AMOUNT
W. W. Grace 8238 East Indian School Road Scottsdale, AZ 85251	\$ 7,000.00
David A. Thomas 4800 North 68th Street Scottsdale, AZ 85251	15,000.00
Hal Rouse c/o Phillip Rouse 406 North Caswell Street LaGrange, NC 28251	8,000.00
Phillip Rouse 406 North Caswell Street LaGrange, NC 28251	8,000.00
Charles Saunders P.O. Box 1154 Greenwood, MS 38930	40,000.00

CLAIMS, RIGHTS AND LEASES OF TOMBSTONE SILVER MINES, INC.

1. Tombstone Silver Mines owns the mineral rights, but not the water or surface rights to the following claims in Cochise County, Arizona. Tombstone has an easement over the surface of these claims to the extent reasonably necessary to conduct mining operations.

A. Brother Jonathan Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey No. 578 and Lot 153 on file in the Bureau of Land Management as granted by Patent recorded in Book 8 of Deeds of Mines, Page 530, records of Cochise County, Arizona.

B. Triple Ex Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey No. 577 and Lot 152 in the Bureau of Land Management granted by Patent recorded in Book 8 of Deeds of Mines, Page 577, records of Cochise County, Arizona.

C. Lowell Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey 797 and Lot 189 on file in the Bureau of Land Management as granted by Patent recorded in Book 12 of Deeds of Mines, Page 615, records of Cochise County, Arizona.

D. Red Top Lodge Mining Claim, in Tombstone Mining District, being shown as Mineral Survey 52 and Lot 55 on file in the Bureau of Land Management as granted by Patent recorded in Book 7 of Deeds of Mines, Page 75, records of Cochise County, Arizona.

E. Clipper Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey No. 120 and Lot 105 in the Bureau of Land Management as granted by Patent recorded in Book 9 of Deeds of Mines, Page 429, records of Cochise County, Arizona.

F. Merrimac Lode Mining Claim in Tombstone Mining District being shown as Mineral Survey No. 53 and Lot 51 in the Bureau of Land Management as granted by Patent recorded in Book 9 of Deeds of Mines, Page 413, records of Cochise County, Arizona.

G. Maine (also known as State of Mine) Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey No. 579 and Lot 154 on file in the Bureau of Land Management as granted by Patent recorded in Book 8 of Deeds of Mines, Page 540, records of Cochise County, Arizona.

H. May Lode Mining Claim, in Tombstone Mining District, being shown as Mineral Survey No. 317 and Lot 114 on file in the Bureau of Land Management as granted by Patent recorded in Book 7 of Deeds of Mines, Page 694 of records of Cochise County, Arizona.

2. Additional descriptions to come.

TOOLS AND EQUIPMENT OF TOMBSTONE SILVER MINES, INC.

A. PICKUPS AND TRUCKS:

1. 1979 Ford Pickup
2. 1970 Dodge Tractor
3. 1963 Dodge Stake
4. 1965 GMC & Dump Bar
5. 1970 Dump Tractor
6. 1970 Ford Tractors
7. 1971 Chevy Pickup

B. TOOLS AND EQUIPMENT

1. 1978 INT. 515 FRONT LOADER
2. 1979 INT. 3964B EXCAVATOR
3. 1,000 GAL. GAS TANK AND STAND
4. 35' STEEL HEADFRAME/HOIST
5. 54' x 40' SHOP BUILDING
6. AGGLOMERATION SYSTEM
7. 30' x 20" CONVEYOR AGGLOMERATOR
8. 6 TON LIME BIN/FEEDER
9. 2 TON CEMENT BIN/FEEDER
10. 14,000 GAL. WATER STORAGE TANK
11. 4 - 500 GAL. REAGENT MIX TANKS
12. 3,000 GAL MIX TANK
13. 5,000 GAL.
14. 8 YARD CEMENT MIXER
15. ATOMIC ABSORPTION UNIT
16. 300 TPD PRECIPITATION PLANT
17. ISO TPD PRECIPITATION PLANT
18. MISC. SAFETY EQUIPMENT
19. S HORSE POWER SUBMERSIBLE PUMP
20. CATERPILLAR 12 FOOT ROAD BLADE
21. 500 GALLON TANK & STAND
22. 12' x 18' PLANT BUILDING
23. 12' x 16' PLANT BUILDING
24. MISC. POWER LINES AND SWITCHING GEAR
25. 2 - MANIFOLDS FOR 300 TPD PLANT
26. 600 of 5" STEEL PIPE, PUMPT TANK
27. 300' of 3" PVC THINWALL
28. 500' of 2" PVC SCH 40
29. 20' x 20' smelter building
30. #200 DIESEL TILT FURNACE
31. 300 GALLON TANK
32. #200 SILICON GRAPHITE CRUCILBE
33. #16 BUTANE FIRED FURNACES
34. IMPACT MILL
35. 4' x 6' SHAKER TABLE/FEEDER

TAX CLAIMS AGAINST TOMBSTONE SILVERMINES, INC.

1.	Internal Revenue Service	\$27,000.00
2.	Arizona Department of Economic Security	2,042.00
3.	Arizona Department of Revenue	1,087.00
4.	Arizona Motor Vehicle Division	81.00
5.	Cochise County Assessor	568.00
6.	Cochise County Treasurer	6,415.00
	TOTAL:	<u>\$37,193.00</u>

UNSECURED CREDITORS OF TOMBSTONE SILVER MINES, INC.

1.	James Varga, CPA	\$ 1,623.00
2.	Harwitch Holdings, Ltd.	1,153.00
3.	W. W. Grace	1,500.00
4.	Tombstone Ace Hardware	259.00
5.	David A. Thomas	5,000.00
6.	James A. Brisco	18,665.00
7.	Border Machinery	14,773.00
8.	Bill Gianetto	5,000.00
9.	Archies Auto Parts	1,752.00
10.	Frontier Equipment	2,738.00
11.	Seth Horne	3,500.00
12.	State of Maine Mining Company	3,064.00
13.	Instec Insurance Company	2,145.00
14.	C. B. Escapule	1,850.00
15.	Charlou Corporation	6,814.00
16.	Mardee Stuart	777.00
17.	Western Technologies	249.00
18.	Mine Saftey Appliances	171.00
19.	Safeguards	181.00
20.	Mike Escapule	1,124.00
21.	Russ Escapule	1,081.00
22.	Wallace Arley Escapule	145.00

		\$74,564.00

Resume
Charles H. KING IV

Introduction

35 Yr. old Born 11/15/51 Height 5'-11" Weight 225 lb
Married with no dependant children

I have worked in about every capacity in mining. In placer I've prospected with gold pan and suction dredges, built Placer mills, and worked underground in Tertiary channels. In lode mines I've drilled in ground ranging from river gravel to Hornsfield. I've mined Gold, Silver, Lead, Zinc, Copper, and Tungsten. I've sunk shaft, driven decline, incline, drift, tunnel, and raises. In equipment I've used several types of jack leg drills, and both air and hydrolic jumbos. I've mucked with differant sizes of rocker shovels, and rubber tired muckers from Jarvis Clark 1 yards to Wagner ST8's. I've also driven many typos of ore trucks. I have an Alaska blasters licence and have used every method of blasting there is. I've also built gravity, flotation, and cyanide mills.

Mining History

Before forming OK Mining, I worked for Dynatec Mining contractors as a lead miner rehabilitating the Sheep Creek adit of the Alaska Juneau mine in Juneau Alaska. At the A.J. we rehabed 9,000 ft of track drift, shot in 7 core drill stations, started a new 9x9 track drift, and piped out 3,000 ft for channel sampling in old workings. Dynatec's address is 12687 W. Cedar Dr. suite 300 Lakewood Colorado 80228 Phone (303) 989-9415. Jim Harrower was the project engineer on the job. You can also verify my proformance there by contacting Rick Fredrickson, project manager, at (907) 506-4461.

Just prior to working for Dynatec I worked for Hyak Mining where I organized a low bugit attempt to reopen the Jualan mine, a small gold mine about 40 miles north of Juneau. Neil MacKinnon, Pres. of Hyak, can be contacted at (907) 506-3494. 5000 N. Douglas Hwy. Juneau Alaska 99801.

I worked at the Grant mine in Fairbanks Alaska for Tri-Con mining. I hired on there as a welder fabricating a cyanide leach mill. When the mill was nearly finished I went to work underground as a miner. My duties included driving subdrift, raises, stoping, much timbering, slushing, mucking and traming. Tri-Con's address is Box 12542 suite 2500, 1056 W. Hastings St. Vancouver B. C. Canada V6E3X2

Before coming to Alaska I worked for Patama Minerals, a gold mining co. based in Boulder Colorado, at the John Jay mine near Jamestown Colorado. The John Jay was a small vein mine producing teluride ore. My duties there included rehabing a two compartment shaft; runing bauld exploritory raises, timbered vent and escape raises, widening old drifts, installing rail, stoping and slushing. In addition to my underground duties I also rebilt and maintained the rock drills, and did most of the steel fabrication on the job. Contact Tim Hartley, Vice Pres., at (303) 447-0819 address is P.O. Box 1013 Boulder Colorado 80302

I worked for DiCamillo Brothers Mining at the Drumlumon mine in Marysville Montana. At the Drumlumon we rehabed 1,200 ft of tunnel to access the production shaft. I had also worked for the DiCamillos on a previous project in Montizuma Colorado. It was a small vein silver mine called the Landslide. DiCamillo's phone (303) 651-1203 address is 312 Mountain View Longmont Colorado 80501.

I worked for Big Horn Mining, a mine development contractor then based in Longmont Colorado, at the Cross Mine which was owned by Hendricks Mining. At the Cross we used the shrink stope and block cave methods. Tom Hendricks can be contacted at (303) 443-1502

I was employed as an underground shifter at the Feather Forks mine, located near LaPort California. It is an underground tertiary channel placer mine. At this mine my duties varied widely. I drove an 8x8 decline, sunk shaft, rehabed and widened old decline and drifts, timbered, and acted as instructor for inexperienced hands. I also fabricated a placer mill on site. Jim Oro, the owner, can be contacted at (415) 932-5918

I worked for Teledyne Tungsten, a Fresno Calif. based subsidiary of Teledyne Corp., at the Strawberry mine. There I ran a slusher stope mining low grade tungsten ore. Office phone is (209) 233-0737

I worked for NORSIGO Processing and Refining Ltd. in Leadville Colorado. I hired on as a welder finishing the mill. When we completed the mill I was retained as a mill shift boss. After a short time I was promoted to mill Superintendent. I held that position until we had to shut the mill down for lack of ore. It was a 300 ton per day flotation mill geared to concentrate silver ore. When the mill shut down I went to work at the mine, the Centennial Chief. There I ran an 8x8 decline, incline, drifts, and a large slusher stope. Due to decreased silver prices NORSIGO sold off its assets and got out of mining, but you can verify my performance by contacting Chuck Lackner at (303) 395-6440 address 29895 Cr 357 Buena Vista Colorado 81211. Chuck was mine Superintendent for NORSIGO.

I also worked for Centennial Development Corp. at the Molycorp mine near Questa N.M.. There we sunk an 18 ft vent shaft, and a 24 ft production shaft. My title was lead welder. My duties included fabricating and installing any steel devices used in and around both shafts, supervising welders, maintaining rock drills and muckers.

Besides working for other mining companies I designed and built several suction dredges that I used in California rivers.

I formed Blue Ribbon Mining and Development Inc. in 1904. As Pres. of Blue Ribbon I negotiated leases, researched properties, dealt with permitting, and evaluated mines in Colorado, Alaska, and Costa Rica.

Welding experiance

I learned welding at Fresno City College in Fresno Calif. I went to night classes from 1972 to 1978. At F.C.C. I accumulated 9 1/4 units, all in welding and related courses, including Gas, Arc, MIG, TIG, & Flux core. For mild steel, stainless steel, and aluminium. In 1977 and 1978 I was classified as Lab assistant, where my funtion was to teach the manipulative portions of both advanced Arc and advanced Gas classes.

My practical experiance started in 1973 when I hired on at Valley Foundry and Machine Works in Fresno Calif. as a welder. My duties there included welding mild and stainless steel with Arc and Mig, operating shears, press breaks, rolls, ect. in the fabrication of wine making equipment for the larger Calif. Wineries.

In June of 1975 I went to work for Suburban Steel, a structural steel fabricator in Fresno. At Suburban I certified in G6 position pipe, and flux core. I started as a welder and advanced to the position of layerout before leaving in 1979. While there my duties included everything from welding to interperiting blueprints and directing the crew.

After I Quit Suburban I moved to Questa N.M. where I went to work for Roadrunner Welding, a welding job shop, as Shop Forman. At Roadrunner my duties included estimating cost, directing crew, interperiting and making detailed drawings, shop fabrication and field erection.

When work at the Roadrunner slowed in jan of 1980 I went to work for Centenial Development Corp. as Lead Welder.

In Jan 1981 I went to work for NORSIGO where I built a flotation mill in Leadville Colorado.

In the spring of 1982 I built a series of suction gold dredges (3", 4", & 6") which I operated in central Calif.

In June 1982 I went to work for Feather Forks Mines Ltd. There I built a placer gold mill.

In 1984 I worked at the John Jay mine where my duties included all the welding necessary to reopen an underground gold mine, including fabrication of a new headframe on site.

My most recient welding job was building a cyanide leach mill in fairbanks Alaska. There I refited and installed equipment to vat leach gold ore.

Military Service

I served one tour of duty in the U.S. Navy as a Hospital Corpsman and Aviation Medical Tech.

Charles H. KING IV
526 E. 5th St.
Loveland, Co. 80537
(303) 669-4742

MILTON C. HEANEY

April 1987

Licensed Geologist with mining and construction background. Experienced in all phases of mining from preliminary evaluation through design, construction and operation.

SKILLS

Extensive career experience in minerals development from initial prospect through research, project conception and design, construction, economics, start up and operations.

Thorough working knowledge of ore identification, evaluation, testing and treatment, and mining method and equipment selection for open pit, dredging and underground operations.

Management positions in mines and with operations including personnel, safety and security.

Background work has included ownership determinations, leasing and optioning properties, permit acquisitions and negotiations with regulatory agencies concerning environmental impact statements, construction requirements and operational details.

PROJECTS

Western Heavy Minerals Co., Inc., California.

Cyanide Heap Leach development for gold and silver. Properties were located, prospected and developed. Planned and managed the development and plant construction, including leach pads, plastic/clay-lined holding ponds of 68,000 and 400,000 gallons and five other earth fill dams. Designed and constructed the recovery and electro-winning systems. Installed over one mile of double wall solution piping; engineered water evaporation system to eliminate excess rainfall. Handled capitalization, hiring and payroll.

Tungo Mining Co., California

Initial property evaluations, sampling, ore blocking, mill design and initial production for a low-molybdenum tungsten deposit with associated gold.

Panterra Resources Inc., International Gold Specialties and associates, California. Project under evaluation. Planned drilling and ore development.

Delfino Mining Co., Yerington, Nevada.

Initial evaluations and preliminary ore blocking. Drilling, trenching is planned. Potential tank leach plant operation.

Forkner Placer property, California.

Property evaluation. Planned installation of large dredging operation. Awaiting financing.

Spencer Mining Co. Gerlock, Nevada.

Completed exploration, geologic evaluation and drilling program on property of over 3000 acres. Possible large leach operation.

Good Hope Partnership, California

Advanced stages of prospecting, evaluation and plans for installation of mill. Two mines are planned to be reactivated. Work on this property included running over 30000 line feet of EM-VLF surveys with delineation of a number of favorable zones. Follow up diamond drilling completed. Sampling of existing ore and reserves established.

Albion Hill properties of Western Minerals Co., California

Completed prospecting of this large property. Six major veins were located and sampled. Exploration included EM-VLF, trenching and diamond drilling. Further planned work - open old mine and a geo-chemical survey.

Black Hawk Mines, Inc., California

Drilled and sampled large desert placer. Completed evaluation.

Rawhide Placers, Rawhide, Nevada

Drilled and sampled gravel channel, depth 100 feet, five miles. Completed evaluation.

Lucern Valley Placers, California

Drilled and completed sampling. Alluvial fan deposits.

Paradise Mines, Inc., California

Exploration, geologic mapping and planning for further work to delineate lava capped placer. Work will include a geo-physical survey.

Copper Lode Mines, Oregon

Exploration, mapping of large copper-gold property in southern Oregon. Trenching, sampling and EM-VLF work completed.

Beaver Mines Co., Utah

Exploration, mapping, trenching on five large properties for silver. One property drilled with reverse circulation.

Cachuma Mining Co., Santa Barbara County, California

Evaluation of 25 mining claims which contain chrome, mercury, copper, gold and silver. Four large EM-VLF surveys completed in selected areas.

Manley Brothers Silica Co., Illinois. California based exploration for silica, heavy and refractory foundry supply. Included property evaluations, economics of minerals and selection of possible equipment for production.

Nix Chrome properties, Ukiah, California

Evaluation of 1800 acre property for chrome, copper and gold.

Heavy Minerals Co., Inc. California

Numerous evaluations, mostly placer deposits by drilling and ore testing regarding heavy minerals, zircon, titanium minerals, tungsten and gold.

Other current work includes consultation or coordination with individuals in California, Nevada, Utah, Arizona and Virginia.

Other projects are pending, placers in Utah, Nevada and California, evaluations two in Arizona, California, Nevada and Virginia. Also discussions which may lead to exploration in several West African countries.

Engineering Geologist for State of California, Division of Structures.

Bridge foundations, tunneling projects and miscellaneous structures support.

Geologist on staff of mines exploration company. Supervised exploration crews, EM-VLF surveys, etc.. Finished geologic reports were completed.

MISCELLANEOUS

KATO International, New York, N.Y.
Brown Bear Mining Co., Mariposa County, California
Lindsey & Assoc., Placerville, California
Halstrom & Lindblatt Gold Co., Loomis, CA
John Pantle Gold Co, Plymoth, CA
Natomas Dredging Co., Folsom, CA
Penryn Drift Mine, Penryn, CA
Keables Drilling Co., Sacramento, CA
Central Oil & Mining, Salt Lake City, Utah

Miscellaneous skills -

Electrician - wired over 150 homes and several industrial plants.
Plumber - experienced
designed and constructed four homes.
Well drilling - drilled more than 100 wells.
Draftsman - experienced.

Specialty: Mining & Engineering Geology (1947-1952)
Mackey School of Mines, University of Nevada, Reno, Nevada
Placer College, Auburn, California

Certification: Registered Geologist - California No. 2829
Registered Engineering Geologist - California No. EG 827

Professional affiliations:

Sierra Nevada Section, Society of Mining Engineers of AIME
Geological Society of Sacramento



HISTORICAL BACKGROUND

In 1947, Daniel H. Overmyer started the D.H. Overmyer Warehouse Company in Toledo, Ohio. From small beginnings in an office with two employees, himself and a secretary, the firm grew into a national and later an international network of industrial real estate and public warehousing.

In its early years, the firm branched out into Cleveland and into the southern states. From there, facilities spread across the continent and today 35,000,000 square feet of space are available to manufacturing communities in 65 major marketing and distribution centers across the U.S. and Canada.

Although public warehousing was at one time the backbone of the Overmyer business, over the years demand increased for leased space contracts in tenant operated facilities. As a result, a highly functional, standardized building evolved, which offers maximum storage efficiency under its 30 foot ceilings. However, public warehousing is now operating in eight million of the 35 million square feet the Overmyer network comprises.

Now called the Overmyer Company, it is the largest firm of its kind, employing 3,000 people.

In 1970, the Company branched out into Europe. Headquarters for the wholly owned subsidiary of Overmyer AG were opened in Zurich. The following year, offices were established in Germany, Italy, France and Spain. Recently, the UK rounded out the European picture.

At the same time the expansion overseas got under way, Daniel H. Overmyer decided to enlarge the line of buildings with six new types of structures.

The Universally accepted Standard Overmyer building underwent an evolutionary change and was spruced up to tenants requirement for special features. A Flexible Building was added to the line to offer a wider choice of space arrangements to the user. The innovative Modular Building will permit a tenant to have elegant office facilities under the same roof with his storage space. The planned Major Distribution Center will offer a consolidating point of mixed freight services to the large multi-faceted corporation to speed the flow of goods to the consumer. Personal Storage Centers will be built near industrial parks to offer extra space to the smaller manufacturer. The Built-to-Suit program will present a wide variety of designs to those clients or investors, that demand special accommodations.

All of these new structures will follow the new concept of our age. They combine modern functionality with visual attraction. Surrounded by landscaping and trees, they will be an asset to any community.

Preliminary Plan of Operation Tombstone Silver Mining Project

Introduction

The Tombstone silver project will have two initial targets. The first priority will be to rehabilitate a 200 foot deep existing shaft, and extending it to a depth where the ore changes from oxide to sulfide. Once the shaft has reached this transition zone drifts will be driven, on strike, each direction and mining will begin. The other target is a limited open pit operation.

Existing Shaft

The existing shaft is located north of the Chance claim, on a vein just east of the Bonanza vein. This shaft is presently standing open, and should be easily rehabilitated. This shaft is approx. 200 ft. deep. It is reported that workings just below the 200 ft. level of a shaft on the same vein approx. 50 ft. north had silver values of 1,200 ounces per ton.

Open Pit

There are several open pit targets on the XXX, Merrimac, and Clipper claims. We should be able to mine these deposits to a depth of 30-50 ft.. The length and width of these pits cannot be determined at this time.

Projected Schedule for Development

Weeks 1-3

- 1) Set up at shaft
 - A) Pour concrete collar.
 - B) Move hoist and headframe from State of Maine claim.
 - C) Build hoist house.
 - D) Set up dry house.
 - E) Set air compressor.

Crew will consist of 3 miners and 1 mechanic/welder.
Working 10 hrs. per day 5 days a week.

- 2) Overburden at the open pit site will be dozed off to expose the mineralized zone. This will be done by one operator working 10 hrs. a day 5 days a week.

Weeks 4-10

- 1) Rehabilitate shaft.
 - A) Retimber where necessary.
 - B) Install rail
 - C) Establish manway
 - D) Install air and water pipe, and power cable.Crews will be 2 miners and 1 Hoistman on rotating shifts 10 hrs. per shift and 1 mechanic/welder on straight day shift.

(2)

- 2) Start production at open pit.
 - A) Drill with an airtrack.
 - B) Muck with front end loader.Crew will be 2 miners working 10 hrs. per day 5 days a week. This crew will only work day shift.

- 3) Rehabilitate Mill.
 - A) Install jaw crusher. *WILL CUSTOM MILL AT*
 - B) Install shaker screen. *ALANCO MILL.*
 - C) Install final crusher (roll or gyrocone).
 - D) Reline hoppers where needed.Crew will consist of 2 welders and 2 laborers working 10 hrs. per day 5 days a week. Day shift only.

- 4) Once shaft is rehabed a core drilling station will set up in the old workings on the bottom level. From this station holes will be drilled out horizontally to locate additional veins. Core drilling will be done by contractor.

Weeks 11-15

- 1) Sink shaft an additional 100 ft. Same crews
- 2) Start mill. Crews will be 2 mill hands per crew working rotating shifts of 8 hrs. each. Three shifts per day.

Weeks 16-18

- 1) Set up shaft station at level of transition from oxide to sulfide ore.
 - A) Drive 8x12 ft. drift 50 ft. on vein.
 - B) Set slusher.
 - C) Blast in ore pocket.
 - D) Set up loading shoot.Same crews.

Weeks 19-29

- 1) Drive drift each direction on vein.
 - A) North drift will be driven to edge of claim.
 - B) South drift will be driven approx. 1,000 ft.Same crews.

Weeks 30-32

- 1) Start running raises every 100 ft along drifts.
- 2) Start cross cut drift to other veins.
2 additional miners per crew, and one hand per crew to man the loading station.

Weeks 33-34

- 1) Continue raises.
- 2) Start subleveling of raises.

(3)

- 3) Set up core drilling station at the end of the cross cut drift.
- 4) Start drifting on the #2 vein.
2 additional miners per crew.

Week 35 on

- 1) Continue sublevels.
- 2) Continue drift on #2 vein.
- 3) Start stoping on #1 vein.

Projected Tonnages per Day

Week	Description	Open Pit	Underground	Total
1-3	Set up at shaft, and remove over- burdon at pit.	0	0	0
4-10	Start pit. Rehab shaft. Set up core stat. Rehab mill.	30	0	30
11-15	Sink shaft another 100 ft. Start mill	40	30	70
16-18	Set up shaft station.	40	30	70
19-29	Drive drift each direction on vein.	40	75	115
30-32	Start raises. Start cross cut.	40	100	140
33-34	Continue raises. Start sublevels. Start drift on #2 vein.	40	150	190
35-	Continue sublevels. Start stoping. Continue drift on #2 vein.	40	260	300

Number of Hourly Employees and Total Wages per Day

Weeks	Underground		Open Pit		Mill		Total	
	Hands	Wages	Hands	Wages	Hands	Wages	Hands	Wages
1-3	4	\$440	1	\$110	0	0	5	\$550
4-10	7	\$770	2	\$ 220	4	\$345	13	\$1,335
11-30	7	\$770	2	\$220	6	\$336	15	\$1,326
30-32	12	\$1,320	2	\$220	6	\$336	20	\$1,876
33-	16	\$1,760	2	\$220	6	\$336	24	\$2,316

Silver Value per Ton, and per 300
Ton (Daily Mill Run)

Ounces per Ton Silver	\$7.00 per ounce		\$7.50 per ounce		\$8.00 per ounce		\$8.50 per ounce	
	Ton	Day	Ton	Day	Ton	Day	Ton	Day
7.5 opt	\$52.50	\$15,750	\$56.25	\$16,875	\$60.00	\$18,000	\$63.00	\$19,125
10 opt	\$70.00	\$21,000	\$75.00	\$22,500	\$80.00	\$24,000	\$85.00	\$25,500
15 opt	\$105.00	\$31,500	\$112.50	\$33,750	\$120.00	\$36,000	\$127.50	\$38,250
20 opt	\$140.00	\$42,000	\$150.00	\$45,000	\$160.00	\$48,000	\$170.00	\$51,000
25 opt	\$175.00	\$52,500	\$187.50	\$56,250	\$200.00	\$60,000	\$212.50	\$63,750
50 opt	\$350.00	\$105,000	\$375.00	\$112,500	\$400.00	\$120,000	\$425.00	\$127,500
100 opt	\$700.00	\$210,000	\$750.00	\$225,000	\$800.00	\$240,000	\$850.00	\$255,000
500 opt	\$3,500.00	\$1,050,000	\$3,750	\$1,125,000	\$4,000	\$1,200,000	\$4,250.00	\$1,275,000
1,000 opt	\$7,000	\$2,100,000	\$7,500	\$2,250,000	\$8,000	\$2,400,000	\$8,500.00	\$2,550,000

Cost for four months
Tombstone Silver project

Employee wages (hourly)		
Weeks 1-3	\$2,750 per week	\$8,250 total
Weeks 4-10	\$8,215 " "	\$57,505 " "
Weeks 11-16	\$8,842 " "	\$53,052 " "
		<u>\$118,807</u>
	30% for tax and benifits	\$35,642
		<u>\$154,449</u>

In addition to the hourly employees will be a Project Superintendant with a \$4,000 a month salary. Total for four months including tax and benifits \$20,800

	Total wages	\$170,500
Leased equipment		
\$5,000 per month		\$20,000
Explosives		\$41,200
Mining supplies		\$60,000
Custom Milling		\$50,000
		<u>\$341,700</u>
10% Contingency		\$34,170
	Total	<u>\$375,870</u>

After the initial four months the Project will be self supporting.

SCHEDULE F

SHAREHOLDERS OF TOMBSTONE SILVER MINES, INC.

NAME	NUMBER OF SHARES
Allen, Edmund T., III P.O. Box 32672 Phoenix, AZ 85064	80,000 188,119 — ?
The Charlou Corp. P.O. Box 715 Tombstone, AZ 85638	792,143
DeMille, Newey 5819 East Jean Avenue Phoenix, AZ 85018	53,334
Escapule, Bailey P.O. Box 715 Tombstone, AZ 85638	60,595
Escapule, Charles P.O. Box 715 Tombstone, AZ 85638	20,000
Escapule, Louis & Jacqueline P.O. Box 715 Tombstone, AZ 85638	80,594
Escapule, Wallace P.O. Box 715 Tombstone, AZ 85638	6,667
Grace, W. W. 8238 East Indian School Road Scottsdale, AZ 85251	193,334
Graeb, William E. Henderson, Bill Henderson, P.S.	6,250 3,125 6,250
Hicks, Kermit G. 598 Meadowview Circle Greencastle, PA 17225	53,334
Horne, Maurine D. and M. Seth 3033 North Central Avenue Phoenix, AZ 85012	53,334

Howard, David M. Suite 401 1770 West 7th Avenue Vancouver, British Columiba V6J 4Z4	100,000
Jeffrey, P. Joseph and Diane G. Route 2, Box 127 Lexington, NEB 68850	53,334
Krehbiel, L. J. and Doris M. 7329 Red Ledge Drive 4200 N. Miller #323 Scottsdale, AZ 85253 Scottsdale, Az. 85251	44,445
Krehbiel, Stanley E. and Betty S. 3064 Bluebird Wichita, KS 67204	53,334
Mixer, Kenneth D. Peterson, L. R. 1100 Melville Street Vancouver, British Columiba V6E 4B4	3,215 53,334
Rouse, Hal D. 406 North Caswell Street LaGrange, NC 28551	53,334
Rouse, Phillip W. 406 North Caswell Street LaGrange, NC 28551	53,334
Saunders, Charles D. P.O. Box 1154 Greenwood, MI	186,667
Silver Venture Mining Co., Inc. 8238 East Indian School Road Scottsdale, AZ 85251	300,000
Summerville, Donald Thomas, David A. North 284 Scottsdale House 4800 North 68th Street Scottsdale, AZ 85251	6,250 193,334
Tingom, George and Barbara c/o L. J. Krehbiel 8226 E. Coolidge 7329 Red Ledge Drive Scottsadle 85251 Scottsdale, AZ 85253	8,889
Trecker, Dorothy G. 936 Shaker Circle Mequon, WI 53092	53,334

2,531,764

✓	Cochise County Assessor PO Box 168 Bisbee, Az 85603	Taxes Undisputed	2975.0 # 2958.71
✓	Cochise County Treasurer PO Box 1778 Bisbee, Az 85603	Taxes Undisputed	# 3456.0
✓	Archie's Auto Parts Box 304 Tombstone, Az 85638	Supplies Undisputed	# 1751.62
✓	Arizona Dept. of Revenue PO Box 24009 Phoenix, Az 85038	Taxes Undisputed	1337.8
✓	Frontier Equipment Box 309 Tombstone, Az 85638	Rents Undisputed	2738.
✓	Seth House 3033 N. Central Ave, #707 Phoenix, Az	Rents	3500
✓	State of Maine Mining Co. PO Box 453 Tombstone, Az 85638	Supplies Disputed	# 3064.
✓	Instec Insurance Co. PO Box 249 Pruce, Az 85638	Insurance Undisputed	# 2145.

✓ Tomestone Ace Hardware
PO Box 880
Tomestone, Az. 85638
602-475-3341

Supplies
Undisputed

* 259,28

Safeguards
PO Box 6000
Fl. Washington, Pa. 19039
% The Roman Group Collectors
P.O. Box 252
Canoga Park, Calif.
818-884-1007

Supplies
Undisputed

181.42

✓ David A. Thomas
4800 N. 68th St.
Scottsdale, Az 85251
602-946-5697

Employee Expense
Undisputed

* 5000.00

✓ James A. Brisco & Associates
5701 Glenn St., Suite 120
Tucson, Az. 85712
602-721-1375

Services
Disputed

* 19,665.4

✓ Border Machinery
PO Box 9639
El Paso, Texas 79986
915-593-2300

Rents
~~Disputed~~
Not

* 14,773.30

✓ Bill Granitto
B. obce, Az

Truck Purchase
not disputed

* 5,000.00

Toweston Silver Mining, Inc.

Unrecorded dividends

30 August

Mandee Stuart

5701 E Glenn, Suite 120

Accounting Fees

Unrecorded

* 776.85

Tucson, AZ 85712

602-721-7735

Arizona Department of

Economic Security

1720 West Madison

Phoenix, AZ

James Varga CPA

633 E Wilcox Dr

Sierra Vista, AZ 85635

602-459-1000

Harwich Holdings Ltd.

c/o David M. Howard

PO Box 11509

650 W. George St.

Vancouver, B.C. V6B

Western Technologies, Inc.

420 S. Olsen Ave.

Tucson, Arizona 85719

612-624-8894

Mint Safety Appliances, Co.

Box 426

Pittsburg, Pa. 15230

(412) 273-5000

W.W. Greer

8238 E. Indian School

Scottsdale, Ariz. 85251

(602) 946-9772

Employer Expenses

1500.00

Undisputed

Supplies

Acct. # 25-0668780

171.39

Undisputed

Testing Services

Manual

249.50

Undisputed

1153.05

Accounting Fees

Disputed

1,623.75

Undisputed

Taxes

Unemployment

* 2,042.18

Townstone Silver Mines, Inc.
Secured Creditors

Amount	Item	Owner	Address
7000.00	Bien on Equipment Undersputed	W. W. Grace	2238 1/2 Indian School Rd. Scottsdale, AZ 85251
15,000.00	Bien on Equipment Undersputed	David A. Thomas	4800 N. 68th St. Scottsdale, AZ 85251
8,000.00	Bien on Equipment Undersputed	Hal Rouse	406 N. Caswell St. Scottsdale, AZ 85251
8,000.00	Bien on Equipment Undersputed	Phillip Rouse	406 N. Caswell St. Scottsdale, AZ 85251
60,000.00	Bien on Equipment Undersputed <i>added</i>	Thunderbird Bank	PO Box 11856 Phoenix, AZ 85061
40,000.00	Bien on Equipment Undersputed	Saunders Charles D. Saunders Loan	P.O. Box 1154 Greenwood, Miss. 38930

✓	Internal Revenue Service 2120 N. Central Phoenix, Az 85008 85003	Taxes Disputed	27,000.00 approx
✓	C.B. Escapule PO Box 453 Tombstone, Az.	Services Disputed	1850.00
✓	Charlou Corp. PO Box 453 Tombstone, Az	Services Disputed	6814.08
	Mike Escapule PO Box 453 Tombstone, Az.	Services Disputed	1124.00
	Russ Escapule PO Box 453 Tombstone, Az	Services Disputed	1081.20
	Wallace Arley Escapule PO Box 453 Tombstone, Az	Services Disputed	145.00
	Quality Printing Tucson, Az.	Supplies Disputed	826.78

TOMBSTONE SILVER MINES,)
 BALANCE SHEET
 APRIL 30, 1986

300' 3IN. PVC THINWALL TO MINE	450.00	
500' 2IN. PVC SCH 40	400.00	
20' X 20' SHELTER BUILDING	7,500.00	
#200 DIESEL TILT FURNACE	5,000.00	
300 GAL. TANK/DIESEL FURNACE	300.00	
8) #200 SILICON GRAPHITE CRUCIB	3,200.00	<i>now all gone</i>
2) #16 BUTANE FIRED FURNACES	500.00	<i>1 sold for \$350.00</i>
IMPACT MILL	1,200.00	<i>add two for 600</i>
4' X 6' SHAKER TABLE/FEEDER	800.00	
TOTAL OTHER ASSETS		29,100.00

TOTAL ASSETS

 1,488,173.01
 =====

RE CAP TIRE 15.5X25	318.00	
35' STEEL HEADFRAME/HOIST	10,000.00	
54' X 40' SHOP BLDG.	5,400.00	
1963 DODGE STAKE DUMP TRUCK	1,200.00	
1965 GMC DUMP TRUCK	1,200.00	
DUMP BOX	403.75	
1970 DODGE DUMP/TRACTOR	5,131.25	
1970 FORD 1/2T PICKUP	4,488.00	<i>- sold</i>
1971 CHEVY 3/4T PICKUP	1,000.00	
TOTAL CURRENT ASSETS		1,216,210.51

FIXED ASSETS

1978 INT. 515 FRONT LOADER	25,000.00	
1978 INT. 3964B EXCAVATOR	40,000.00	
1979 FORD F250 PICKUP	4,200.00	
CAT. 12 ROAD BLADE	5,000.00	
500 GAL. TANK & STAND	262.50	
PULVERIZER	400.00	
1970 DODGE TRACTOR	5,000.00	
CRUSHER	103,000.00	<i>gave to Thunderbird</i>
AGGLOMERATION SYSTEM	9,000.00	<i>Bank to cancel 60,000</i>
30' X 20 CONVEYOR AGGLOMERATOR	1,800.00	<i>lein</i>
6 TON LIME BIN/FEEDER	2,500.00	
2 TON CEMENT BIN/FEEDER	1,500.00	
14K GAL. H2O STORAGE TANK	3,500.00	
4) 500 GAL. REAGENT MIX TANKS	1,600.00	
3K GAL. MIX TANK	1,200.00	
5K GAL. TANK/AGITATOR	2,200.00	
CEMENT MIXER 8 YD.	4,500.00	
ATOMIC ABSORPTION UNIT	3,000.00	
300 TPD PRECIP. PLANT	18,000.00	<i>- now near Wickenburg</i>
150 TPD PRECIP. PLANT	9,000.00	<i>- gone</i>
SAFETY EQUIPMENT	1,000.00	
5 HP SUBMERSIBLE PUMP	1,200.00	
TOTAL FIXED ASSETS		242,862.50

OTHER ASSETS

240' 2 IN. COLUMN PIPE	500.00
12' X 18' PLANT BUILDING	1,500.00
12' X 16' PLANT BUILDING	1,250.00
POWER LINES/SWITCH GEAR	5,000.00
2) MANIFOLDS-300 TPD PLANT	300.00
600' 5 IN. STEEL PIPE-PUMP/TANK	1,200.00

TOMBSTONE SILVER MINES, INC.

BALANCE SHEET

MARCH 31, 1986

20-1070

ASSETS

CURRENT ASSETS

ARIZONA BANK CHECKING	7,877.48	-0-	-
THUNDERBIRD BANK CHECKING	45.03	-0-	-
THUNDERBIRD BANK MONEY MARKET	480.23	-0-	-
ACCUMULATED DERECIATION	<34,280.10>		
CLAIMS/HENDERSON-LAS VEGAS	25,000.00		
CLAIMS/HORNE	326,560.00		
CLAIMS/STATE OF MAINE	293,320.00		
CLAIMS/SILVER VENTURES	577,700.00		
1K GAL.GAS STG.TANK/STAND	500.00		
RE CAP TIRE 15.5X25	318.00		
35' STEEL HEADFRAME/HOIST	10,000.00		
54'X 40' SHOP BLDG.	5,400.00		
1963 DODGE STAKE DUMP TRUCK	1,200.00		
1965 GMC DUMP TRUCK	1,200.00		
DUMP BOX	403.75		
1970 DODGE DUMP/TRACTOR	5,131.25		
1970 FORD 1/2T PICKUP	1,400.00		<i>sold</i>
1971 CHEVY 3/4T PICKUP	1,000.00		
TOTAL CURRENT ASSETS			1,223,255.64

FIXED ASSETS

1978 INT.515 FRONT LOADER	25,000.00	-	
1979 INT.3964B EXCAVATOR	40,000.00	-	
1979 FORD F250 PICKUP	4,200.00	-	
CAT.12 ROAD BLADE	5,000.00	-	
500 GAL.TANK & STAND	262.50	-	
PULVERIZER	400.00	-	
1970 DODGE TRACTOR	5,000.00	-	
CRUSHER	103,000.00		<i>including conveyors and generator</i>
AGGLOMERATION SYSTEM	9,000.00		
30'X20 CONVEYOR AGGLOMERATOR	1,800.00		<i>sold for 57.000 to pay them to Bank</i>
6 TON LIME BIN/FEEDER	2,500.00		
2 TON CEMENT BIN/FEEDER	1,500.00		
14K GAL.H2O STORAGE TANK	3,500.00		
4)500 GAL.REAGENT MIX TANKS	1,600.00		
3K GAL.MIX TANK	1,200.00		
5K GAL.TANK/AGITATOR	2,200.00		
CEMENT MIXER 8 YD.	4,500.00		
ATOMIC ABSORPTION UNIT	3,000.00		
300 TPD PRECIP.PLANT	18,000.00		<i>zinc</i>
150 TPD PRECIP.PLANT	9,000.00		
SAFETY EQUIPMENT	1,000.00		
5 HP SUBMERSIBLE PUMP	1,200.00		
TOTAL FIXED ASSETS			242,862.50

OTHER ASSETS

240' 2 IN.COLUMN PIPE	500.00
12'X18' PLANT BUILDING	1,500.00
12'X16' PLANT BUILDING	1,250.00
POWER LINES/SWITCH GEAR	5,000.00
2)MANIFOLDS-300 TPD PLANT	300.00
600'5IN.STEEL PIPE-PUMP/TANK	1,200.00

TOMBSTONE SILVER MINES, INC.
 BALANCE SHEET
 MARCH 31, 1986

300'3IN.PVC THINWALL TO MINE	450.00	
500'2IN. PVC SCH 40	400.00	
20'X20' SMELTER BUILDING	7,500.00	<i>no value</i>
#200 DIESEL TILT FURNACE	5,000.00	
300 GAL.TANK/DIESEL FURNACE	300.00	
8)#200 SILICON GRAPHITE CRUCIB	3,200.00	<i>all gone except 2</i>
2)#16 BUTANE FIRED FURNACES	500.00	<i>value for 2 = 300</i>
IMPACT MILL	1,200.00	
4'X6' SHAKER TABLE/FEEDER	800.00	
TOTAL OTHER ASSETS		29,100.00

TOTAL ASSETS		1,495,218.14
		=====

TOMBSTONE SILVER MINES, INC.

BALANCE SHEET
MARCH 31, 1986

LIABILITIES

CURRENT LIABILITIES

ACCOUNTS PAYABLE	55,680.22	
FEDERAL WITHHOLDING TAX	5,394.34	
FICA WITHHOLDING TAX	5,913.05	
STATE WITHHOLDING TAX	855.90	
STATE UNEMPLOYMENT TAX	<234.70>	
FEDERAL UNEMPLOYMENT TAX	9.60	
CHARLOU CORP.	80.00	
C. B. ESCAPULE	3,000.00	
1970 DODGE TRACTOR	5,000.00	
THUNDERBIRD/CRUSHER	65,000.00 <i>paid</i>	
TOTAL CURRENT LIABILITIES		140,698.41

LONG TERM LIABILITIES

TOTAL LONG TERM LIABILITIES		0.00
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TOTAL LIABILITIES

140,698.41

CAPITAL

STOCK @ \$.25 LAND	356,250.00
STOCK @ \$.15 CASH	74,000.00
PAID IN EXCESS OF PAR	1,029,901.75
STOCK @ \$.25 CASH	145,000.00
PAID IN EXCESS OF PAR LAND	18,750.00
CONVERT. LOANS TO \$.15 STOCK	78,000.00
TSM, INC. RETAINED EARNINGS	<347,382.02>

TOTAL CAPITAL

1,354,519.73

TOTAL LIABILITIES & CAPITAL

1,495,218.14
=====

Signed
W.W. Grace
Sec + Treasurer

SCHEDULE B

TOOLS AND EQUIPMENT OF TOMBSTONE SILVER MINES, INC.

A. PICKUPS AND TRUCKS:

1. 1979 Ford Pickup
2. 1970 Dodge Dump Truct
3. 1963 Dodge Stake
4. 1965 GMC & Dump Bar
5. 1970 Dodge Dump Truck
6. 1970 Ford Pickup - Sold for \$500.00
7. 1971 Chevy Pickup

B. TOOLS AND EQUIPMENT

1. 1978 INT. 515 FRONT LOADER
2. 1979 INT. 3964B EXCAVATOR
3. 1,000 GAL. GAS TANK AND STAND
4. 35' STEEL HEADFRAME/HOIST
5. 54' x 40' SHOP BUILDING
6. AGGLOMERATION SYSTEM
7. 30' x 20" CONVEYOR AGGLOMERATOR
8. 6 TON LIME BIN/FEEDER
9. 2 TON CEMENT BIN/FEEDER
10. 14,000 GAL. WATER STORAGE TANK
11. 4 - 500 GAL. REAGENT MIX TANKS
12. 3,000 GAL MIX TANK
13. 5,000 GAL.
14. 8 YARD CEMENT MIXER
15. ATOMIC ABSORPTION UNIT
16. 300 TPD PRECIPITATION PLANT - *missing - maybe recovered near Wiskinburg*
17. 150 TPD PRECIPITATION PLANT - *is still I think*
18. MISC. SAFETY EQUIPMENT
19. 5 HP. POWER SUBMERSIBLE PUMP
20. CATERPILLAR 12 FOOT ROAD BLADE *Grader*
21. 500 GALLON TANK & STAND
22. 12' x 18' PLANT BUILDING
23. 12' x 16' PLANT BUILDING
24. MISC. POWER LINES AND SWITCHING GEAR
25. 2 - MANIFOLDS FOR 300 TPD PLANT
26. 600 of 5" STEEL PIPE, PUMPT TANK
27. 300' of 3" PVC THINWALL
28. 500' of 2" PVC SCH 40
29. 20' x 20' smelter building
30. #200 DIESEL TILT FURNACE
31. 300 GALLON TANK
32. #200 SILICON GRAPHITE CRUCILBE *(all gone except 1 in furnace)* (3 each new + 1 in furnace)
33. #16 BUTANE FIRED FURNACES
34. IMPACT MILL
35. 4' x 6' SHAKER TABLE/FEEDER

SCHEDULE D

SECURED CREDITORS OF TOMBSTONE SILVER MINES, INC.

OTHER THAN THUNDERBIRD BANK

Crusher sold for loan balance

NAME	AMOUNT
W. W. Grace 8238 East Indian School Road Scottsdale, AZ 85251	\$ 7,000.00
David A. Thomas 4800 North 68th Street Scottsdale, AZ 85251	15,000.00
Hal Rouse c/o Phillip Rouse 406 North Caswell Street LaGrange, NC 28251	8,000.00
Phillip Rouse 406 North Caswell Street LaGrange, NC 28251	8,000.00
Charles Saunders P.O. Box 1154 Greenwood, MS 38930	40,000.00

78,000.00

*This plus liens equal
all secured creditors*

2. Mineral leases from State of Arizona in Cochise County, Arizona
 - A. Lease Number 23055 Sec. 16 T20S; R22E M & B in Lots 9 and 13
 - B. Lease Number 23056 Sec. 16 T20S; R22E M & B in Lot 9
 - C. Lease Number 23057 Sec. 16 T20S; R22E M & B in Lot 10
 - D. Lease Number 23058 Sec. 16 T20S; R22E M & B in Lot 10

Due for ~~re~~ renewal 1-29-89

SCHEDULE C

TAX CLAIMS AGAINST TOMBSTONE SILVERMINES, INC.

1.	Internal Revenue Service	\$27,000.00 - ?
2.	Arizona Department of Economic Security	2,042.00
3.	Arizona Department of Revenue	1,087.00
4.	Arizona Motor Vehicle Division	81.00
5.	Cochise County Assessor	568.00
6.	Cochise County Treasurer	6,415.00 - ?
	TOTAL:	<u>37,193.00</u>

Amounts should be checked.