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Section 2
T20N, R20W
Mohave Co, AZ

**A SUMMARY REVIEW REPORT
ON THE
SECRET PASS PROPERTY**

**Black Mountains
Mohave County, Arizona**

**as updated by an addendum
dated September 14, 1987**

FOR

**IPC INTERNATIONAL PROSPECTOR CORP.
12th Floor, 1190 Hornby Street
Vancouver, British Columbia
V6Z 2L3**

by

R.D. WESTERVELT, M.Sc., P.Eng.

**Vancouver, B.C.
June 18, 1987**

**Westervelt Engineering Ltd.
401-1112 West Pender Street
Vancouver, B.C. V6E 2S1**

SUMMARY

IPC International Prospector Corp. has recently acquired an option on the extensive mineral holdings of Santa Fe Mining Inc. in the Secret Pass area of western Arizona.

Santa Fe's exploration to date has encountered widespread epithermal gold mineralization associated with well defined fault structures on the property. Drilling has outlined two areas of potential interest for low-cost, open-pit, heap leach development. The available data has allowed a preliminary estimate on the reserve potential in these two areas as follows:

	<u>Reserve potential</u>	<u>Grade</u>	<u>Strip ratio</u>
Tin Cup zone	261,800 tons	0.163 oz Au/ton	9.6 : 1
FM zone	107,800 tons	0.053 oz Au/ton	3.0 : 1

Preliminary metallurgical work has suggested the mineralization in both the Tin Cup and FM zones may be quite amenable to heap leach treatment.

Additional in-fill drilling will be required to confirm and prove up these reserves and to provide representative samples for further metallurgical testing.

Considerable exploration potential for similar mineralization remains to be investigated elsewhere on the property.

A two phase program is recommended to include detailed testing of the Tin Cup and FM zones and additional property exploration at a total estimated cost of \$565,000 (Canadian).

A SUMMARY REVIEW REPORT

on the

SECRET PASS PROPERTY
Mohave County, Arizona

INTRODUCTION

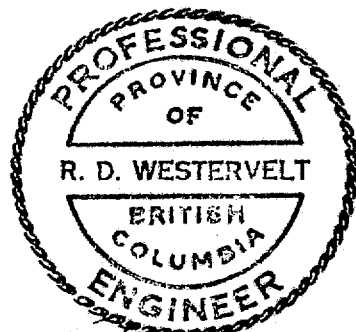
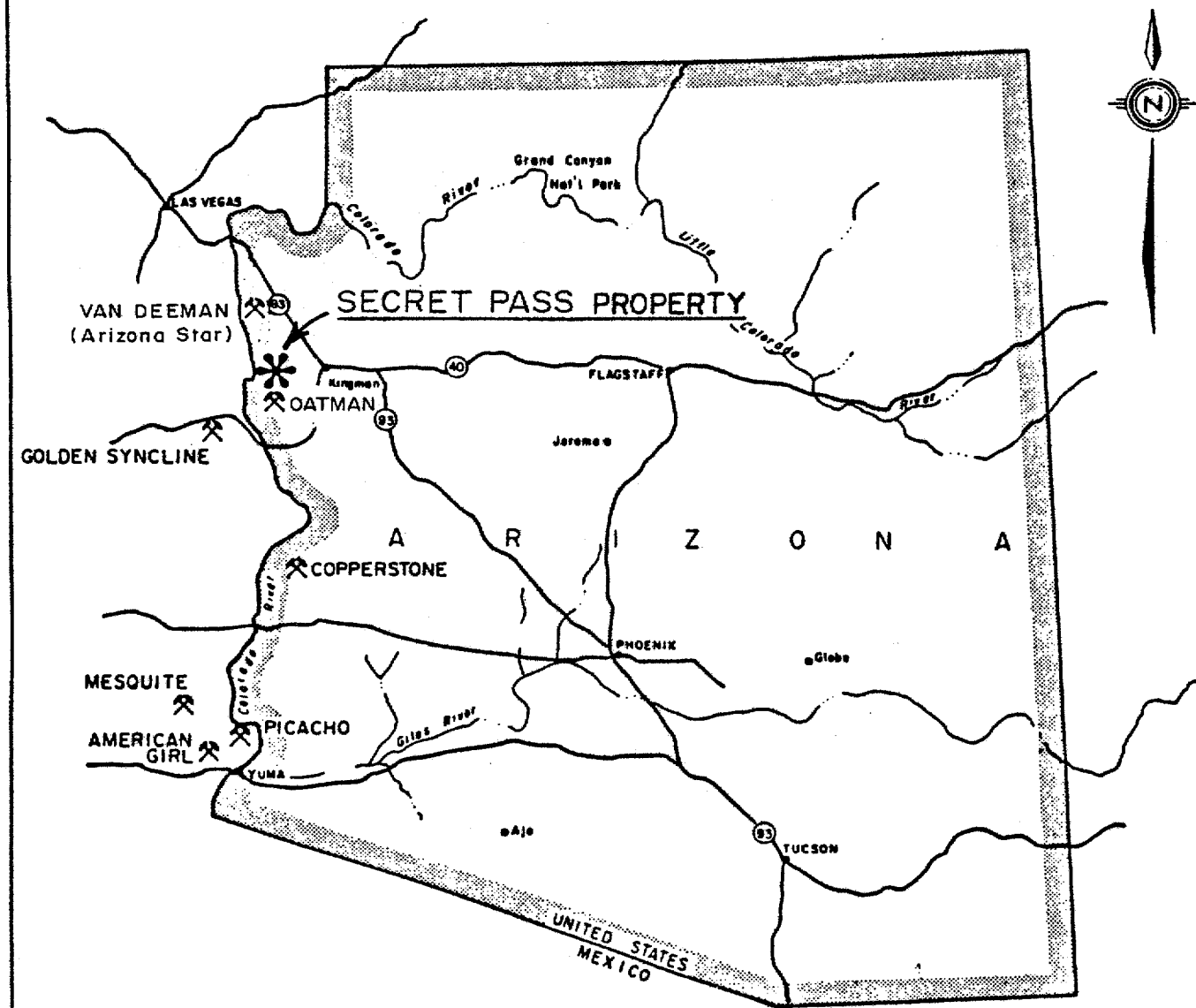
IPC International Prospector Corp. - through its wholly owned U.S. subsidiary, has recently acquired an option on the extensive mineral holdings of the Santa Fe Mining company in the Secret Pass area of western Arizona.

Over the past five years, Santa Fe Mining had completed considerable gold exploration work on the Secret Pass property and had concluded that the potential targets were too small to meet their major corporate objectives. The field results were subsequently reviewed by the Fischer-Watt Mining Company - a group of respected geologists well experienced with this type of mineralization in this part of Arizona, and the project was then presented to International Prospector Inc. as having sufficient immediate potential to warrant the interest of a smaller company.

In late May, the writer was commissioned by IPC International Prospector Corp. to visit the Secret Pass property, to meet with the Fischer-Watt geologists, and to review the available technical information on the project. The field visit and meetings with the Fischer-Watt personnel in Kingman, Arizona were completed in early June and the extensive Santa Fe technical data has since been reviewed in detail.

The co-operation, background expertise, and assistance of Mr. F.L. Hillemyer and Mr. Perry Durning, of the Fischer-Watt staff in carrying out this assignment was sincerely appreciated. My acknowledgement and compliments are also due the Santa Fe Mining staff - their field programs were conducted in a highly professional manner and their documentation is very thorough, detailed, and complete.

My summary review report including my recommendations for a continuing exploration program on the Secret Pass property is herewith submitted for consideration.



Westervelt Engineering Ltd.

IPC International Prospector Corp.
SECRET PASS PROPERTY

Black Mountains; Mohave County, Arizona

LOCATION MAP



JUNE, 1987

FIG. NO. 1

PROPERTY

As shown on the accompanying map (Fig. No. 2), the Secret Pass property consists of several State Prospecting Permits and mineral leases along with 266 located mineral claims covering the mineral rights over a total 7000 acres. The boundaries of the contiguous holdings are shown on the property map with the detailed permit, lease, and claim record data being listed in appendix 2 of the present report.

No title investigation was carried out on the property as this was beyond the scope of the present report. A land status review is currently being prepared by a U.S. attorney with his report expected shortly. In the meantime, no claim conflicts are known to exist - Santa Fe Mining has held and worked most of the area over the past four years with no record of any adverse claimants.

Portions of the property fall within a Wilderness Study Area as designated by the Bureau of Land Management. Although mineral exploration and development is allowable within such areas, certain restrictions apply on some types of equipment and permitting procedures are stringent.

LOCATION, ACCESS, AND PHYSIOGRAPHY

The Secret Pass property is located in the Black Mountains 18 miles due west of Kingman, Arizona and approximately 9 miles north of the historic gold-silver district of Oatman. The Van Deemen property currently under exploration by Arizona Star Resources Corp. is situated within the same mountain range some 40 miles to the north.

The property is readily accessible by vehicle from Kingman via Highways 93 and then 68 for a distance of 14 miles and thence by 10 miles of rough gravel road leading directly to the main prospect site. Total driving time from Kingman to the property is about 40 minutes.

The topography is moderate to locally rugged, with elevations ranging from 2600 to 4100 feet above sea level. The area is characterized by a succession of rugged, rock ridges trending northwesterly with intervening valleys of low relief and numerous gullies. Rock exposure is abundant along the ridges and prominent hills but is quite limited in the lower valleys which tend to be

LEGEND

-  Arizona State Mineral Leases
-  Arizona State Prospecting Permits
-  Mining Leases from New Mexico and Arizona Land Company
-  Located Mineral Claims

Note: Data compiled from records of Santa Fe Mining Inc.



R20W R19W

Westervelt Engineering Ltd.

IPC International Prospector Corp.
SECRET PASS PROPERTY
Black Mountains; Mohave County, Arizona

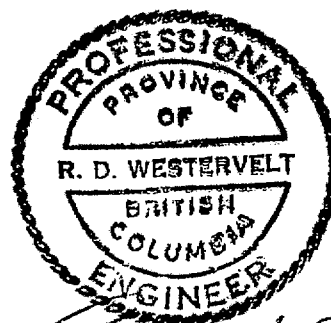
PROPERTY MAP

2000 0 2000 4000 6000 feet

SCALE

JUNE, 1987

FIG. NO. 2



R. D. Westervelt, P. Eng.

wilderness study area

T21N

T20N

T21N

T20N

Tin Cup Prospect

wilderness study area

blanketed by gravel, talus, and shallow soil.

The property covers a semi-desert environment typical of much of Arizona. The vegetation is limited to sparse grass, low prickly bushes, sage-brush, and occasional cactii. No water supply is evident on the property but several wells with abundant flows are reported in the valley 2 - 3 miles to the east.

HISTORY

Initial prospecting interest in the Secret Pass area probably dates back to the active production period at Oatman (1861 - 1920). Scattered prospect pits and shallow exploration shafts are evident on the property but no major production was achieved.

The most significant showing - the Tin Cup prospect, is centrally located on the property and reportedly produced several hundred tons of ore grading 0.5 - 1.0 oz Au/ton during the early 1900's. In 1934, this prospect was reportedly developed by an inclined shaft to a depth in excess of 70 feet with minor later-al development on the 25' and 68' levels. This zone was subsequently mined (probably prior to World War II) as an open pit producing an unknown tonnage with reported grades in the 0.43 - 0.57 opt. Au range. The existing old pit now measures roughly 120 feet in diameter with a maximum depth of about 70 feet.

RECENT EXPLORATION WORK

Based on earlier regional reconnaissance mapping, Santa Fe Mining identified a major zone of imbricate faulting with significant gold potential trending north-northwesterly through the Secret Pass area. Land acquisition was commenced in 1982 with aggressive exploration programs being carried out in '84 - '85 - '86 including four separate phases of drilling.

Geological mapping and rock geochem sampling was completed over the entire property with an emphasis on testing two major recognized structures - the Union and the Frisco Mine fault zones. Encouraged by anomalous rock geochem results, drilling was commenced on the FM zone situated on the Frisco Mine fault some 1500 feet southeasterly from the Tin Cup prospect. Over the following two

years, additional drilling was carried out on the FM zone, substantial drilling was completed in the Tin Cup area, and several additional target areas were drill tested along the Union Fault and related structures.

From the company records, the drilling completed through 1986 is summarized as follows:

<u>Area</u>	<u>No. of holes</u>	<u>Footage</u>
Frisko Mine Fault		
FM Area	30	10,219'
Tin Cup Area	37	16,181'
GP Area	2	415'
Union Pass Fault		
Fluorite Vein	9	2,575'
Realtor	1	265'
U.P. Red 1 & 2	2	590'
Victoria	2	250'
Bartlett Fault	4	900'
Total	87	31,395'

Of the total 87 holes completed, only six (No's TC-24 thru 29 on the Tin Cup totalling 4,628 feet) were drilled using coring equipment - the bulk of the drilling was carried out using reverse circulation rigs with angle capability.

Although anomalous values were found to be widespread, significant gold values were encountered mainly in the drilling of the Tin Cup and FM areas which are described in detail in later sections of this report.

Santa Fe Mining's direct exploration costs exclusive of land acquisition are estimated in excess of \$800,000 U.S. on the Secret Pass property.

REGIONAL GEOLOGY AND MINERALIZATION

The Black Mountains of western Arizona are located within the Basin and Range tectonic province. The dominant rocks are Precambrian granitic to mafic

intrusives and minor metamorphics which are overlain by Tertiary andesitic to rhyolitic flows, tuffs, and volcanoclastic sediments. Rhyolite dikes, sills, and plugs are common cutting both the underlying basement rocks and the overlying Tertiary assemblage.

The dominant structural feature is an imbricated system of shallow to steeply dipping faults trending north - northwesterly which has been traced northerly from the Oatman District, through the Secret Pass - Frisco Mine area, into the Van Deemen area some 40 miles to the north. Two major, generally low-angle, detachment fault structures have been identified over this distance - the Union Pass fault system and the Frisco Mine fault system. Both systems are sinuous with variable dips and splays and both are locally offset by later structures.

Numerous gold showings and prospects are directly associated with the Union Pass and Frisco Mine faults and some have reported limited production. The Van Deemen deposit is reportedly associated with a structure related to the Union Pass system.

The Frisco Mine, situated some 4 miles north of the Tin Cup prospect, is located directly on the Frisco Mine fault where a shallow-dipping rhyolite sill has been brecciated and recemented by gold-bearing quartz and chalcedony. This deposit was most recently worked during 1984 as a 200 ton per day open-pit heap leach operation with a reported grade averaging about 0.08 oz Au/ton.

PROPERTY GEOLOGY AND MINERALIZATION

The Secret Pass property is underlain by a central north-northwest trending core of Precambrian gneissic granitic rocks intruded by rhyolite dykes and flanked by Tertiary rhyolite and andesite flows. This central core is essentially an up-lifted horst with the bounding faults being the Union Pass and Frisco Mine faults which have been traced almost the entire length of the property.

Whereas both these faults tend to be regional low-angle structures, they both steepen abruptly about one mile north of Secret Pass and coalesce about two miles to the south.

Gold mineralization occurs on the Secret Pass property within fault structures, along intrusive contacts, and within discrete calcite-quartz veins. To date, values of potential economic interest are restricted to the Tin Cup

Westervelt Engineering Ltd.

IPC International Prospector Corp.
SECRET PASS PROPERTY

Black Mountains; Mohave County, Arizona

GEOLOGIC MAP

2000 0 2000 4000 6000 feet

SCALE

JUNE, 1987

FIG. NO. 3

Note: Data based on mapping by
Santa Fe Mining Inc.

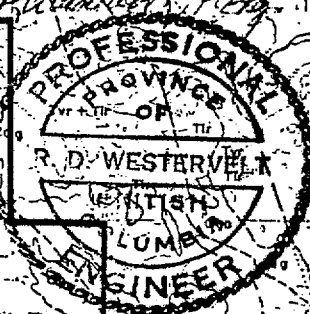
Lithologic Units:

- QUATERNARY**
- Qg Younger gravel (Holocene)
 - Qgo Older gravel
- Unconformity**
- Volcanic rocks (listed order does not imply relative age)**
- Tvr Rhyolite and trachyte flows and welded tuffs
 - Tva Andesite and latite flows and flow breccias
 - Tvb Basalt and basaltic andesite flows and flow breccias
- Unconformity**
- INTRUSIVE rocks (listed order does not imply relative age)**
- Tir Rhyolite and trachyte plugs, dikes, and sills
 - Tia Andesite and latite plugs, dikes, and sills
 - Tib Basalt plugs
 - (Tir+Tia+pqm) Complex of rhyolite to andesite dikes of Tertiary age intruding porphyritic quartz monzonite country rock of Precambrian age
- Unconformity**
- PRECAMBRIAN**
- pqm Porphyritic quartz monzonite (locally sparsely porphyritic; locally gematiferous)
 - PCgn Gneiss (undifferentiated); includes quartz monzonite, granite, and pegmatite locally

Map Symbols:

- Contact: dashed where approximately located, queried where location uncertain.
- Fault: dashed where approximately located, dotted where concealed, queried where inferred. Ball and bar on downthrown side of normal fault; measured dips where indicated. Single arrow without annotation indicates dip of fault where sense of slip is unknown. Single arrow with annotation (SL) indicates trend and plunge of slickenside striae. Double arrows indicate component of horizontal slip on a strike-slip or an oblique-slip fault.
- Low-angle normal fault with dip less than 45°: dashed where approximately located, dotted where concealed. Sawtooth on upper plate; measured dips where indicated.
- Vein: measured dips where indicated; double arrow indicates vertical vein.
- Lineament: possible fault, joint, dike, or vein; interpreted from aerial photographs.
- Axis of syncline: dashed where approximately located, dotted where concealed.
- Strike and dip of beds: measured dips where indicated.

- Strikes of vertical beds.
- Strikes and dip of foliation: measured dips where indicated.
- Strikes of vertical foliation.
- Strikes and dip of dikes: measured dips where indicated.
- Strikes of vertical dikes.
- Adit.
- Prospect.
- Shaft.



and FM areas which are located 1500 feet apart along the major Frisco Mine fault structure.

In these two areas, Tertiary stockwork gold mineralization occurs within the fault zone and adjacent wallrocks with associated quartz, pyrite, and minor specular hematite. Weak to moderate pervasive propylitic alteration is evident along the fault with the higher grade gold sections being associated with relatively restricted zones of strong sericite alteration (eg: potassium enrichment).

The gold values are mainly associated with pyrite and to a lesser extent with the degree of silicification and quartz veining. Base metal values are absent and the trace element content of arsenic, antimony, and mercury is unusually low.

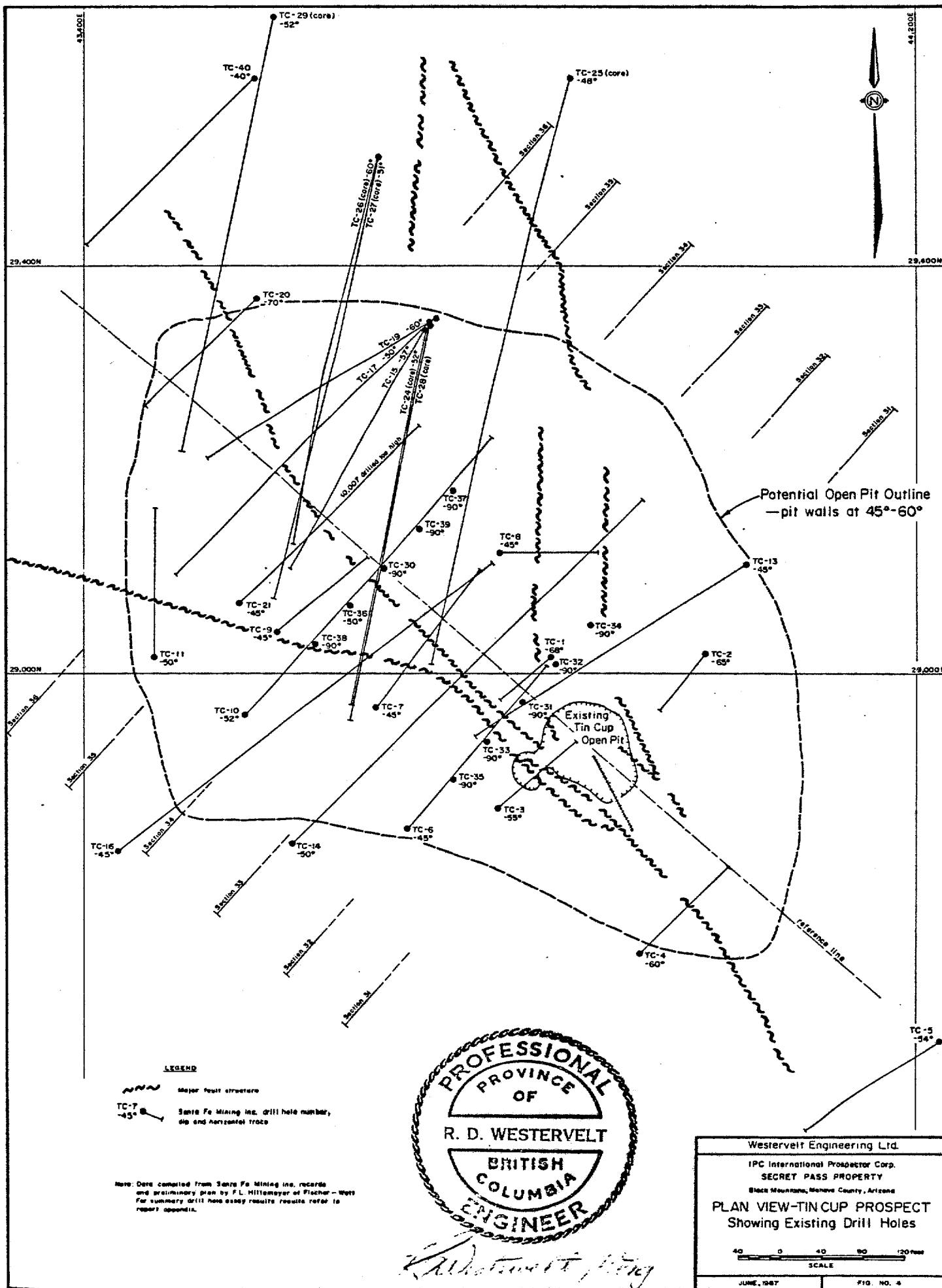
Although both the Tin Cup and FM zones are located along the Frisco Mine fault, the local controlling structures have yet to be recognized - a major flexure in the fault plane and cross-cutting fracture systems may have developed dilatant zones localizing the mineralization.

TIN CUP PROSPECT

Santa Fe's drilling in the vicinity of the original Tin Cup prospect has resulted in the discovery of a gold-bearing zone plunging shallowly to the north west along the Frisco Mine fault structure. As outlined by the 30 rotary holes and 6 core holes completed to date, the mineralization appears to top out in the vicinity of the original open-pit and the depth and down-plunge extent have yet to be fully defined.

As shown on the accompanying section (Fig. No. 5), the fault structure cuts Tertiary andesites and dips 50° - 80° to the east. The mineralization occurs within the fault zone and adjacent splay structures within a restricted envelope of heavy sericite alteration. Deeper holes have encountered similar mineralization and alteration within the fault at depth within the Precambrian basement rocks.

Although the zone has been drilled on 100 foot sections, the gold distribution is erratic and the available assay data is too limited to confirm average



grades and continuity. The more significant drill hole intersections are listed in appendix 3. As noted, several intercepts in excess of 0.1 oz Au/ton over many 10's of feet are reported and one hole - which probably deviated down the structure, returned an average grade of 0.597 oz Au/ton over a 90' length.

Notably, Santa Fe Mining assayed most of their holes using standard AA techniques. Limited check assaying using conventional fire assays showed some considerable variation with a general tendency for a modest up-grading of the earlier results. This is not an unusual feature and is frequently encountered where coarser gold is contributing to the so-called "nugget effect" in the pulverized samples.

Using the available data, Santa Fe Mining estimated potential reserves in the Tin Cup area as follows:

- a) open-pit - 73,700 tons averaging .106 oz Au/ton (with a .02 oz Au/ton cut-off and a 5.6 : 1 strip ratio).
- and b) underground - 91,700 tons averaging .20 oz Au/ton (with a .10 oz Au/ton cut-off).

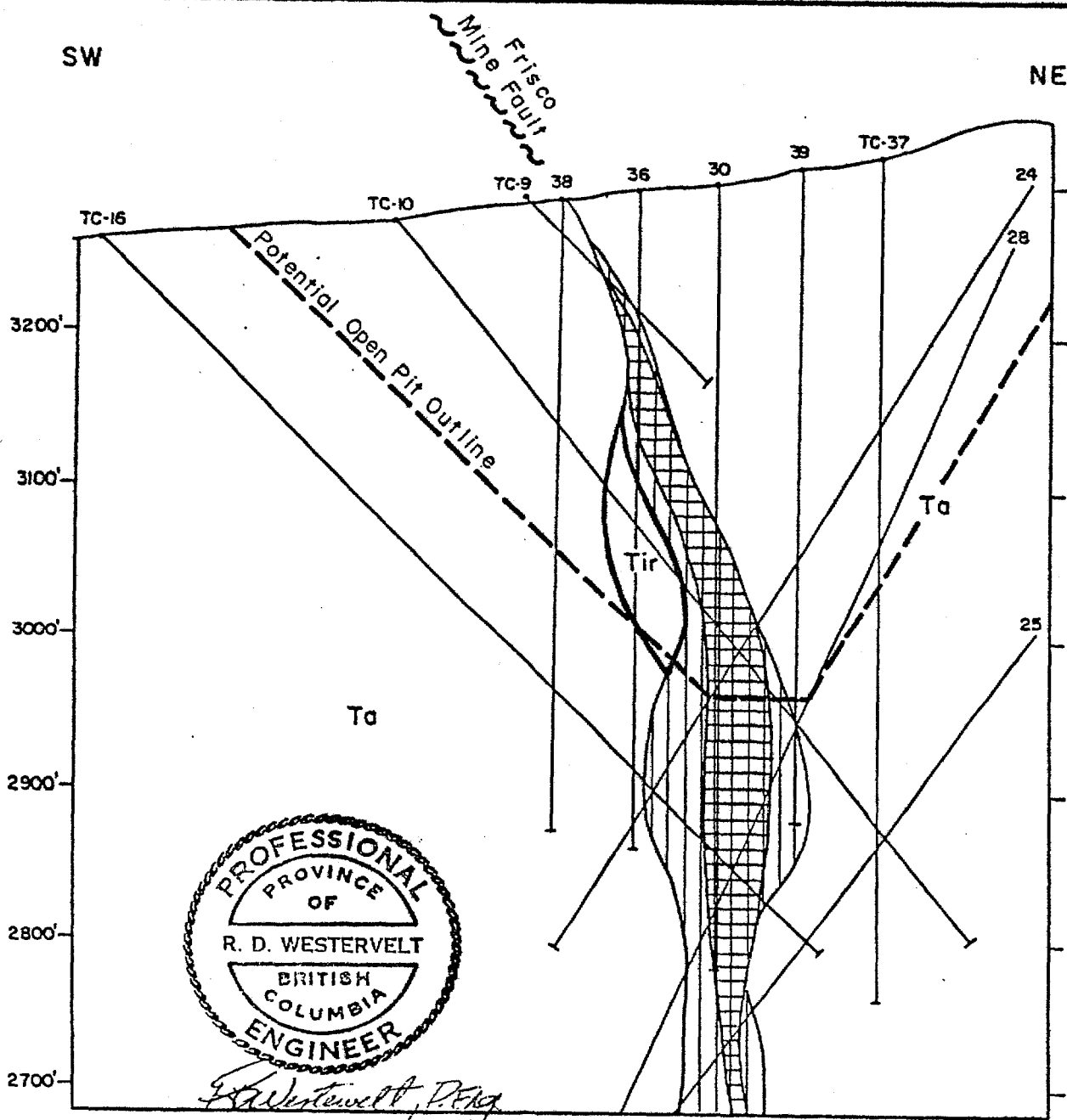
Using the same data, the Fischer-Watt geologists have proposed a possible open-pit to a maximum depth of 350' with a potential reserve estimated as follows:

open-pit with walls at 45°-60° - 261,800 tons averaging .163 oz Au/ton (with a 9.6 : 1 strip ratio).

The Fischer-Watt proposed pit is shown in plan on Fig. No. 4 and in section on Fig. No. 5.

I have reviewed the reserve estimates as outlined above and believe these have been well prepared and truly reflect the reserve potential that might be developed within the immediate Tin Cup area. Additional work will be required before any of these reserves can be considered in the proven or probable category.

The mineralized zone is well oxidized down to the proposed pit floor. Initial cyanide agitation tests on three pulverized drill samples provided recoveries in the range 44% - 78% over a 2 hour period. Bottle roll tests on similar material from the nearby FM zone gave recoveries of 86% - 88% over a 48



Mineralization



Strong sericitic alteration

Tir Tertiary rhyolite dyke

Ta Tertiary andesitic to dacitic flows

Note: Data modified from Santa Fe Mining Inc. records

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IPC International Prospector Corp.
SECRET PASS PROPERTY

Black Mountains; Mohave County, Arizona

TIN CUP PROSPECT

CROSS SECTION 34

Looking Northwesterly

100 50 0 100 feet

SCALE

JUNE, 1987

FIG. NO. 5

hour period. Coarse material has yet to be tested but these preliminary results do suggest the mineralization may be amenable to heap leach treatment.

Three confirmatory samples taken by the writer around the lip of the existing Tin Cup pit essentially confirmed the earlier detailed sampling by Santa Fe Mining (refer to appendix 4).

ADDITIONAL EXPLORATION POTENTIAL

In the FM area, Santa Fe Mining has completed some 30 rotary drill holes over a 3000 foot strike length along the Frisco Mine fault. In this area, the fault dips steeply west, the footwall rocks are Precambrian granites, and the gold grades are generally low and discontinuous. The mineralization is locally associated with calcite veining with strong quartz stockworks with only weak sericite alteration.

Within the FM area, Santa Fe Mining has defined a relatively restricted zone with an estimated open-pit potential of 107,800 tons averaging .053 oz Au/ton (at a .02 oz Au/ton cut off with a 3.0 : 1 strip ratio). Again, this is a potential estimate only and additional drilling would be required to place this reserve into a proven or probable category.

The pertinent drill hole assay data from the FM open-pit area is included in appendix 3. Preliminary metallurgical testing on composite samples from this drilling have suggested this mineralization would be quite amenable to cyanide heap leaching.

The Union Pass and Frisco Mine faults are well defined structures with proven gold potential. Detailed exploration to date has been confined to relatively restricted areas - considerable potential remains virtually untested along the strike extent of both these structures.

The direct association of higher grade mineralization with heavy sericite alteration has only recently been recognized and has yet to be utilized in the field. Rock geochem sampling and prospecting along the surface trace of the fault structures for evidence of sericitization might well define additional priority gold targets.

CONCLUSIONS

A definite potential exists for developing a small but viable open-pit heap leach operation in the Tin Cup area. Although the apparent strip ratio is relatively high, this may be off-set by low stripping costs and the relatively high grade of the mineralization. Additional in-fill drilling will be required to confirm the reserves and grade continuity and this should receive priority attention.

Contingent on the reserve confirmation, additional metallurgical test work will be required to confirm the amenability of the mineralization to heap leach treatment.

The potential reserves in the FM zone are too limited to warrant production consideration on their own but might be developed in conjunction with a leaching operation at the Tin Cup site.

Considerable exploration potential remains untested for zones of similar type mineralization along the Union Pass - Frisco Mine fault structures on the Secret Pass property.

RECOMMENDATIONS

A two phase program is recommended on the Secret Pass property with priority being given in Phase I to a confirmatory evaluation of the reserves in the Tin Cup area. Subject to satisfactory results in the Phase I program, the Phase II work will involve additional detailing of the reserves in both the Tin Cup and FM areas and metallurgical testing.

The recommended program is outlined as follows:

Phase I

- a) reverse circulation angle drilling to cross-section the potential Tin Cup open-pit zone on intermediate sections to the Santa Fe drilling. Continuous samples should be taken at 5' intervals with the gold content being determined by standard fire assay procedures. Approximately 24 holes totalling 7000 feet will be required to cover the immediate area of interest.

- b) re-establishment of the survey grid system to ensure that the new drill holes are properly tied in to the earlier drilling
- c) limited rock geochem sampling, prospecting, and mapping for additional zones of heavy sericite alteration along the Union Pass - Frisco Mine fault structures.

Phase II

- a) 5000' of large diameter core drilling to provide coarse material from the Tin Cup zone for metallurgical testing
- b) an additional 5000' of reverse circulation angle drilling to further detail and extend the Tin Cup and FM zone reserves as warranted
- c) re-assaying of the pertinent Santa Fe drill hole intersections using fire assay methods
- d) metallurgical testing of representative coarse samples from the core drilling to determine the leach characteristics of the mineralization.

PROGRAM COST ESTIMATE

The direct field costs and attendant support expenses for the above proposed program are estimated as follows:

<u>Phase I</u>	<u>\$ US</u>
Mapping	8,000
Rock sample analyses	5,000
Surveying	4,000
Permitting	2,000
Drill site preparation	8,000
Drilling - 24 reverse circulation holes 7,000' @ \$10.00/ft.	70,000
Mobe - demobe	2,000
Assaying	9,000
Vehicles	4,000
Field supplies and communications	4,000
Supervision, engineering, reporting	10,000
	<u>126,000</u>
Contingency - approx. 18%	<u>23,000</u>
Total Phase I	\$149,000 US (\$201,150 Can)

Phase II

	<u>\$ US</u>
Re-assaying of Santa Fe holes	6,000
Core drilling	
5,000' @ \$25.00/ft.	125,000
Reverse circulation drilling	
5,000' @ \$10.00/ft.	50,000
Mobe - de-mobe	3,000
Assaying	7,000
Vehicles	5,000
Metallurgical test work	18,000
Field supplies and communication	6,000
Supervision, engineering, reporting	<u>15,000</u>
	235,000
Contingency - approx. 15%	<u>35,000</u>
Total Phase II	<u>\$270,000 US (\$364,500 Can)</u>
Total Phase I and II	<u><u>\$419,000 US (\$565,650 Can)</u></u>

Note: The \$ US conversion to \$ Canadian is at the current exchange rate of 1.35.

In view of the encouraging results reported to date, the above expenditures are well warranted on the Secret Pass property.



Respectfully submitted,
WESTERVELT ENGINEERING LTD.

R. D. Westervelt
R. D. Westervelt, M.Sc., P.Eng.

Vancouver, B.C.
June 18, 1987

Appendix 1 Key references

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Precious metal deposits associated with volcanic environments in the Southwest, in Relations of tectonics to ore deposits in the Southern Cordillera, W. R. Dickinson & W. D. Payne, editors : Arizona Geol. Soc. Digest Vol. XIV, pgs. 237 - 262.

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Exploration procedure and controls of mineralization in the Oatman Mining District, Oatman, Arizona: American Institute of Mining and Metallurgy Engineers Preprint 80 - 143, 17 pp., 24 figs.

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The Geology and Ore Deposits of Oatman, Arizona, Arizona Geological Society Digest Volume XV, 1984

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Secret Pass Project, progress report and recommendations, pg. 24 + appendix + 3 plates. Private report for Santa Fe Mining Inc.

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Final Report, Secret Pass Project, Mohave County, Arizona.

Sundry maps, reports, drill logs, and assay certificates. Private data from Santa Fe Mining Inc. files.

Appendix 2. Property List
 As included as Schedule "A"
 in the
 Option Agreement dated May 13, 1987
 between
 Santa Fe Mining Inc.
 and
 International Prospector Inc.
MOHAVE COUNTY, ARIZONA

Part I

- 1) State of Arizona Mineral Lease Number 11-91204, dated March 4, 1985, covering:

Township 20 North, Range 20 West, GSRM

Section 2: "Secret Pass #1" South 660 feet of Lot 1	20.00
"Secret Pass #2" North 660 feet of South 1320 feet of Lot 1	20.00
"Secret Pass #3" East 660 feet of North 1320 feet of Lot 2	20.00

- 2) State of Arizona Prospecting Permits:

- A) Number 08-95142 covering:

Township 20 North, Range 20 West, GSRM

Section 2: Lots 3, 4, S/2	422.22
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- B) Number 08-91959, dated October 16, 1985 covering:

Township 20 North, Range 20 West, GSRM

Section 2: North 11.39 acres of Lot 1	11.39
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- C) Number 08-91960, dated October 16, 1985 covering:

Township 20 North, Range 20 West, GSRM

Section 2: W/2 Lot 2, South 5.65 acres of E/2 Lot 2	31.27
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- 3) Prospecting Permit Agreement dated June 18, 1982, between Denys K. Poyner and P. G. Craig, and Santa Fe Mining, Inc. covering Arizona State Prospecting Permit No. 79325:

Township 20 North, Range 20 West, GSRM

Section 2: Lots 1, 2

Part II

- 1) Quitclaim Deed dated June 11, 1982, from Robert A. Stout to Santa Fe Mining, Inc. covering one unpatented lode mining claim:

Name of Claim	Located			Location Notice Recorded		BLM Serial Number
	Section	Twp	Range	Book	Page	
SURPRISE #2	26,35	21N	20W	513	29	AMC 35990

- 2) The following 266 unpatented lode mining claims located by Santa Fe Mining, Inc.:

WALNUT #1-35	6,7	20N	19W	811	307-376	AMC 168797-168831
	31	21N	19W			
	1,2,11,12	20N	20W			
	35,36	21N	20W			
PECAN #1-8	23	21N	20W	816	929-943	AMC 170182-170189
PECAN 23-36	3,4	20N	20W	811	175-201	AMC 168832-168845
	33,34	21N	20W			
PECAN 40,42, 44,46,48,50, 52,54,56	26,27, 34,35	21N	20W	811	203-219	AMC 168846-168854
PECAN 58-100	2,3	20N	20W	811	221-305	AMC 168855-168897
	34,35,36	21N	20W			
ALMOND #1-10	13,14,	21N	20W	810	986-1000	AMC 168898-168907
	23,24			811		
ALMOND 11-16	23,24	21N	20W	817	177-183	AMC 180075-180080
ALMOND 12-16 (re-recorded)				828	342-351	

Name of Claim	Located			Location Notice Recorded		BLM Serial Number
	Section	Twp	Range	Book	Page	
ALMOND #17	24	21N	20W	811	17-18	AMC 168908
ALMOND #18	24	21N	20W	817	184	AMC 180081
ALMOND #18 (re-recorded)				828	352-353	
ALMOND 19-63	13,23, 24,25,26	21N	20W	811	21-110	AMC 168909-168953
	18,19,30	21N	19W			
ALMOND #65	26	21N	20W	811	111	AMC 168954
ALMOND #67	26	21N	20W	811	113	AMC 168955
ALMOND #69	26	21N	20W	811	115	AMC 168956
ALMOND #71	26	21N	20W	811	117	AMC 168957
ALMOND 73-100	24,25, 35,36	21N	20W	811	119-173	AMC 168958-168985
	30,31	21N	19W			
PINON #1-36	7,18 11,12,13,14	20N 20N	19W 20W	1008	178-248	AMC 219313-219348
CASHEW 1-26	31 6	21N 20N	19W 19W	1154 1155	966-1001 1-6	AMC 245169-245194

- 3) Mining Lease and Agreement dated July 5, 1984, between New Mexico and Arizona Land Company ("Lessor") and Santa Fe Mining, Inc. ("Lessee") covering:

Township 20 North, Range 19 West, GSRM

Section 7: All
Section 17: All

Appendix 3 Summary Drill Hole Assays

HOLES INTO TIN CUP ZONE

Hole	From	To	Interval	oz. Au
TC-10	295'	305'	10'	0.047
	305'	395'	90'	0.597
	395'	400'	5'	0.096
	400'	505'	105'	0.196
	505'	565'	60'	0.100

****Note:** Hole went down the dip of the structure **

TC- 9	Too short to hit the target zone.			
TC-38	255'	280'	25'	0.282
TC- 1	70'	115'	45'	0.167
	145'	170'	25'	0.038
TC-36	95'	195'	100'	0.090
	300'	325'	25'	0.200
TC-30	205'	220'	15'	0.300
	290'	340'	50'	0.401
TC-39	Too short to hit zone			
TC-37	Too short to hit zone			
TC- 3	50'	70'	20'	0.134
TC- 7	80'	95'	15'	0.101
	185'	205'	20'	0.072
	205'	240'	35'	0.010
TC- 6	191'	293'	102'	0.062
TC-35	On hanging wall of post-mineral fault			
TC-33	65'	100'	35'	0.058
	220'	250'	30'	0.044
TC-32	60'	175'	115'	0.120
TC-31	125'	140'	15'	0.100

HOLES INTO FM ZONE

Hole	From	To	Interval	oz. Au
FM-17	20'	35'	15'	0.086
	40'	50'	10'	0.030
	75'	85'	10'	0.090
FM- 1	10'	25'	15'	0.044
	60'	115'	55'	0.064
FM- 2	20'	120'	100'	0.052
FM- 3	60'	120'	60'	0.035
FM- 4	120'	135'	15'	0.212
FM- 6	105'	115'	10'	0.038

Note: All assay results are from drill logs of Santa Fe Mining Inc.

Appendix 4 Confirmatory Samples And Assay Results

Rock samples taken by R. D. Westervelt, P.Eng. on June 4, 1987.

Sample #	Description	Bondar-Clegg assay (oz Au/ton)	Comparative assay by Santa Fe Mining Inc. (oz Au/ton)
# 1	9' representative grab sample from southwest lip of Tin Cup open-pit - iron stained moder- ately sericitized andesitic porphyry.	0.302	0.166
# 2	5' chip sample from west wall of Tin Cup open-pit, - iron stained, highly sheared rhy- olite with some calcite veining.	0.051	0.084
# 3	5' chip sample adjoining sample # 2 from west wall of Tin Cup open-pit, - iron stained, weakly altered andesite.	0.002	ND

Bondar-Clegg & Company Ltd.
 1307 Pemberton Ave.
 North Vancouver, B.C.
 Canada V7P 2R5
 Phone: (604) 985-0681
 Telex: 04-352567



Certificate
 of Analysis

REPORT: 427-3648 (COMPLETE)

REFERENCE INFO:

CLIENT: WESTERVELT ENGINEERING LTD.
 PROJECT: SECRET PASS

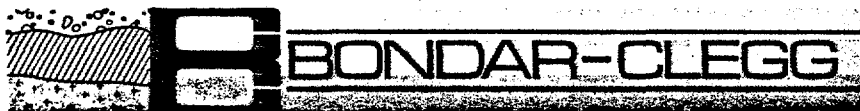
SUBMITTED BY: R. WESTERVELT
 DATE PRINTED: 15-JUN-87

ORDER	ELEMENT	NUMBER OF ANALYSES	LOWER DETECTION LIMIT	EXTRACTION	METHOD
1	Au Gold - FIRE ASSAY	3	0.001 OPT		
2	Ag Silver	3	0.01 OPT		

SAMPLE TYPES	NUMBER	SIZE FRACTIONS	NUMBER	SAMPLE PREPARATIONS	NUMBER
R ROCK OR BED ROCK	3	2 -150	3	ASSAY PREP	3

REPORT COPIES TO: WESTERVELT ENGINEERING

INVOICE TO: WESTERVELT ENGINEERING



REPORT: 427-3648

PROJECT: SECRET PASS

PAGE 1

SAMPLE NUMBER	ELEMENT UNITS	Au OPT	Ag OPT
R2 #1		0.302	0.22
R2 #2		0.051	0.04
R2 #3		0.002	<0.02

Appendix 5

WRITER'S CERTIFICATE

I, Ralph D. Westervelt, M.Sc., P.Eng., Geological Consultant of
#401 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1

do hereby certify that:

1. I am a Mining Geology graduate from the University of Toronto (B.A. Sc., 1956) and an Economic Geology graduate from Queen's University (M.Sc., 1960).
2. I am a registered member of the Association of Professional Engineers in the provinces of Ontario and British Columbia.
3. I have practiced my profession as a Geologist continuously since graduation in mining and exploration for various companies in Canada and commenced private geological consulting in Vancouver in 1969.
4. My report is based on my personal field examination of the Secret Pass property herein described in June 1987 and on my review of the historical and technical data available on the property to date.
5. I have no interest, nor do I expect to receive any interest, either directly or indirectly, in the firm of Fischer-Watt Gold Co. Inc., or in the securities of IPC International Prospector Corp., or in the Secret Pass property as herein described.
6. I herewith grant my permission for IPC International Prospector Corp. to use this report in a Prospectus to be filed with the B.C. Superintendent of Brokers and Vancouver Stock Exchange related to the raising of public funding.

Dated at VANCOUVER, B.C. on this 18th day of June, 1987.



R. D. Westervelt, P.Eng.

R.D. Westervelt, M.Sc., P.Eng.

WESTERVELT ENGINEERING LTD.

401 - 1112 West Pender Street, Vancouver, B.C. V6E 2S1
Telephone: (604) 683-3910

September 14, 1987

The President and Directors
IPC International Prospector Corp.
12th Floor - 1190 Hornby Street
Vancouver, B.C. V6Z 2L3

Gentlemen;

Addendum to the Summary Review Report
on the Secret Pass Property, Arizona
by Westervelt Engineering Ltd. dated
June 18, 1987.

Subject: Recent Assessment Drilling - Tin Cup Area

Persuant to the U.S. Federal and State regulations requiring annual assessment work on mining claims by September 1st. of each year, the firm of Fischer-Watt Mining Co. Inc. supervised the drilling of six reverse circulation holes within the Tin Cup area on the Secret Pass property in late August.

The results from this program were received on September 11th. and have since been reviewed and discussed in detail with Mr. Bud Hillemeier of the Fischer-Watt staff in Kingman, Arizona. The summary data is herewith presented for your consideration.

DRILLING As shown on the attached plan, 6 holes were completed within the immediate Tin Cup area as follows:

<u>Hole No.</u>	<u>Direction</u>	<u>Dip</u>	<u>Final Depth</u>
TC 87- 1	N 42° E	-62°	260'
TC 87- 4	S 43° W	-58°	260'
TC 87- 6	S 38° W	-56°	240'
TC 87-10	S 40° W	-60°	260'
TC 87-11	S 39° W	-70°	300'
TC 87-14	-	vertical	400'
		Total	<u>1720'</u>

ASSAY DATA All holes were sampled at continuous 5 foot intervals with gold content being determined by fire assay/atomic absorption methods. Check assaying is currently being carried out. Summary results as follows:

<u>Hole No.</u>	<u>Interval</u>	<u>Length</u>	<u>Assay (oz Au/ton)</u>
TC 87- 1	140'-145'	5'	0.090
	195'-200'	5'	0.074
TC 87- 4	no significant assays		
TC 87- 6	115'-150'	35'	0.030
	150'-180'	30'	0.118
	180'-215'	35'	0.018
	or 115'-215'	100'	0.052
	or 115'-180'	65'	0.071
TC 87-10	160'-180'	20'	0.065
TC 87-11	145'-175'	30'	0.103
	175'-195'	20'	0.009
	195'-230'	35'	0.030
	230'-300'	70'	0.136
	or 145'-300'	155'	0.089

Notably the last 5' of hole (295'-300') assayed 0.321 oz Au/ton.

TC 87-14	With all high grade sections cut back to 1 oz Au/ton.		
	180'-250'	70'	0.282
	250'-275'	25'	0.046
	275'-320'	45'	0.026
	320'-400'	80'	0.228
or	180'-400'	220'	0.183

On an uncut basis, this hole assayed

	180'-250'	70'	0.498
or	180'-400'	220'	0.252

Notably the last 5' of hole (395'-400') assayed 0.192 oz Au/ton.

SUMMARY CONCLUSIONS

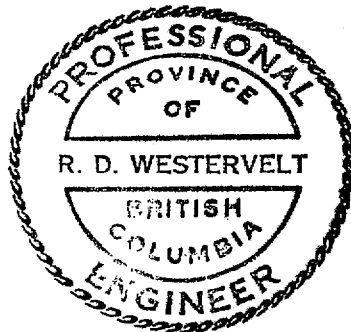
The recent drilling has confirmed the widespread nature of the gold mineralization in the Tin Cup area and has substantiated the earlier drill data and recommendations contained in my report of June 18th 1987. Holes 1 and 4

were drilled on the southeastern extension of the Tin Cup zone and, as anticipated, confirmed the weakening of the mineralization in this direction.

Hole 14 is particularly encouraging and significant. Although this is a vertical hole on a steeply dipping structure, the available data suggests a true width in the range of 120' and this implies some expansion of the original high-grade core anticipated in the Tin Cup zone.

Hillemyer has also confirmed a recent prospecting discovery about $\frac{1}{2}$ mile northwest of the Tin Cup area along the same fault structure. This had previously been missed and he advises the alteration and silicification is far stronger and more impressive than on any zones yet recognized on the property. This will be an additional priority exploration target when further work is carried out.

This recent data has confirmed the Secret Pass property as an attractive exploration target with the conclusions, recommendations, and budget estimates as contained in my original report remaining valid and justified.

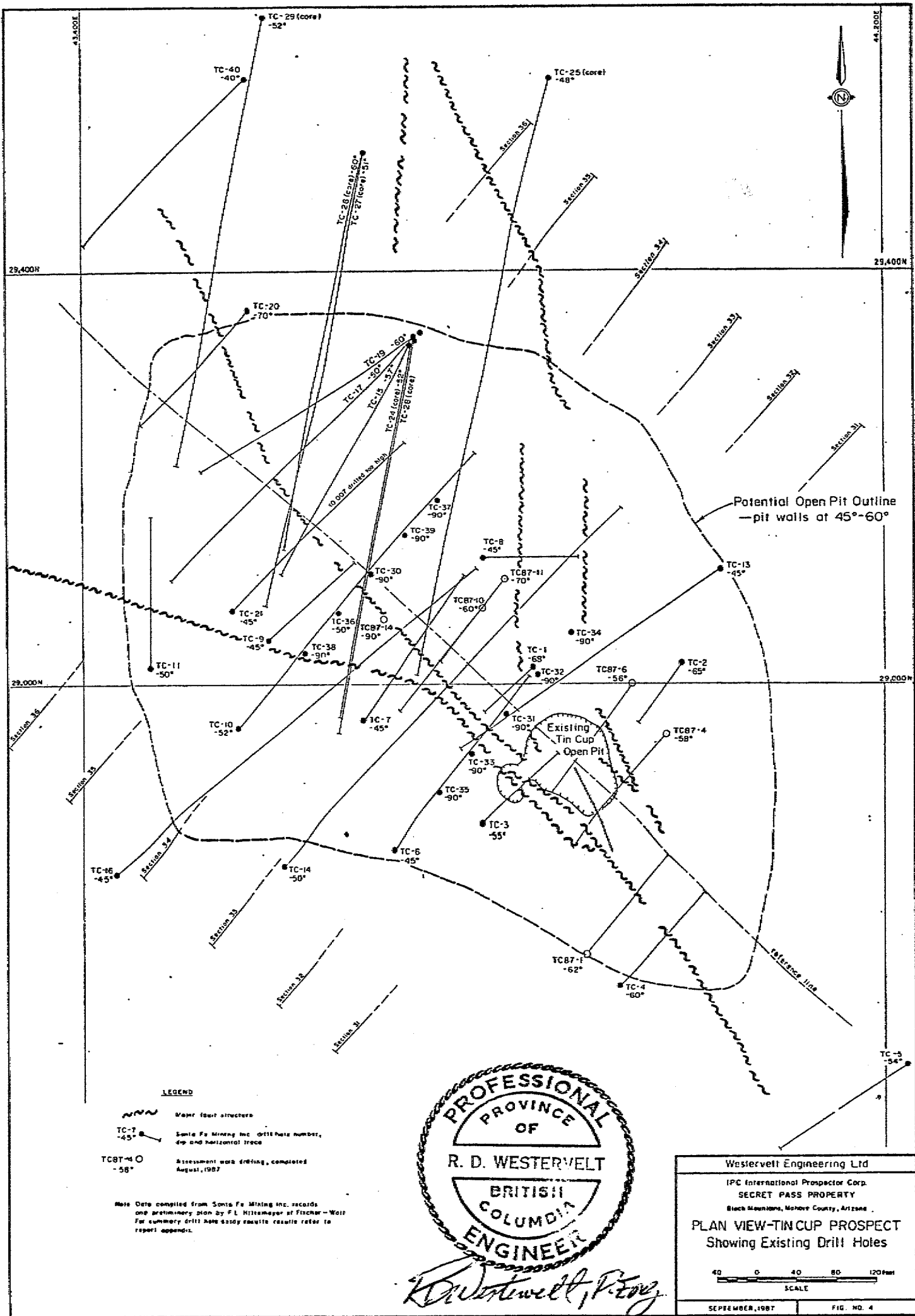


Yours very truly
WESTERVELT ENGINEERING LTD.

R. D. Westervelt, P. Eng.
R. D. Westervelt, P. Eng.

Vancouver, B.C.
September 14, 1987

Attachment: Plan View - Tin Cup Prospect
Showing Existing Drill Holes and New Assessment Drill Holes.

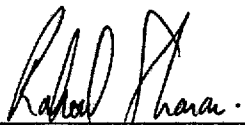


CERTIFICATE OF THE ISSUER AND THE PROMOTERS


DATED: OCTOBER 23, 1987

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

THE COMPANY



Rahoul Sharan
Chief Executive Officer

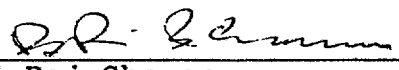


Ross Galbraith
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS



Larry Buchanan
Director



Brij Raj Sharan
Director

PROMOTERS



Rahoul Sharan



Ross Galbraith

CERTIFICATE OF THE AGENTS

DATED: October 23, 1987

To the best of our knowledge, information and belief the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the Securities Act and its regulations.

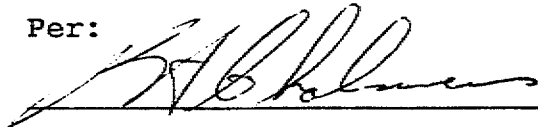
CONTINENTAL CARLISLE DOUGLAS

Per:



MERIT INVESTMENT CORPORATION

Per:



JDS
THIS PROSPECTUS CONSTITUTES A PUBLIC OFFERING OF THESE SECURITIES ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY OFFERED FOR SALE AND THEREIN ONLY BY PERSONS PERMITTED TO SELL SUCH SECURITIES.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

PROSPECTUS

DATED: OCTOBER 23, 1987



IPC INTERNATIONAL PROSPECTOR CORP.

(hereinafter called the "Issuer")

1450 Sasamat Street, Vancouver, British Columbia V6R 4G4

PUBLIC OFFERING 450,000 Common Shares

Shares	Price to Public ⁽²⁾	Commission	Net Proceeds to be Received by the Issuer ⁽¹⁾
Per Share	\$1.00	\$0.10	\$0.90
Total	\$450,000.00	\$45,000.00	\$405,000.00

(1) Before deduction of the costs of the issue estimated to be \$40,000.00.

(2) The purchase price per Common share, after giving effect to this issue and assuming the Agents have not exercised any of the Agents' Warrants exceeds the net book value thereof as at June 30, 1987 by \$0.71 per share which represents a dilution of 71%.

THERE IS NO MARKET THROUGH WHICH THE SECURITIES OFFERED HEREUNDER MAY BE SOLD. AS THE ISSUER'S PROPERTY IS IN THE EXPLORATION AND DEVELOPMENT STAGE, A PURCHASE OF THE SECURITIES OFFERED BY THIS PROSPECTUS MUST BE CONSIDERED AS SPECULATION. THE PRICE OF THIS ISSUE HAS BEEN DETERMINED BY NEGOTIATION BETWEEN THE ISSUER AND THE AGENTS. NO SURVEY OF ANY PROPERTY OF THE ISSUER HAS BEEN MADE AND THEREFORE IN ACCORDANCE WITH THE LAWS OF THE JURISDICTION IN WHICH THE PROPERTIES ARE SITUATE, THEIR EXISTENCE AND AREA COULD BE IN DOUBT. SEE ALSO THE HEADING "RISK FACTORS" HEREIN.

NO PERSON IS AUTHORIZED BY THE ISSUER TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THE ISSUE AND SALE OF THE SECURITIES OFFERED BY THE ISSUER.

UPON COMPLETION OF THIS OFFERING THIS ISSUE WILL REPRESENT 24.4% OF THE SHARES THEN OUTSTANDING AS COMPARED TO 48.93% THAT WILL THEN BE OWNED BY THE PROMOTERS, DIRECTORS AND SENIOR OFFICERS OF THE ISSUER AND ASSOCIATES OF THE UNDERWRITERS. REFER TO THE HEADING "PRINCIPAL HOLDER OF SECURITIES" HEREIN FOR DETAILS OF SHARES HELD BY DIRECTORS, PROMOTERS AND CONTROLLING PERSONS AND ASSOCIATES OF THE UNDERWRITERS.

AN APPLICATION HAS BEEN MADE TO THE VANCOUVER STOCK EXCHANGE FOR A CONDITIONAL LISTING OF THE SECURITIES BEING OFFERED PURSUANT TO THIS PROSPECTUS. LISTING IS SUBJECT TO THE ISSUER FULFILLING ALL THE LISTING REQUIREMENTS OF THE VANCOUVER STOCK EXCHANGE ON OR BEFORE MAY 2, 1988, INCLUDING PRESCRIBED DISTRIBUTION AND FINANCIAL REQUIREMENTS.

UNDERWRITERS OWN SHARES IN THE CAPITAL OF THE ISSUER. SEE "PLAN OF DISTRIBUTION".

ONE OR MORE OF THE DIRECTORS OF THE ISSUER HAS AN INTEREST, DIRECT OR INDIRECT, IN OTHER NATURAL RESOURCE COMPANIES. REFERENCE SHOULD BE MADE TO THE HEADING "DIRECTORS AND OFFICERS" HEREIN FOR A COMMENT AS TO THE RESOLUTION OF POSSIBLE CONFLICTS OF INTEREST.

THIS PROSPECTUS ALSO QUALIFIES THE ISSUANCE OF THE AGENTS' WARRANTS AND DISTRIBUTION AT THE MARKET PRICE PREVAILING AT THE TIME OF SALE OF ANY SHARES PURCHASED BY THE AGENTS HEREUNDER. THE AGENTS ARE ENTITLED PURSUANT TO THE SECURITIES ACT AND ITS REGULATIONS TO SELL ANY SHARES ACQUIRED ON THE EXERCISE OF THE AGENTS' WARRANTS WITHOUT FURTHER QUALIFICATION. SEE "PLAN OF DISTRIBUTION".

WE, AS AGENTS, CONDITIONALLY OFFER THESE SECURITIES SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE ISSUER AND ACCEPTED BY US IN ACCORDANCE WITH THE CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER THE HEADING "PLAN OF DISTRIBUTION" IN THIS PROSPECTUS SUBJECT TO APPROVAL OF ALL LEGAL MATTERS ON BEHALF OF THE ISSUER BY CASEY, O'NEILL & BENICE, AND ON OUR BEHALF BY OUR LEGAL COUNSEL.

NAME & ADDRESS OF AGENTS

CONTINENTAL CARLISLE DOUGLAS

#1000 - 1055 Dunsmuir Street
Vancouver, British Columbia
V6C 1A8

MERIT INVESTMENT CORPORATION

#1500 - 625 Howe Street
Vancouver, British Columbia
V6C 2T6

EFFECTIVE DATE: NOVEMBER 2, 1987

TABLE OF CONTENTS

	<u>PAGE</u>
DISTRIBUTION SPREAD	Front Cover
PROSPECTUS SUMMARY	1
NAME AND INCORPORATION	2
PLAN OF DISTRIBUTION	2
USE OF PROCEEDS	4
RISK FACTORS	6
DESCRIPTION OF BUSINESS AND PROPERTY	7
DESCRIPTION OF ISSUER'S SHARES	18
SHARE AND LOAN CAPITAL STRUCTURE	18
PRIOR SALES	19
SALES OTHERWISE THAN FOR CASH	19
DIRECTORS AND OFFICERS	19
EXECUTIVE COMPENSATION	20
OPTIONS TO PURCHASE SECURITIES	21
PRINCIPAL HOLDERS OF SECURITIES	21
ESCROWED SHARES	21
POOLED SHARES	22
DIVIDEND RECORD	22
INCORPORATION WITHIN ONE YEAR - PRELIMINARY EXPENSES	22
PROMOTERS	23
PENDING LEGAL PROCEEDINGS	23
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	23
MATERIAL CONTRACTS	24
OTHER MATERIAL FACTS	24
SOLICITORS	24
AUDITORS, TRANSFER AGENT AND REGISTRAR	24
PURCHASER'S STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION	25

FINANCIAL STATEMENTS as at June 30, 1987
ENGINEERING/CONSULTANTS' REPORTS
CERTIFICATE PAGES

May 29, 1987

*Secret Pass
etal*

R.L. Brown
New York Office

May 1987
Monthly Report
Mohave County, AZ

FRK

	<u>Field Days</u>	<u>Office Days</u>	<u>Samples Collected</u>	<u>Assay Cost</u>	<u>Expense Account</u>	<u>Truck Expense</u>
To Date	37	28	124	\$1,314.80	\$3,412.71	\$1,499.89
May 1987	8	6	119	1,208.30	417.16	477.95

Work this month concentrated on evaluation of 3 major solicited submittals: Gold Basin (North Cyclopic), Secret Pass, and Mossback. At each of these areas all significant targets appear to have been tested and additional sampling/examination has not turned up viable drill targets for Asarco.

At Gold Basin an iron oxide color anomaly 2 miles NW on strike with the Cyclopic Mine synform/stacked listric fault breccia zone was sampled. 1982 Sampling by U.S. Borax in Sec. 24, T28N, R19W containing the color anomaly showed 14 of 36 rock samples with .02-.06 ppm Au with one 6.5 ppm Au dump sample and a mean of 1.3 ppm Ag for all 36 samples. The hematitic-goethitic color anomaly is developed in soil and subcrop over gneissic diorite/granite bedrock and appears similar to that found at the Cyclopic Mine. The sampled anomaly is also in a similar structural/topographic basin situation to Cyclopic with potential for placer and supergene/lag enrichment beneath shallow cover that might be tested by a backhoe trenching or shallow track-drilling program. 10 Rock and 90 <10 mesh soil samples were collected on a 100-200' grid over a 3000' x 500-800' area covering the color anomaly. The Au soil values showed 18 of 90 samples ≥ 0.02 ppm with 9 ≥ 0.03 ppm and 3: .04-.06 ppm. The higher soil values were narrowly concentrated along the NNW striking 80°W dipping (Rock Assays .006-3.5 ppm Au) hematitic shear-breccia zone trend and a 400 x 400' area 500 feet to the north which showed an average .03 ppm from 8 samples. Examination of float, subcrop in this area showed weak chloritic alteration, green feldspars and thin sideritic veinlets that probably carry the Au values, but topography here suggests that a well mineralized low angle breccia zone, if present, would have a high stripping-ratio. The area with the most intense hematitic color anomaly showed generally .01 ppm Au or less. Only 6 of 100 Ag values were $> .2$ ppm - usually .2 ppm suggesting a high analytical background for U.S. Borax results.

Overall the weak and restricted anomalies in the sampled zone do not suggest a viable target for further testing. Some 400+ samples assayed for 10 elements over the 59 claims in the property do not suggest the possibility of more than 1 m.t. @ 0.04 opt Au shallow potential. 16 (5645' total) - U.S. Borax RDH (1983) on the west flank of the Cyclopic synform showed that +.01 opt, open-pittable Au seldom significantly spreads out into low angle breccia zones

from higher-angle, better mineralized feeders. At present the Gold Basin/Lost Basin districts even with widespread but spotty Au shows must be relegated to a lower priority reconnaissance area.

At Secret Pass on the east margin of the Black Range 10 miles north of Oatman, Santa Fe Mining has spent some \$1 million drilling 90+ DH (32,000' total) developing some 45,000 oz. "geologic resource" OP-UG Au (details in Mohave Co. Au "Reserves" memo 3/16/87). The best stockwork-fissure vein mineralization is found along the SW boundary of a Precambrian granite horst in contact with mid-Tertiary andesitic volcanics--all locally intruded by rhyolite dike swarms. The NW-striking, high-angle controlling structures (cauldron margin?) split and splay to the NW rolling to lower angles into the listric normal detachment breccia mineralized systems (6-8 miles NW) at Union Pass-Frisco and Roadside Mines. E-W to NE cross structures localize quartz-pyrite Au mineralization with minor sericitic K-spar flooding. Three days field plus several days of office work with Santa Fe's voluminous data package (+400 assays, many with 16 elements - extensive mapping at several scales, drill logs and sections) failed to turn up any significant area worthy of additional testing although the volcanics are among the most spectacular I have ever seen. Santa Fe has reclaimed their drill roads and is already reducing their voluminous holdings - 15 sq. miles including their fee-checkerboard burro pasture.

This project is a good example of how the railroad, successors to the oil companies, spend exploration dollars. However, in all fairness to Santa Fe, an early DH, unfortunately down structure, cut 90' of 0.60 opt Au with 60' @ 0.10 opt below.

At the skeleton of Crown Resources Mossback property (260 claims down from 1200 HIMCO claims) several field days of review/reconnaissance failed to turn up any high priority untested targets. This area is essentially the eastern exposed cauldron margin, central resurgent dome/intrusive portion of the nested cauldron complex which includes the Gold Road-Oatman complex vein systems several miles to the south. Although the property covers extensive hot spring zones (siliceous sinter, jarosite \pm alunite disseminated pyrite, widespread clay-sericite alteration) only traces of Au-Ag (900 samples) and weak Hg anomalies are found on the surface except in structures. Several drilling campaigns by Houston, Meridian and Crown have found only a few 0.0X ppm Au zones at OP depths (28 RDH: 8700' total). The vein-breccia systems lacing the claims locally show several ppm Au in surface cuts, have negligible production, but only local +10' intercepts of +1 ppm mineralization at depth with insignificant stockwork disseminated mineralization. It would appear that there is little chance of developing a significant bulk-tonnage target in this part of the district. However, at the Moss Mine adjoining to the west Earl Harrison has installed a new headframe and hoist and is retimbering the shaft for further testing/development of a reported $\frac{1}{2}$ m.t. @ .06 opt Au including 90,000 @ 0.13 opt Au. 1940 Asarco sampling suggests these reserves are possible.

16 Samples were taken at the Liberty Mine color anomaly (Sec. 32, 33, T27N, R21W) 1 mile SE of the Van Deeman deposit (2.2 m.t. @ .042 opt Au) in Precambrian mica schist, granitic and dioritic gneiss. This is another stacked

listric fault breccia situation with minor UG production from flat stopes where intersected by higher angle feeders. Values across several feet of structure range up to 4-18 ppm Au and 38 ppm Ag. Freeport drilled ± 22 RDH in the property in 1985; my results from cuttings run from $<.02-.2$ ppm Au. The Freeport geologist said that they only encountered a few 5-10' zones of 0.1 opt Au near to high-low angle breccia intersections and that below the oxidization level ($\pm 100'$) values dropped off sharply. Freeport has returned the property to the Kunkes, the underlying claimants of most of the nearby countryside including Van Deeman, who have promised to show me the data from Liberty and their other holdings.


At Van Deeman Arizona Star/Fischer Watt has started a 10,000 foot step-out and fill-in RDH program. They will also be drilling a juicy-looking similar area several miles to the north next to Lake Mead Nat. Rec. Area where Amselco locally got encouragement 4 years ago.

At the Gold Bug vein 1 mile SE of the Liberty, Ivy Minerals has essentially completed their shaft refurbishment and will start breaking their 300T +4 opt Au rock plus 5000T of 1 opt Au in June (possibly shipping to Asarco smelters). They are collecting old mill parts for assembly when they pay-back their development costs and are starting a minor UG DDH program to locate vein splits.

Chevron is reportedly now drilling at Mockingbird. No new drilling activity has taken place at Galli Exploration's Pilgrim property. Ed Huskinson, a Kingman geologist, is evaluating the Frisco property for "Toronto Interests" and will track-drill this summer. Sharon Steel has been negotiating with 2 companies (much more seriously since Chapter 11 proceedings): Royal Gold Resources a Denver company trying to put together a package of potential gold mines and an unnamed major Australian mining company (no comment if Western Mining) for the Gold Road property.

No new work is planned for Mohave Co. until late fall, although short reports and ERS sheets will trickle out in the near future. See Esmeralda County report for time forecast.

FRK:mek



F. R. Koutz

cc: W.L. Kurtz
J.D. Sell

June 15, 1987

TO: J.D. Sell/ W.L. Kurtz
Tucson Office

FROM: F.R. Koutz
Reno Office

Secret Pass (Santa Fe) Property
Mohave Co., AZ
Fischer-Watt Gold Co.

Last week I finally got ahold of Fred Jenkins, Mgr. Santa Fe/ Pacific in Albuquerque to officially tell him that I was no longer interested in their Secret Pass Property. He mentioned that he understood that a company associated with Fischer-Watt had taken over the ground. This was all handled by the RR-property people several levels over Jenkins' head.

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F.R. Koutz
Reno, Nevada

FRK;mar

Head! You're a good job of getting much info + rumors from people, and we need more good insight from your personal work at the properties.

do the same - i.e. some original work

why don't you

ASARCO EXPLORATION RECORD

Solicited
Submittal☒ FIELD EXAMINATION ☐ LITERATURE SEARCH☒ ASARCO FILE☒Wanted \$200,000. Buy-out 505-881-3050
(Santa Fe/Pacific)

Section I General Indexing

① Name(s) of Property or Area Secret Pass Project (Santa Fe/Pacific Minerals) Tincup Mine, Union Pass District				② Country Mohave Co.		③ State or Province Arizona	
				④ USGS Quad. Secret Pass 7½		⑤ File or Core No.	
⑥ Latitude 35° 07'N	⑦ Longitude 114° 20'W	⑧ AMS Sheet Kingman	Township 20N	Range 19W	Section 17A Vicinity	⑨ Examined by F.R. Koutz	⑩ Date 2/15+5/4-5
						⑪ Office Tucson	⑫ Field Days 3

Section II Sources of Information

(15 mi²)

Date Typed 6/25/87

⑬ References	Author	Date	Title	Publications	Vol. No.
	Steinpress, M.G., et al	1986-1983	Secret Pass Proj. (SF Min.) + maps	Submittal Data	
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	Durning & Buchanan	1984	Geol.+Ore Deposits-Oatman	AGS Dig. vol.15, p.141-158	

Section III Appraisal

⑭ Recommendations		⑮	⑯ Production 1939-42		Grade
<input type="checkbox"/> Action Now	<input checked="" type="checkbox"/> Post Producer	<input type="checkbox"/> "Regional fissure" Cauldron	Commodity	Tons	
<input type="checkbox"/> Too Low Grade	<input type="checkbox"/> Producer	<input checked="" type="checkbox"/> Geologic Concept	Au Ore (part OP)	42,000(?)	±.32 opt Au
<input checked="" type="checkbox"/> Too Small	<input checked="" type="checkbox"/> Mineral Deposit	<input checked="" type="checkbox"/> Geochem Anomaly	More Previously		
<input type="checkbox"/> Ownership Problem	<input type="checkbox"/> Prospect	<input type="checkbox"/> Geophy Anomaly			
<input type="checkbox"/> Access Problem	<input type="checkbox"/> 1 million spent				
<input checked="" type="checkbox"/> RR checkerbd.					
⑰ Num. Drill Holes 90+RDH>DDH		⑱ Excavations Sev. shallow shafts			
Approx Total Footage 32,000'		100' Diam. open pit + incline			
<input type="checkbox"/> Spectro. Analysis Attached		<input checked="" type="checkbox"/> Assays Attached 400 + Santa Fe		<input checked="" type="checkbox"/> Geochem Results Attached to 16 Elements	

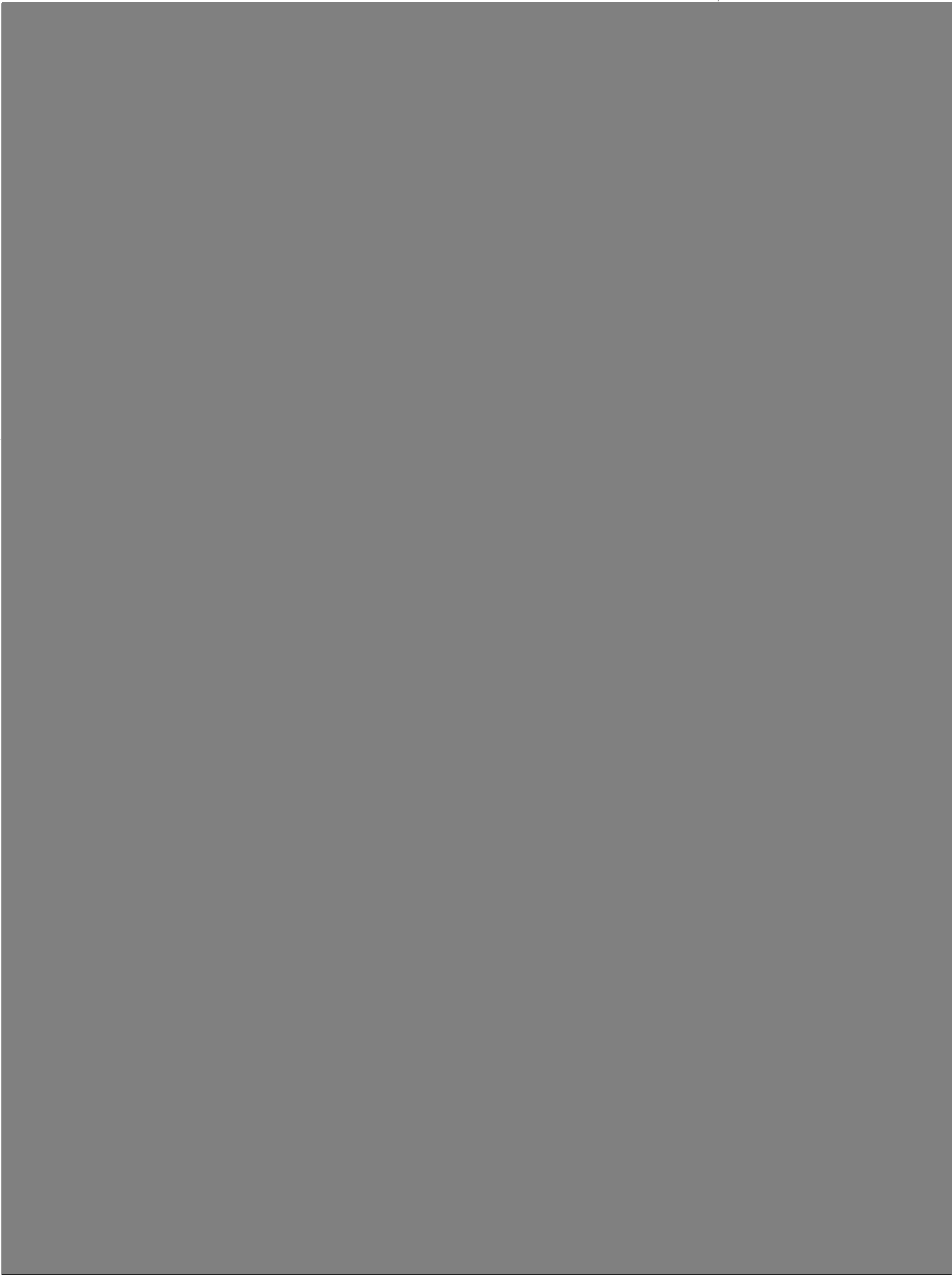
Section IV Geologic Data

⑲ Commodity or Contained Metals			Au (Ag) (Low As, Sb) Au assoc. with sericite (K ₂ O zone)		
⑳ Ore Minerals-Major			Au (Electrum) Minor Weak Surface Anomalies (Au-Ag)		
㉑ Host Rocks-Major			Rhyol. dikes Andesite Granite Minor peg./aplite diorite		
㉒ Age of Host Rocks			Miocene Miocene pε pε pε		
㉓ Nature of Exposures E. front of Black Range, 1000' relief, 3000-4000' elev., steep hills-NNW grain. Shallow alluvium in valleys. Grussy weathering pε Granite. Volcanics esp. intrusive rhyol. spectacular.					
㉔ Alteration Qtz-pyrite-Au vn'ts, sericite-minor clay, weak K-spar flooding. Local weak SiO ₂ flood. Dissem py + wk chlorite flood. ㉕ Total Extent 8000' (?) to 1000' wide (?)					
㉖ Structure NW, high angle fissure zones (Cauldron margin?) split & splay to N (& roll to low angles), SW Flank of pε granite horst in Miocene volcanoclastics/dikes. E-W to NE cross struct. control mineral.					
㉗ Ore Occurrence Braided fissure zones often associated with rhyolite dikes; wk Qtz-pyrite stockwork-fissure vn'ts. Multiple dike swarms in district scale fissures. Not massive Qtz. veins like Oatman/Gold Road. ㉘ Age of Mineralization Miocene					
㉙ Conclusions & Recommendations Santa Fe has tested (6 areas) with anomalous surface mineralization & has developed some ±45,000 oz. Au resources in 3 contiguous areas. UG Resource includes 92,000T @ 0.2 opt 0.1 c/o but predicted ground problems. Typical R.R. follow up of 90' @ 0.6 opt Au in early hole Extensive drilling has eliminated potential for >±50,000 oz. Au (op) & I see no ASARCO-scale targets remaining. 6/87: Fischer-Watt has "daisy-chained" property to International Prospectors LTD (VSE) who will spend \$50,000 on 50' center grid drill program for open pit develop. They hope for 370,000T @ 0.15 opt Au (op) = good luck!					

(For additional space use extra sheets)

Form Revised-June 1980-J.H.C.

MYK-5193



March 16, 1987

MOHAVE COUNTY GOLD "RESERVES" - RESOURCES

****Mossback** (Crown Res./Sutton) 259 + 5 pat. claims (Ex-1200 HIMCO claims)
Brad Peek (Geol.)

1-5 m.t. @ 0.07 opt Au (Ex-potential-disproved) Meridian (1982)
8 1982 RDH 3735' - Calc. \pm Qtz HW stockwork of Mossback vein
a few 5-10' intercepts of .X-1 ppm Au hit.
20 1984 RDH 5000', Sec. 16 hot spring (jar + alunite), NY + N vein at
a few 0.0X ppm Au zones hit in v. strong dissem. py zones \pm "shale"
Have data maps-data-worth low priority recon. Moss Porphyry margin.

****Secret Pass/Tincup Mine** (Santa Fe/Pacific Mining) Fred Jenkins, Mgr. ABQ
Martin Steinpress, Geol. (\pm WSA)

90 DH, 6 areas, about \$1 million spent
74,000T @ 0.11 .02 c/o 5.6/1 w/o Tincup (op)
108,000T @ 0.053 .02 c/o 3/1 w/o FM area (op)
400,000T @ 0.07 .01 c/o NW Tincup UG "Geologic Resource"
including 92,000T @ 0.20 .10 c/o NW Tincup UG "Geologic Resource"
 \pm 45,000 oz. total, \pm fair potential for additional UG Geol. Res. \pm op
mineral in vicinity, complex land situation (State + RR checkerboard,
Pat + Unpat. claims). Stockwork (not vein) mineraliz. in pE Gr + T
and. - not detachment. Have data packet for detailed field review; SF
wants \pm \$200,000 buy out.

***Moss Mine** (Moss and Ruth veins) Production: 64T @ 280! opt Au (1884)
Total: 25-30,000 oz. Au to 1930's

200,000T @ 0.11 opt Au, 0.6 opt Ag to 300' level:	1940 Tonapah
vn 40-60' wide	Belmont
+	+
19,000T @ 0.29 Au + 1.4 Ag UG (300' level)	F.M. Stevens
400,000T @ 0.1 opt Potential	(Asarco)
90,000T @ 0.13 opt Au (op) Bill Faulta drill data (F-W/WLK notes)	
500,000T @ 0.06 opt includes above. Peter Drobeck 3/87. Harrison	
Resources pouring shaft collar for retimbering main shaft 3/11/87.	

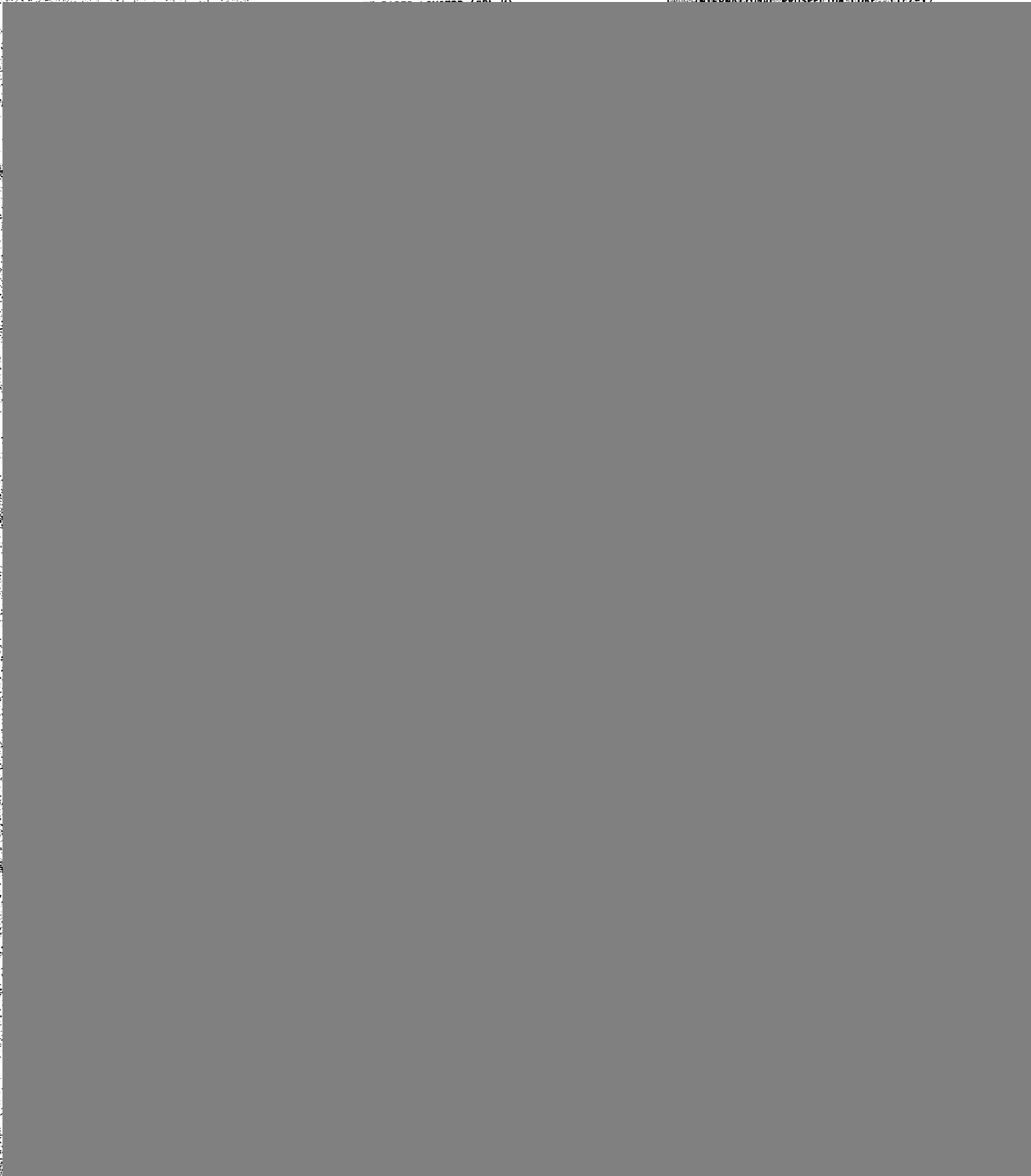
****Gold Road:**

395,000T @ .245 opt Au diluted to 5'+15% = Mineable SAA/JRS
or 556,000T @ .24 opt Au + 0.28 Ag 1942 USSR&M
plus 560,000T @ .21 opt Au inferred (Gold Road-Red Top) Sharon Steel
Tails: 20,000T @ .08 opt Au Drilled 1930's (80,000T remilled 1930's-'42)
 \pm 1,000,000T @ .02-.03 opt Au - production records.
1,691,000T @ 0.34 opt Au - production
Sharon Steel (1987) feasibility study; maybe looking for partner--
turned down Echo Bay (1986).

***Oatman:** United Western \pm 200,000T @ 0.2 opt Au (vn) Fischer-Watt (Sun
River Au)

Tom Reed Tails 1.5 m.t. @ 0.025 opt Au
Vivian Area: \pm 100,000T @ 0.2-0.3 opt Au Sun River Gold Potential (UG)
or \pm 125,000T @ 0.25 opt Au Sun River Gold calc. from GCNL 2/12/87
Oro Fino Vn pot: 20,000T @ 0.3 opt Au Pete Drobeck 1987 Drilling (BX)

3DS



January 27, 1989

FILE NOTE

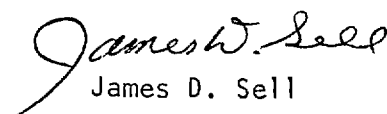
Western States Minerals Corp.
Mohave County, Arizona

At the Valuation Short Course, I talked with Richard McNeely, Northern Regional Manager for Western States Minerals Corporation, and later met Mr. Buck Morrow, President.

Some of the items gleaned:

- 1) They have finished leaching the Portland Mine after placing some 750,000 tons on the pads, with some 52,500 ounces gold contained. (No report on recovered ounces gold, but they reported 100,000 ounces of recovered silver in the dore).
- 2) At Portland, they found that the mineralized zone pinched and swelled along strike as well as down dip and this provided the additional ore.
- 3) They have picked up the Mockingbird property but have only drilled several holes rather close to the outcrop trend and found only similar thin, 4-10 foot thickness, zone as found in outcrop. However, they intend to drill down dip toward the volcanic hill to the east where they anticipate a frontal fault and increased thickness, by splaying out or increased subparallel fracturing to the main detachment zone. This drilling may be started early this spring.
4. They also have picked up the Tin Cup zone (S. Oatman) which is plus-minus on strike with the Fisher-Watt-Santa Fe Secret Pass deposit ($\pm 50,000$ tons of 0.6 opt gold). Western States also has a Secret Pass prospect which is east of FWSF's deposit over a ridge line. They picked the property up based on the number of shafts and pits located around a reported porphyry zone exposed. A road cuts the southeast corner of the Secret Pass property.
5. They also picked up the Black Dyke property on the north side of the Roadside Mine and have a small property position in the Hackberry District adjacent to the Hualapai Reservation NE of Kingman.
6. They are now putting into production a small property in Winnemucca, Nevada, called the Willard Deposit and will also place the Tecoma (Noranda's) deposit in production this year.

JDS:mek


James D. Sell

cc: W.L. Kurtz
F.T. Graybeal

1710-609 GRANVILLE ST.
P.O. BOX 10363 STOCK EXCHANGE TOWER
VANCOUVER B.C.
V7Y 1G5

(604) 683-7265
FAX (604) 683-5306

NO.76(1991)
APRIL 19, 1991

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EXPLORATION DEPARTMENT

George Cross News Letter

"Reliable Reporting"

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NO.76(1991)
APRIL 19, 1991



31, 1991, which will expire if not utilized by December 31, 2004. The Company has book loss carryforwards of \$1,314,000 at January 31, 1991. Loss carryforwards may be limited if there is a significant change in the ownership of the Company.

The difference between the tax loss and the net loss reflected in the accompanying statements of operations results primarily from capitalizing exploration and mine development costs for financial reporting purposes and deducting those costs for tax reporting purposes, partially offset by a lack of tax basis in properties sold or abandoned.

Earnings Per Share

Net loss per common share has been computed on the basis of the weighted average number of common shares outstanding during each period. Shares issuable upon exercise of outstanding stock options have been excluded from the computation as their effect would be anti-dilutive.

Reclassifications

Certain reclassifications have been made in the 1990 and 1989 financial statements to conform to those classifications used in 1991.

Note 3: Time Deposit at Bank

The time deposit at bank bears interest at 7.125% and matures August 22, 1991. It has been pledged as collateral for a loan made by the bank to an officer, director and major shareholder of the Company.

Note 4: Property and Equipment

Mineral Interests

Fischer-Watt has a variety of exploration and development stage mineral interests, the most significant of which are discussed below.

Hayden Hill (California)

This property consists of several patented and unpatented claims, initially held by Fischer-Watt. The property is being developed by Lassen Gold Mining, Inc., a subsidiary of Amax Gold Inc. ("AGI"). Fischer-Watt has a 5% net operating profits royalty interest which is the sole collateral for its long-term debt to AGI (see Note 8). Fischer-Watt receives minimum payments of \$100,000 annually which began in 1989. The minimum payments will cease after the earlier of 10 years or the suspension of production after commercial production is achieved. After production starts, Fischer-Watt may elect to have 85% of the royalty payments applied to reduce its long-term debt to AGI (see Note 8). In 1989, AGI completed a feasibility study showing

proven and probable reserves in excess of 1,400,000 ounces of gold. AGI is now in the permitting process and plans to place the mine into production in late 1991 or early 1992.

Delamar (Nevada)

This property consists of patented claims under lease from United Delamar Mining Company ("UDMC"). The lease expires September 1992, but may be extended by production after that date. Minimum advance royalty payments of \$5,000 per month which began in December 1988 are payable until total royalties paid reach \$2,000,000. After that, minimum advance royalty payments are increased to \$10,000 per month. This property was joint ventured with Alma American Mining Corporation ("Alma") effective April 1989. Fischer-Watt has a 50% carried interest with Alma providing all funding to take the property through production. If Fischer-Watt elects not to participate fully, its interest may be diluted to a 10% net proceeds interest.

Secret Pass (Arizona)

This property consists of unpatented claims and Arizona state leases and prospecting permits. In June 1987, International Prospector, Inc. ("Prospector") of Phoenix was granted an option to acquire a 100% interest in the property from Santa Fe Mining, Inc. ("Santa Fe Option") for \$300,000 to be paid over four years. Fischer-Watt subsequently entered into an agreement with Prospector whereby Fischer-Watt would acquire a 50% participation in the Santa Fe Option and operate the property. In July 1990, Fischer-Watt and Prospector assigned their interest in the property to Axagon Resources Ltd., with Fischer-Watt retaining a 10% net operating profits royalty interest. Axagon has the right to terminate the Santa Fe Option at its discretion.

Sukut (Costa Rica)

This property consists of an 18 square kilometer mineral concession under lease in Costa Rica. In July 1990, Fischer-Watt joint ventured the property to Minnova Inc. Fischer-Watt retained a 1.5% net smelter return royalty interest and a 20% net operating profits royalty interest. Minnova is asking the Costa Rican Assembly to grant the right to perform physical work on the property, which is located on an Indian reservation.

Oatman (United Western) (Arizona)

This property consists of patented and unpatented claims which would require underground development. It has been leased to Sun River Gold Inc. with Fischer-Watt retaining a 5% net smelter return royalty interest.

Emigrant Gulch (Montana)

This property consists of patented and unpatented mining

~~EPS~~ → *unc*

FISCHER-WATT GOLD
Company, Inc.

AUG 27 1991
ENCLOSURE

N

W

E



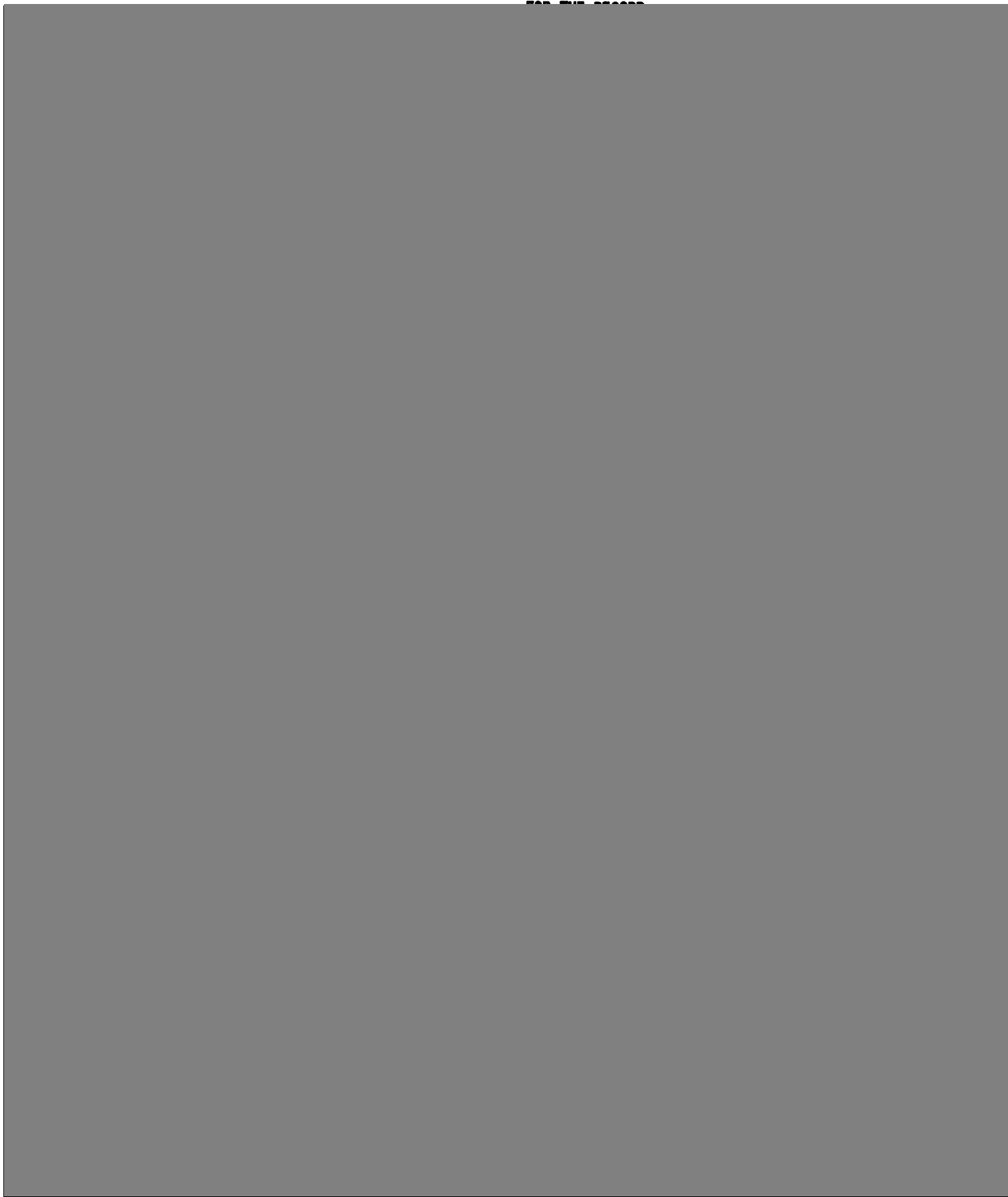
1991
Annual
Report

S

Excellence in Exploration



FOR THE RECORD





Western Minerals Activity Report

June 15, 1987

TO: J.D. Sell/ W.L. Kurtz
Tucson Office

FROM: F.R. Koutz
Reno Office

Secret Pass (Santa Fe) Property
Mohave Co., AZ
Fischer-Watt Gold Co.

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F.R. Koutz
Reno, Nevada

FRK;mar

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F.R. Koutz
Reno, Nevada

FRK;mar

ASARCO EXPLORATION RECORD

Solicited
Submittal

JAS

☒ FIELD EXAMINATION ☐ LITERATURE SEARCH☒ ASARCO FILE☒

Wanted \$200,000. Buy-out (Santa Fe/Pacific)

505-881-3050

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(For additional space use extra sheets)

Form Revised-June 1980-J.H.C.

MVK-5193



