



CONTACT INFORMATION

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PROJECT NAME: Zonia Mine, Prescott, Az
PROJECT MANAGER/COORDINATOR: A. J. Smith
PROJECT STATUS: Pre-Development
Date of Report: 6/14/94 11:30 AM

[ZONIA.XLW]CashFlow

		1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Depreciation @ 150%DB - 10 Years												
Depreciation (Year 1 Capital)	\$3,212	\$482	\$418	\$353	\$289	\$289	\$289	\$289	\$289	\$289	\$225	\$0
Depreciation (Year 2 Capital)	\$6,350	\$0	\$953	\$826	\$699	\$572	\$572	\$572	\$572	\$572	\$572	\$445
Depreciation (Year 3 Capital)	\$233	\$0	\$0	\$38	\$33	\$28	\$23	\$23	\$23	\$23	\$23	\$23
Depreciation (Year 4 Capital)	\$210	\$0	\$0	\$0	\$38	\$33	\$28	\$23	\$23	\$23	\$23	\$23
Depreciation (Year 5 Capital)	\$188	\$0	\$0	\$0	\$0	\$38	\$33	\$28	\$23	\$23	\$23	\$23
Depreciation (Year 6 Capital)	\$165	\$0	\$0	\$0	\$0	\$0	\$38	\$33	\$28	\$23	\$23	\$23
Depreciation (Year 7 Capital)	\$143	\$0	\$0	\$0	\$0	\$0	\$0	\$38	\$33	\$28	\$23	\$23
Depreciation (Year 8 Capital)	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38	\$33	\$28	\$23
Depreciation (Year 9 Capital)	\$98	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38	\$33	\$28
Depreciation (Year 10 Capital)	\$70	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38	\$33
Depreciation (Year 11 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 12 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 13 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Depreciation		\$482	\$1,370	\$1,216	\$1,058	\$958	\$981	\$1,003	\$1,026	\$1,048	\$1,006	\$640
Book Depreciation (Straight Line - 10 Years)												
Depreciation (Year 1 Capital)	\$3,212	\$321	\$321	\$321	\$321	\$321	\$321	\$321	\$321	\$321	\$321	\$0
Depreciation (Year 2 Capital)	\$6,350	\$0	\$635	\$635	\$635	\$635	\$635	\$635	\$635	\$635	\$635	\$635
Depreciation (Year 3 Capital)	\$225	\$0	\$0	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Depreciation (Year 4 Capital)	\$200	\$0	\$0	\$0	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Depreciation (Year 5 Capital)	\$175	\$0	\$0	\$0	\$0	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Depreciation (Year 6 Capital)	\$150	\$0	\$0	\$0	\$0	\$0	\$25	\$25	\$25	\$25	\$25	\$25
Depreciation (Year 7 Capital)	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$25	\$25	\$25	\$25
Depreciation (Year 8 Capital)	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$25	\$25	\$25
Depreciation (Year 9 Capital)	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$25	\$25
Depreciation (Year 10 Capital)	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$25
Depreciation (Year 11 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 12 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 13 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Depreciation		\$321	\$956	\$981	\$1,006	\$1,031	\$1,056	\$1,081	\$1,106	\$1,131	\$1,156	\$835

PROJECT NAME:
PROJECT MANAGER/COORDINATOR:
PROJECT STATUS:
Date of Report:

Zonia Mine, Prescott, Az
A. J. Smith
Pre-Development
6/14/94 11:30 AM

[ZONIA.XLW]CashFlow

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Income Tax Calculation											
Adjusted Gross Revenue	\$0	\$7,044	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088
Operating Expense	\$0	(\$3,355)	(\$7,374)	(\$7,374)	(\$7,374)	(\$7,374)	(\$7,374)	(\$7,374)	(\$7,374)	(\$4,907)	(\$4,907)
Production Taxes	\$0	(\$103)	(\$219)	(\$219)	(\$219)	(\$219)	(\$219)	(\$219)	(\$219)	(\$140)	(\$140)
Interest Expense	(\$840)	(\$700)	(\$560)	(\$420)	(\$280)	(\$140)	\$0	\$0	\$0	\$0	\$0
Gross Profit	(\$840)	\$2,887	\$5,935	\$6,075	\$6,215	\$6,355	\$6,495	\$6,495	\$6,495	\$9,040	\$9,040
Tax Calculation (Arizona State Tax)											
Gross Profit	(\$840)	\$2,887	\$5,935	\$6,075	\$6,215	\$6,355	\$6,495	\$6,495	\$6,495	\$9,040	\$9,040
9.3% (State Tax Rate)	(\$78)	\$268	\$552	\$565	\$578	\$591	\$604	\$604	\$604	\$841	\$841
Tax Base	(\$762)	\$2,618	\$5,383	\$5,510	\$5,637	\$5,764	\$5,891	\$5,891	\$5,891	\$8,200	\$8,200
Az State Income Tax (9.3% of Tax Base)	(\$71)	\$243	\$501	\$512	\$524	\$536	\$548	\$548	\$548	\$763	\$763
Tax Calculation (Normal Fed Income Tax)											
Gross Profit	(\$840)	\$2,887	\$5,935	\$6,075	\$6,215	\$6,355	\$6,495	\$6,495	\$6,495	\$9,040	\$9,040
State Income Tax	\$71	(\$243)	(\$501)	(\$512)	(\$524)	(\$536)	(\$548)	(\$548)	(\$548)	(\$763)	(\$763)
Depletion	\$0	(\$1,116)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)	(\$2,231)
Depreciation	(\$899)	(\$2,420)	(\$1,822)	(\$1,394)	(\$1,082)	(\$1,043)	(\$1,066)	(\$799)	(\$250)	(\$250)	(\$203)
Taxable Income	(\$1,669)	(\$893)	\$1,381	\$1,937	\$2,378	\$2,544	\$2,650	\$2,917	\$3,466	\$5,796	\$5,844
Fed Tax at 34%	\$0	\$0	\$470	\$659	\$808	\$865	\$901	\$992	\$1,178	\$1,971	\$1,987
Tax Calculation (Alt-Min Tax)											
Gross Profit	(\$840)	\$2,887	\$5,935	\$6,075	\$6,215	\$6,355	\$6,495	\$6,495	\$6,495	\$9,040	\$9,040
State Income Tax	\$71	(\$243)	(\$501)	(\$512)	(\$524)	(\$536)	(\$548)	(\$548)	(\$548)	(\$763)	(\$763)
Depreciation	(\$482)	(\$1,370)	(\$1,216)	(\$1,058)	(\$958)	(\$981)	(\$1,003)	(\$1,026)	(\$1,048)	(\$1,006)	(\$640)
Taxable Income	(\$1,251)	\$1,273	\$4,218	\$4,505	\$4,732	\$4,838	\$4,944	\$4,921	\$4,899	\$7,271	\$7,638
Fed Tax at 20%	(\$250)	\$255	\$844	\$901	\$946	\$968	\$989	\$984	\$980	\$1,454	\$1,528
Federal Income Tax	\$0	\$255	\$844	\$901	\$946	\$968	\$989	\$992	\$1,178	\$1,971	\$1,987

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Zonia Mine, Prescott, Az
A. J. Smith
Pre-Development
6/14/94 11:30 AM

[ZONIA.XLW]CashFlow

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Severance Tax Calculation											
Gross Revenue	\$0	\$7,438	\$14,875	\$14,875	\$14,875	\$14,875	\$14,875	\$14,875	\$14,875	\$14,875	\$14,875
Direct Cost	\$0	\$394	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788
Net Revenue	\$0	\$7,044	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088
Production Expense	\$2,419	\$2,872	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$4,194	\$4,194
SX/EW General Expense	\$0	\$1,200	\$2,524	\$2,524	\$2,524	\$2,524	\$2,524	\$2,524	\$2,524	\$2,524	\$2,524
Total Mining Expense	\$2,419	\$1,673	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$1,670	\$1,670
Total Operating Expense	\$2,419	\$3,355	\$7,374	\$7,374	\$7,374	\$7,374	\$7,374	\$7,374	\$7,374	\$4,907	\$4,907
Direct Costs	\$0	\$394	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788	\$788
Total Operating Cost	\$2,419	\$3,748	\$8,162	\$8,162	\$8,162	\$8,162	\$8,162	\$8,162	\$8,162	\$5,694	\$5,694
Mining Expense	\$2,419	\$1,673	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$4,137	\$1,670	\$1,670
Production Expense	\$2,419	\$2,872	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$6,661	\$4,194	\$4,194
Mining/Production	1.00	0.58	0.62	0.62	0.62	0.62	0.62	0.62	0.62	0.40	0.40
Revenue	\$0	\$7,044	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088	\$14,088
Taxable (Min/Prod * Reve)	\$0	\$4,102	\$8,749	\$8,749	\$8,749	\$8,749	\$8,749	\$8,749	\$8,749	\$5,609	\$5,609
Tax @ 2.5%	\$0	\$103	\$219	\$219	\$219	\$219	\$219	\$219	\$219	\$140	\$140

Debt Financing

Interest Rate 8%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Balance at Beginning of Year	\$0	\$8,750	\$7,000	\$5,250	\$3,500	\$1,750	\$0	\$0
New Financing	\$10,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Balance	\$10,500	\$8,750	\$7,000	\$5,250	\$3,500	\$1,750	\$0	\$0
Principle	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$0	\$0
Interest	\$840	\$700	\$560	\$420	\$280	\$140	\$0	\$0
Payment	\$2,590	\$2,450	\$2,310	\$2,170	\$2,030	\$1,890	\$0	\$0
Balance at Year End (After debt service)	\$8,750	\$7,000	\$5,250	\$3,500	\$1,750	\$0	\$0	\$0

PROJECT NAME:

Zonia Mine, Prescott, Az

PROJECT MANAGER/COORDINATOR:

A. J. Smith

PROJECT STATUS:

Pre-Development

Development Time Line

[illegible]

PreProduction

Pad Building 1,000,000 sq ft @ \$0.30/sq ft	\$300,000
Trucks - Cat 777's x 5 @ \$300000 ea	\$1,500,000
Loader - Cat 992 x 1 @ \$500000	\$500,000
Dozer's - Cat D9N x 2 @ \$200000 ea	\$400,000
Blade	\$150,000
Water Truck	\$100,000
Misc Equipment	\$150,000
Pre Prod Mining 1000000 tons @ \$0.50	\$500,000
Phase I Plant 25,000 ppd	\$2,200,000
Phase II Plant 25,000 ppd	\$2,000,000
	\$7,800,000

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
SUPPORT CALCULATIONS FOR CASH FLOWS											
Depletion Calculation											
Gross Revenue x 15%	\$0	\$1,116	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231
Net Income x 50%	\$0	\$1,793	\$3,247	\$3,247	\$3,247	\$3,247	\$3,247	\$3,247	\$3,247	\$4,520	\$4,520
Depletion	\$0	\$1,116	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231	\$2,231
Depreciation Calculation											
Plant & Equipment (Beginning of Year)	\$12										
Capital Expenditures	\$3,200	\$6,350	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$0
Total	\$3,212	\$6,350	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$0
Depreciation @ 200%DB - 7 Years											
Depreciation (Year 1 Capital)	\$3,212	\$899	\$642	\$482	\$321	\$289	\$289	\$289	\$0	\$0	\$0
Depreciation (Year 2 Capital)	\$6,350	\$0	\$1,778	\$1,270	\$953	\$635	\$572	\$572	\$572	\$0	\$0
Depreciation (Year 3 Capital)	\$250	\$0	\$0	\$70	\$50	\$38	\$25	\$23	\$23	\$23	\$0
Depreciation (Year 4 Capital)	\$273	\$0	\$0	\$0	\$70	\$50	\$38	\$25	\$23	\$23	\$23
Depreciation (Year 5 Capital)	\$250	\$0	\$0	\$0	\$70	\$50	\$38	\$25	\$23	\$23	\$23
Depreciation (Year 6 Capital)	\$228	\$0	\$0	\$0	\$0	\$70	\$50	\$38	\$25	\$23	\$23
Depreciation (Year 7 Capital)	\$205	\$0	\$0	\$0	\$0	\$0	\$70	\$50	\$38	\$25	\$23
Depreciation (Year 8 Capital)	\$183	\$0	\$0	\$0	\$0	\$0	\$0	\$70	\$50	\$38	\$25
Depreciation (Year 9 Capital)	\$158	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70	\$50	\$38
Depreciation (Year 10 Capital)	\$120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70	\$50
Depreciation (Year 11 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 12 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation (Year 13 Capital)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Depreciation	\$899	\$2,420	\$1,822	\$1,394	\$1,082	\$1,043	\$1,066	\$799	\$250	\$250	\$203

Zonia Mine, Prescott, Az
A. J. Smith
Pre-Development
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[ZONIA.XLW]MineProd

RESERVE WORKSHEET

[illegible]

Mine Production Calculations

Total Mined/Shift		13,250	13,250	13,250	13,250	13,250	13,250	13,250	13,250	13,250	13,250	9,386
Total Mined/Day		26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	26,500	0	0
Total Mined/Month		583,008	583,008	583,008	583,008	583,008	583,008	583,008	583,008	583,008	0	0
Total Mined/Year	x1000	6,996	6,996	6,996	6,996	6,996	6,996	6,996	6,996	6,996	0	0
Waste Mined/Month		2,363	2,678	3,567	3,088	2,807	1,926	1,775	1,573	1,354	0	0
Ore Mined Per Month		580,645	580,330	579,441	579,920	580,201	581,081	581,233	581,435	581,654	0	0
Ore Mined per Year	x1000	6,968	6,964	6,953	6,959	6,962	6,973	6,975	6,977	6,980	0	0

MINING

[illegible]

[ZONIA.XLW]Recovery

PROJECT NAME:
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Zonia Mine, Prescott, Az
A. J. Smith
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		1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005			
Recovery Curves															
Ore Mined		6,968	6,964	6,953	6,959	6,962	6,973	6,975	6,977	2,934	0	0	0	0	0
Grade		0.349%	0.350%	0.347%	0.338%	0.323%	0.339%	0.331%	0.321%	0.308%	0.337%	0.327%	0.000%	0.000%	0.000%
Contained Copper		48,635	48,748	48,256	47,043	44,977	47,277	46,173	44,794	18,073	0	0	0	0	0
Year 1 Recovery	45%														
Year 2 Recovery	15%														
Year 3 Recovery	10%														
Year 4 Recovery	5%														
1994 Recovery		0													
1995 Recovery			21,936	7,312	4,875	2,437									
1996 Recovery				21,715	7,238	4,826	2,413								
1997 Recovery					21,169	7,056	4,704	2,352							
1998 Recovery						20,240	6,747	4,498	2,249						
1999 Recovery							21,275	7,092	4,728	2,364					
2000 Recovery								20,778	6,926	4,617	2,309				
2001 Recovery									20,157	6,719	4,479	2,240			
2002 Recovery										8,133	2,711	1,807	904		
Recoverable Copper		0	21,936	29,027	33,283	34,559	35,138	34,719	34,060	21,833	9,499	4,047	904		

Zonia Mine, Prescott, Az
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[ZONIA.XLW]OpCost

[illegible]

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[ZONIA.XLW]OpCost

[illegible]

Arimetco Inc
Quarterly Yearly
Summary of Copper Shipped

QTR	QTR PRODUCTION (Cu Shipped)			
	Yerington	Johnson	Emerald	TOTAL
4-89	375,260	0	0	375,260
1-90	602,091	0	0	602,091
2-90	541,037	0	0	541,037
3-90	762,798	27,171	0	789,969
4-90	753,812	1,371,551	0	2,125,363
1-91	368,789	1,453,245	0	1,822,034
2-91	714,102	1,626,765	0	2,340,867
3-91	1,149,216	1,391,155	0	2,540,371
4-91	1,585,505	1,426,576	0	3,012,081
1-92	2,113,386	1,628,782	0	3,742,168
2-92	1,616,455	2,149,404	0	3,765,859
3-92	2,559,585	2,361,581	336,079	5,257,245
4-92	2,901,193	2,016,668	240,210	5,158,071
1-93	2,913,017	1,612,713	95,991	4,621,721
2-93	2,901,449	1,859,387	240,194	5,001,030
3-93	2,328,087	2,089,434	240,189	4,657,710
4-93	2,379,962	1,873,008	0	4,252,970
1-94	3,250,575	1,152,433	0	4,403,008
2-94	2,255,196	768,300	0	3,023,496
3-94	0	0	0	0
4-94	0	0	0	0

	YEARLY PRODUCTION (Cu Shipped)			
	Yerington	Johnson	Emerald	TOTAL
1989	375,260	0	0	375,260
1990	2,659,738	1,398,722	0	4,058,460
1991	3,817,612	5,897,741	0	9,715,353
1992	9,190,619	8,156,435	576,289	17,923,343
1993	10,522,515	7,434,542	576,374	18,533,431
1994	5,505,771	1,920,733	0	7,426,504
TOTAL	32,071,515	24,808,173	1,152,663	58,032,351

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Johnson Camp - Shane & Eddie Smith
Yerington - Rick Havenstrite

Zonia Construction/Development Budget - Preliminary

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PLANT

I. Solvent Extraction Plant & Tank Farm

Mixer Mechanisms	\$125,000
Tank Farm Tanks	\$175,000
Pump Order	\$150,000
Boiler	\$50,000
Instrumentation	\$50,000
Settler Cement	\$50,000
Tank Farm Cement	\$35,000
Rebar	\$25,000
Heat Exchangers	\$50,000
Mixer Boxes	\$150,000
Filters	\$50,000
Settler Stainless Liners	\$75,000
Piping & Valve Order	\$200,000
Stainless Headers	\$40,000
 Total SX Plant & Tank Farm	 \$1,225,000

II. Electrowinning Plant

Rectifiers	\$250,000
EW Cells	\$350,000
Bus Bar	\$45,000
Contact Bars	\$35,000
Instrumentation	\$35,000
Low Voltage Supply System	\$200,000
Overhead Crane	\$45,000
Stripping Machine	\$40,000
Building Cement	\$50,000
Building	\$70,000
Capping & Insulating Boards	\$50,000
Anodes	\$500,000
Cathodes	\$300,000
Wiring	\$45,000
EW Fiberglas Floor	\$15,000
Edge Strips	\$10,000
Mist Balls	\$10,000
 Total Electrowinning Plant	 \$2,050,000
 Total SX/EW Plant	 \$3,275,000

Zonia Construction/Development Budget - Preliminary

6/14/94 11:30

PADS

Pump Order			\$250,000
Year 1 Pad Construction	\$0.75	1,300,000	\$975,000
Year 1 Pad Loading	\$0.40	6,500,000	\$2,600,000
Piping			\$100,000
Raff Pond			\$75,000
Solution Distribution System			\$100,000
Total Pads			\$4,100,000

CONSTRUCTION

Engineering		\$250,000
Management		\$150,000
Equipment Rental		\$150,000
Labor		\$500,000
Vehicles (Pickups,ATV's)		\$35,000
Misc Consumables		\$100,000
Misc Tools		\$50,000
Fuel		\$50,000
Travel Allowance		\$50,000
Total Construction		\$1,335,000

MINING

Mining Equipment	\$3,765,000
Pre-Production Mining	\$880,000
Total Mining	\$4,645,000

Mining Equipment

6 Cat 777's @ \$325,000	\$1,950,000
2 Cat 992's @ \$600,000	\$1,200,000
1 Cat 14G Grader	\$80,000
2 Cat D9's @ \$180,000	\$360,000
Water Truck	\$50,000
Service Vehicles	\$125,000
Total Mining Equipment	\$3,765,000

Zonia Construction/Development Budget - Preliminary

6/14/94 11:30

Pre-Production Mining

Pre-Prod Ore	87,000 tons	\$34,800
Pre-Prod Waste	2,113,000 tons	\$845,200
Cost per ton	\$0.40	
Total Pre-Prod Mining		\$880,000

INFRASTRUCTURE

Incoming Power Line (Complete)		\$500,000
Total Infrastructure		\$500,000

WORKING CAPITAL

Acid		\$213,000
Kerosene		\$200,000
Ion Exchange Reagent		\$380,000
Total Working Capital		\$793,000

Zonia Construction/Development Budget - Preliminary

6/14/94 11:30

SUMMARY

Solvent Extraction/Electrowinning Plant		\$3,275,000
Leach Pads		\$4,100,000
Construction		\$1,335,000
Mining		\$4,645,000
Infrastructure		\$500,000
Working Capital		\$793,000
Contingency	15%	\$2,197,200
Total		\$16,845,200
Solvent Extraction/Electrowinning Plant		\$3,275,000
Construction	60%	\$801,000
Infrastructure		\$500,000
Working Capital		\$793,000
Contingency	50%	\$1,098,600
Plant Related Components Total		\$6,467,600

Zonia Construction/Development Budget - Preliminary

6/14/94 11:30

ARIMETCO, INC.
Detail Cost Report
For the period ending December 31, 1993

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
	-----	-----	-----
REVENUE			
Revenue from Product Sales	----- 0	----- 0	----- 0
Revenue from Other Sources	----- 0	----- 0	----- 0
TOTAL REVENUE	----- 0	----- 0	----- 0
REVENUE ADJUSTMENTS			
Direct Cost of Sales	----- 0	----- 0	----- 0
Total Revenue Adjustments	----- 0	----- 0	----- 0
Net Revenue	----- 0	----- 0	----- 0
MINE DEPARTMENT			
DRILLING/BLASTING			
Other Drilling Supplies	----- 35	----- 0	----- 0
Transportation	----- 274	----- 0	----- 0
Accommodation/Meals	----- 200	----- 0	----- 0
Contractor Services	----- 565	----- 565	----- 0
Total Drilling & Blasting	----- 1,074	----- 565	----- 0
RIPPING/DOZING			
Total Ripping & Dozing	----- 0	----- 0	----- 0
LOADING/HAULING			
Total Loading & Hauling	----- 0	----- 0	----- 0
WASTE DISPOSAL			
Total Waste Disposal	----- 0	----- 0	----- 0
GRADE CONTROL			
Total Grade Control	----- 0	----- 0	----- 0
PIT SERVICES			
Total Pit Services	----- 0	----- 0	----- 0
MINE OVERHEADS			
Total Mine Overheads	----- 0	----- 0	----- 0
TOTAL MINING DEPT	----- 1,074	----- 565	----- 0
CRUSHING & MILLING			
Primary Crusher	-----	-----	-----

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Total Primary Crusher	0	0	0
Conveying			
Total Conveying	0	0	0
Crusher Services			
Total Crusher Services	0	0	0
Baghouse			
Total Baghouse	0	0	0
Crusher Overheads			
Total Crusher Overheads	0	0	0
TOTAL CRUSHING/MILLING DEPT	0	0	0
HEAP PREPARATION/LEACHING			
Heap Preparation			
Total Heap Preparation	0	0	0
Pad Maintenance			
Total Pad Maintenance	0	0	0
Water & Acid Distribution			
Total Water & Acid Distribution	0	0	0
Pond Maintenance			
Total Pond Maintenance	0	0	0
Leaching Overheads			
Total Leaching Overheads	0	0	0
TOTAL HEAP PREPARATION/LEACHING	0	0	0
SOLVENT EXTRACTION/ELECTROWINNING			
Raffinate Pond			
Total Raffinate Pond	0	0	0
SX Plant			
Total SX Plant	0	0	0
EW Plant			
Total EW Plant	0	0	0

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
SX/EW Overheads			
Total SX/EW Overheads	0	0	0
TOTAL SOLVENT EXTRACTION/ELECTROWINNING	0	0	0

MISCELLANEOUS SERVICES

Safety Services			
Total Safety Services	0	0	0
Security Services			
Total Security Services	0	0	0
Assay Lab			
Total Assay Lab	0	0	0
TOTAL MISCELLANEOUS SERVICES	0	0	0

MAINTENANCE SERVICES

Mechanical Maintenance			
Total Mechanical Maintenance	0	0	0
Electrical Maintenance			
Total Electrical Maintenance	0	0	0
Electronic Maintenance			
Total Electronic Maintenance	0	0	0
Aviation Services			
Total Aviation Services	0	0	0
Fabrication Shop			
Total Fabrication Shop	0	0	0
Maintenance Overheads			
Total Maintenance Overheads	0	0	0
TOTAL MAINTENANCE SERVICES	0	0	0

EXPLORATION & DEVELOPMENT

New Targets			
Per Diem	30	0	0
Accessories & Couplings	362	0	0
Transportation	176	0	0
Accommodation/Meals	537	0	0
Other Travel Expenses	5	0	0

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Meals/Entertainment	155	0	0
Consultants	350	0	0
Total New Targets	1,615	0	0
Geology			
Transportation	76	0	0
Printing	57	0	0
Total Geology	133	0	0
Engineering			
Regular Salaries	5,354	0	0
Legal Expenses	25	0	0
Total Engineering	5,379	0	0
Permitting & Compliance			
Metallurgical Assays	10,216	0	0
Environmental Assays	10,380	5,660	0
Total Permitting & Compliance	20,596	5,660	0
Mine Planning			
Hourly Labor	186	0	0
Temporary Labor	1,055	0	0
Total Mine Planning	1,241	0	0
General Exploration & Development			
Regular Salaries	37,941	8,768	3,575
Temporary Labor	50,479	15,407	4,883
Overtime Labor	7,109	0	0
Per Diem	1,865	540	0
Building Materials	201	0	0
Wood	56	0	0
Tires & Tubes	744	744	744
Tires/Tubes	375	0	0
Gasoline	2,708	633	0
Diesel	14,061	2,644	0
Lubricants	734	14	14
Tools	1,934	0	0
Durable Tools	560	0	0
Electrical Motors	2,212	0	0
electrical hardware	1,601	0	0
Safety Supplies	400	0	0
Reagents/Chemicals	366	0	0
Other Chemicals	1,100	0	0
Lab Supplies	1,233	0	0
Expendable Tools	691	0	0
Pipe & Accessories	13,863	6,662	0
Pipes	11,194	0	0
Plumbing Access/Couplings	1,173	0	0
Pumps	7,697	0	0
Cylinder Rental	154	67	0
Vehicle Parts/Components	1,358	200	34
Misc. Other Material	3,606	262	82
Transportation	2,647	410	15
Accommodations	5,457	1,443	650
Other Travel Expenses	223	0	0
Maps and Publications	46	0	0
Telephone/Fax	791	0	0
Finance Chgs/Interest	33	0	0
Penalties/Fines	152	0	0
Printing	109	0	0
Janitorial Supplies	58	0	0
Express Delivery	50	0	0

*materials () => materials
Tires / Fuel / Equipment => equipment*

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Electricity	13,225	1,455	529
Taxes, Licenses, Fees	5,900	0	0
B.L.M. & Other Fees	26,718	26,272	27
Other Fees	3,044	0	0
Licenses	150	0	0
other expenses	80,559	80,000	40,000
Equipment Maint/Repair	5,561	2,971	630
Assaying	10,545	0	0
Metallurgical Assays	15	0	0
Consultants	23,037	7,244	0
Equipment Rental	26,902	0	0
Heavy Equipment Rental	84,869	16,147	6,382
Other Equipment Rental	945	460	115
Transportation/Handling	4,839	600	0
Contractor Services	29,021	7,430	0
Photo/Film Expense	5	5	0
Total General Exploration & Development	490,316	180,378	57,680
TOTAL EXPLORATION & DEVELOPMENT	519,280	186,038	57,680

ADMINISTRATION

Accounting

Total Accounting	0	0	0
------------------	---	---	---

Data Processing

Total Data Processing	0	0	0
-----------------------	---	---	---

Purchasing

Total Purchasing	0	0	0
------------------	---	---	---

Warehousing

Total Warehousing	0	0	0
-------------------	---	---	---

Personnel

Total Personnel	0	0	0
-----------------	---	---	---

Marketing

Total Marketing	0	0	0
-----------------	---	---	---

Investor Relations

Total Investor Relations	0	0	0
--------------------------	---	---	---

Administrative Overheads

Hourly Labor	535	0	0
Employer FICA	9,551	1,990	535
Workmen's Compensation	2,527	1,127	469
Medical Insurance	4,020	813	388
Transportation	748	0	0
Meals/Entertainment	28	0	0
Legal Expenses	1,082	1,082	1,082
Telephone/Fax	1,585	502	186
Postage/Express Shipping	232	54	22
Total Administrative Overheads	20,308	5,568	2,682

(continued)

Senior Management

Total Senior Management

TOTAL ADMINISTRATION

Total Arimetco International

Interest

Total Interest Expense

TOTAL CASH COSTS

Net Operating (Profit)/Loss

ADJUSTMENTS TO CASH COSTS

Contra to Development Cost

Total Adjustments to Cash Costs

ADJUSTED CASH COSTS

NON-CASH COSTS

Depreciation: Machy & Equipment

TOTAL NON-CASH COSTS

TOTAL COSTS (CASH & NON-CASH)

Net (Profit)/Loss

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
-----	-----	-----	-----
Total Senior Management	0	0	0
TOTAL ADMINISTRATION	20,308	5,568	2,682
Total Arimetco International	0	0	0
Interest	1,772	1,347	653
Total Interest Expense	1,772	1,347	653
TOTAL CASH COSTS	542,434	193,518	61,015
Net Operating (Profit)/Loss	542,434	193,518	61,015
ADJUSTMENTS TO CASH COSTS			
Contra to Development Cost	(555,712)	(198,158)	(62,560)
Total Adjustments to Cash Costs	(555,712)	(198,158)	(62,560)
ADJUSTED CASH COSTS	(13,278)	(4,640)	(1,545)
NON-CASH COSTS			
Depreciation: Machy & Equipment	13,279	4,640	1,547
TOTAL NON-CASH COSTS	13,279	4,640	1,547
TOTAL COSTS (CASH & NON-CASH)	1	0	2
Net (Profit)/Loss	1	0	2

~~555,712~~
 542,434
 *677,365.51

Trial Balance as at June 30, 1994

Print Trial Balance from account [500000] to [699998]
 for department [65] to [65]
 for the YTD fiscal period ending [6]
 with the report sorted by (Account).
 (Include) accounts with no activity.

			Trial Balance	
Acct.	Dept.	Description	Debits	Credits
601209	65	Other Drilling Supplies	0.00	
601502	65	Transportation	0.00	
601503	65	Accommodation/Meals	0.00	
601880	65	Contractor Services	0.00	
661449	65	Cylinder Rental	324.89	
671138	65	Per Diem	0.00	
671422	65	Accessories & Couplings	0.00	
671502	65	Transportation	0.00	
671503	65	Accommodation/Meals	0.00	
671509	65	Other Travel Expenses	0.00	
671510	65	Meals/Entertainment	0.00	
671590	65	Postage/Express Mail	0.00	
671850	65	Consultants	0.00	
672138	65	Per Diem	0.00	
672502	65	Transportation	16.38	
672503	65	Accommodations	53.10	
672510	65	Meals/Entertainment	0.00	
672585	65	Printing	0.00	
672630	65	Taxes, Licenses, Fees	0.00	
672850	65	Consultants	0.00	
673111	65	Regular Salaries	0.00	
673122	65	Hourly Labor	2,086.00	
673129	65	Overtime Labor	210.00	
673138	65	Per Diem	0.00	
673502	65	Transportation	0.00	
673550	65	Legal Expenses	1,561.40	
673585	65	Printing	0.00	
673850	65	Outside Engineering	0.00	
674585	65	Printing, Etc	0.00	
674841	65	Metallurgical Assays	0.00	
674843	65	Environmental Assays	3,220.00	
675122	65	Hourly Labor	0.00	
675123	65	Temporary Labor	0.00	
679111	65	Regular Salaries	14,847.44	
679122	65	Hourly Labor	17,784.34	
679123	65	Temporary Labor	5,172.60	
679129	65	Overtime Labor	336.00	
679138	65	Per Diem	1,170.00	
679209	65	Other Drilling Supplies	828.40	
679230	65	Building Materials	588.70	
679231	65	Wood	0.00	
679240	65	Tires & Tubes	0.00	
679241	65	Tires/Tubes	0.00	
679251	65	Gasoline	1,179.96	
679252	65	Diesel	7,518.09	
679253	65	Lubricants	84.58	
679260	65	Tools	185.17	
679261	65	Durable Tools	0.00	
679281	65	Electrical Motors	0.00	
679282	65	electrical hardware	2,593.90	
679290	65	Safety Supplies	71.64	
679320	65	Reagents/Chemicals	0.00	
679339	65	Other Chemicals	0.00	
679340	65	Lab Supplies	43.00	
679410	65	Expendable Tools	25.65	
679420	65	Pipe & Accessories	246.35	
679421	65	Pipes	0.00	
679422	65	Plumbing Access/Couplings	0.00	
679430	65	Pumps	374.15	
679449	65	Cylinder Rental	66.99	
679450	65	Vehicle Parts/Components	4,431.02	
679490	65	Misc. Other Material	224.34	
679502	65	Transportation	654.82	
679503	65	Accommodations	2,898.18	
679509	65	Other Travel Expenses	0.00	

		Trial Balance	
Acct.	Dept. Description	Debits	Credits
679510	65 Meals/Entertainment	0.00	
679525	65 Maps and Publications	0.00	
679560	65 Telephone/Fax	0.00	
679571	65 Finance Chgs/Interest	0.00	
679572	65 Penalties/Fines	0.00	
679580	65 Office Supplies	11.45	
679585	65 Printing	0.00	
679586	65 Janitorial Supplies	0.00	
679590	65 Express Delivery	0.00	
679601	65 Electricity	1,520.60	
679630	65 Taxes, Licenses, Fees	0.00	
679633	65 B.L.M. & Other Fees	470.00	
679634	65 Other Fees	0.00	
679636	65 Licenses	0.00	
679799	65 other expenses	50,000.00	
679830	65 Equipment Maint/Repair	11,357.47	
679840	65 Assaying	1,230.04	
679841	65 Metallurgical Assays	420.00	
679850	65 Consultants	3,643.50	
679860	65 Equipment Rental	3,210.00	
679865	65 Heavy Equipment Rental	3,210.00	
679866	65 Other Equipment Rental	578.45	
679870	65 Transportation/Handling	0.00	
679880	65 Contractor Services	186.82	
679901	65 Photo/Film Expense	19.56	
689122	65 Hourly Labor	0.00	
689131	65 Employer FICA	4,156.49	
689133	65 Workmen's Compensation	2,961.28	
689135	65 Medical Insurance	5,023.75	
689502	65 Transportation	0.00	
689510	65 Meals/Entertainment	0.00	
689550	65 Legal Expenses	0.00	
689560	65 Telephone/Fax	834.71	
689590	65 Postage/Express Shipping	85.75	
689780	65 Interest	15,459.00	
689930	65 Depreciation: Machy & Equipment	7,733.60	
		180,909.56	0.00
		=====	=====
Net loss for accounts listed		180,909.56	
		=====	=====
101 accounts printed.		325 ⁰⁰	JUNE Accom

Trial Balance as at June 30, 1994

Print Trial Balance from account [700000] to [799998]
for department [65] to [65]
for the YTD fiscal period ending [6]
with the report sorted by (Account).
(Include) accounts with no activity.

			Trial Balance	
Acct.	Dept.	Description	Debits	Credits
711317	65	Electrical Hardware	0.00	
711411	65	Pipe Fittings	0.00	
721220	65	Wood	0.00	
721411	65	Pipe	0.00	
721412	65	Pipe Fittings	0.00	
731412	65	Pipe Fittings	0.00	
731421	65	Pumps	0.00	
751611	65	Durable Tools	0.00	
751623	65	Cylinder Rental	0.00	
751635	65	Safety Supplies	0.00	
751639	65	Misc Other Supplies	0.00	
751643	65	Tires/Tubes	0.00	
751661	65	Gasoline	0.00	
751662	65	Diesel	0.00	
751664	65	Lubricants	0.00	
771111	65	Regular Salaries	0.00	
771123	65	Temporary Labor	1,788.50	
771129	65	Overtime Labor	0.00	
791752	65	Accomodation	0.00	
791812	65	Heavy Equipment Rental	0.00	
791813	65	Other Equipment Rental	0.00	
791870	65	Electricity	0.00	
			1,788.50	0.00
			=====	=====
Net loss for accounts listed			1,788.50	
			=====	=====

22 accounts printed.

700,000 series

Zonia

page 1

ARIMETCO, INC.
Construction Detail Cost Report
For the period ending December 31, 1993

	Year to Date	Quarter To Date	Current Month
SX Plant			
Electrical Hardware	2,470	0	0
Pipe Fittings	757	0	0
Total SX Plant	3,227	0	0
EW Plant			
Wood	243	0	0
Pipe	1,644	0	0
Pipe Fittings	51	0	0
Total EW Plant	1,938	0	0
Pad/Ponds/Soln Dist			
Pipe Fittings	120	0	0
Pumps	4,284	0	0
Total Pad/Pond/Soln Dist	4,404	0	0
Power Supply/Electrical			
Total Electrical	0	0	0
Ancillary			
Durable Tools	329	0	0
Cylinder Rental	4	0	0
Safety Supplies	214	0	0
Tires/Tubes	197	0	0
Gasoline	587	0	0
Diesel	3,785	0	0
Lubricants	1,001	0	0
Total Ancillary Expense	6,117	0	0
Labor			
Regular Salaries	5,577	0	0
Temporary Labor	6,755	0	0
Overtime Labor	105	0	0
Total Labor Expense	12,437	0	0
Field Costs			
Accommodation	867	0	0
Heavy Equipment Rental	3,307	0	0
Other Equipment Rental	253	0	0
Electricity	1,119	0	0
Total Field Costs	5,546	0	0
Total Construction Expense	33,669	0	0

Contra to Capital Expense

(continued)

Contra to Capitalized Costs

Year to
DateQuarter
To DateCurrent
Month

(33,669)

0

0

CONSTRUCTION RETAIL COST 1994

1788 ⁵⁰

BB 1993

12 888

ARIMETCO, INC.
Detail Cost Report
For the period ending May 31, 1994

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
	-----	-----	-----
REVENUE			
Revenue from Product Sales	----- 0	----- 0	----- 0
Revenue from Other Sources	----- 0	----- 0	----- 0
TOTAL REVENUE	----- 0	----- 0	----- 0
REVENUE ADJUSTMENTS			
Direct Cost of Sales	----- 0	----- 0	----- 0
Total Revenue Adjustments	----- 0	----- 0	----- 0
Net Revenue	----- 0	----- 0	----- 0
MINE DEPARTMENT			
DRILLING/BLASTING			
Total Drilling & Blasting	----- 0	----- 0	----- 0
RIPPING/DOZING			
Total Ripping & Dozing	----- 0	----- 0	----- 0
LOADING/HAULING			
Total Loading & Hauling	----- 0	----- 0	----- 0
WASTE DISPOSAL			
Total Waste Disposal	----- 0	----- 0	----- 0
GRADE CONTROL			
Total Grade Control	----- 0	----- 0	----- 0
PIT SERVICES			
Total Pit Services	----- 0	----- 0	----- 0
MINE OVERHEADS			
Total Mine Overheads	----- 0	----- 0	----- 0
TOTAL MINING DEPT	----- 0	----- 0	----- 0
CRUSHING & MILLING			
Primary Crusher			
Total Primary Crusher	----- 0	----- 0	----- 0
Conveying			

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Total Conveying	0	0	0
Crusher Services			
Total Crusher Services	0	0	0
Baghouse			
Total Baghouse	0	0	0
Crusher Overheads			
Total Crusher Overheads	0	0	0
TOTAL CRUSHING/MILLING DEPT	0	0	0
HEAP PREPARATION/LEACHING			
Heap Preparation			
Total Heap Preparation	0	0	0
Pad Maintenance			
Total Pad Maintenance	0	0	0
Water & Acid Distribution			
Total Water & Acid Distribution	0	0	0
Pond Maintenance			
Total Pond Maintenance	0	0	0
Leaching Overheads			
Total Leaching Overheads	0	0	0
TOTAL HEAP PREPARATION/LEACHING	0	0	0
SOLVENT EXTRACTION/ELECTROWINNING			
Raffinate Pond			
Total Raffinate Pond	0	0	0
SX Plant			
Total SX Plant	0	0	0
EW Plant			
Total EW Plant	0	0	0
SX/EW Overheads			

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Total SX/EW Overheads	0	0	0
TOTAL SOLVENT EXTRACTION/ELECTROWINNING	0	0	0
MISCELLANEOUS SERVICES			
Safety Services			
Total Safety Services	0	0	0
Security Services			
Total Security Services	0	0	0
Assay Lab			
Total Assay Lab	0	0	0
TOTAL MISCELLANEOUS SERVICES	0	0	0
MAINTENANCE SERVICES			
Mechanical Maintenance			
Cylinder Rental	325	22	0
Total Mechanical Maintenance	325	22	0
Electrical Maintenance			
Total Electrical Maintenance	0	0	0
Electronic Maintenance			
Total Electronic Maintenance	0	0	0
Aviation Services			
Total Aviation Services	0	0	0
Fabrication Shop			
Total Fabrication Shop	0	0	0
Maintenance Overheads			
Total Maintenance Overheads	0	0	0
TOTAL MAINTENANCE SERVICES	325	22	0
EXPLORATION & DEVELOPMENT			
New Targets			
Total New Targets	0	0	0
Geology			
Transportation	16	16	16
Accommodations	53	53	53

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Total Geology	69	69	69
Engineering			
Hourly Labor	2,086	0	0
Overtime Labor	210	0	0
Legal Expenses	1,561	0	0
Total Engineering	3,857	0	0
Permitting & Compliance			
Environmental Assays	3,220	1,540	1,540
Total Permitting & Compliance	3,220	1,540	1,540
Mine Planning			
Total Mine Planning	0	0	0
General Exploration & Development			
Regular Salaries	14,847	5,779	2,801
Hourly Labor	17,784	6,086	3,183
Temporary Labor	5,173	2,258	1,238
Overtime Labor	336	(31)	0
Per Diem	1,170	90	30
Other Drilling Supplies	828	0	0
Building Materials	589	17	0
Gasoline	4,180	945	0
Diesel	7,518	5,557	(136)
Lubricants	85	0	0
Tools	185	5	12
electrical hardware	2,594	2,594	0
Safety Supplies	72	72	0
Lab Supplies	43	43	43
Expendable Tools	26	0	0
Pipe & Accessories	246	21	0
Pumps	374	374	374
Cylinder Rental	67	0	0
Vehicle Parts/Components	4,431	4,405	4,322
Misc. Other Material	224	77	29
Transportation	655	330	35
Accommodations	2,573	650	650
Office Supplies	11	0	0
Electricity	1,521	(26)	156
B.L.M. & Other Fees	470	300	0
other expenses	50,000	30,000	20,000
Equipment Maint/Repair	11,357	2,514	554
Assaying	1,230	0	0
Metallurgical Assays	420	0	0
Consultants	3,644	0	0
Equipment Rental	3,210	0	0
Heavy Equipment Rental	3,210	0	0
Other Equipment Rental	578	115	0
Contractor Services	187	115	115
Photo/Film Expense	20	20	0
Total General Exploration & Development	136,858	62,310	33,406
TOTAL EXPLORATION & DEVELOPMENT	144,004	63,919	35,015

ADMINISTRATION

Accounting

Total Accounting	0	0	0
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Data Processing

(continued)

	YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
Total Data Processing	0	0	0
Purchasing			
Total Purchasing	0	0	0
Warehousing			
Total Warehousing	0	0	0
Personnel			
Total Personnel	0	0	0
Marketing			
Total Marketing	0	0	0
Investor Relations			
Total Investor Relations	0	0	0
Administrative Overheads			
Employer FICA	4,156	1,194	601
Workmen's Compensation	2,961	1,377	827
Medical Insurance	5,024	1,520	1,060
Telephone/Fax	835	331	157
Postage/Express Shipping	86	32	32
Total Administrative Overheads	13,062	4,454	2,677
Senior Management			
Total Senior Management	0	0	0
TOTAL ADMINISTRATION	13,062	4,454	2,677
Total Arimetco International	0	0	0
Interest	15,459	0	0
Total Interest Expense	15,459	0	0
TOTAL CASH COSTS	172,850	68,395	37,692
Net Operating (Profit)/Loss	172,850	68,395	37,692
ADJUSTMENTS TO CASH COSTS			
Contra to Development Cost	(180,585)	(71,487)	(39,239)
Total Adjustments to Cash Costs	(180,585)	(71,487)	(39,239)
ADJUSTED CASH COSTS	(7,735)	(3,092)	(1,547)
NON-CASH COSTS			

+ 325 JUNE Accoun

(continued)

Deprecition: Machy & Equipment

TOTAL NON-CASH COSTS

TOTAL COSTS (CASH & NON-CASH)

Net (Profit)/Loss

YEAR TO DATE	QUARTER TO DATE	CURRENT MONTH
7,734	3,093	1,547
7,734	3,093	1,547
(1)	1	0
(1)	1	0

Trial Balance as at December 31, 1993

Print Trial Balance from account [500000] to [699998]
for department [65] to [65]
for the YTD fiscal period ending [12]
with the report sorted by (Account).
(Include) accounts with no activity.

		Trial Balance	
Acct.	Dept. Description	Debits	Credits
601209	65 Other Drilling Supplies	34.84	
601502	65 Transportation	274.35	
601503	65 Accomodation/Meals	199.59	
601880	65 Contractor Services	565.00	
661449	65 Cylinder Rental	0.00	
671138	65 Per Diem	30.00	
671422	65 Accessories & Couplings	361.90	
671502	65 Transportation	176.08	
671503	65 Accomodation/Meals	537.42	
671509	65 Other Travel Expenses	5.00	
671510	65 Meals/Entertainment	155.00	
671590	65 Postage/Express Mail	0.00	
671850	65 Consultants	350.00	
672138	65 Per Diem	0.00	
672502	65 Transportation	75.75	
672510	65 Meals/Entertainment	0.00	
672585	65 Printing	56.57	
672630	65 Taxes, Licenses, Fees	0.00	
672850	65 Consultants	0.00	
673111	65 Regular Salaries	5,353.84	
673138	65 Per Diem	0.00	
673502	65 Transportation	0.00	
673550	65 Legal Expenses	25.00	
673585	65 Printing	0.00	
673850	65 Consultants	18,547.85	
674585	65 Printing, Etc	0.00	
674841	65 Metallurgical Assays	10,216.00	
674843	65 Environmental Assays	10,380.00	
675122	65 Hourly Labor	186.00	
675123	65 Temporary Labor	1,054.63	
679111	65 Regular Salaries	37,940.70	
679122	65 Hourly Labor	0.00	
679123	65 Temporary Labor	50,479.00	
679129	65 Overtime Labor	7,109.25	
679138	65 Per Diem	1,865.00	
679209	65 Other Drilling Supplies	0.00	
679230	65 Building Materials	201.16	
679231	65 Wood	55.76	
679240	65 Tires & Tubes	743.60	
679241	65 Tires/Tubes	375.12	
679251	65 Gasoline	2,708.31	
679252	65 Diesel	14,061.09	
679253	65 Lubricants	733.82	
679260	65 Tools	1,933.74	
679261	65 Durable Tools	559.79	
679281	65 Electrical Motors	2,211.61	
679282	65 electrical hardware	1,601.26	
679290	65 Safety Supplies	400.15	
679320	65 Reagents/Chemicals	365.99	
679339	65 Other Chemicals	1,100.00	
679340	65 Lab Supplies	1,233.46	
679410	65 Expendable Tools	690.63	
679420	65 Pipe & Accessories	13,863.21	
679421	65 Pipes	11,194.40	
679422	65 Plumbing Access/Couplings	1,172.68	
679430	65 Pumps	7,696.93	
679449	65 Cylinder Rental	154.26	
679450	65 Vehicle Parts/Components	1,358.22	
679490	65 Misc. Other Material	3,606.23	
679502	65 Transportation	2,646.50	
679503	65 Accommodations	5,456.96	
679509	65 Other Travel Expenses	223.10	
679510	65 Meals/Entertainment	0.00	
679525	65 Maps and Publications	45.90	
679560	65 Telephone/Fax	791.14	

Drilling / Blasting

NEW TARGETS

GEOLOGY

ENGINEERING

Permitting & Compliance

mine planning

General Exploration

Development

			Trial Balance	
Acct.	Dept.	Description	Debits	Credits
679571	65	Finance Chgs/Interest	32.89	
679572	65	Penalties/Fines	152.20	
679585	65	Printing	108.66	
679586	65	Janitorial Supplies	57.56	
679590	65	Express Delivery	49.95	
679601	65	Electricity	13,225.46	
679630	65	Taxes, Licenses, Fees	5,900.00	
679633	65	B.L.M. & Other Fees	26,718.46	
679634	65	Other Fees	3,044.00	
679636	65	Licenses	150.18	
679799	65	other expenses	80,558.57	
679830	65	Equipment Maint/Repair	5,560.72	
679840	65	Assaying	10,545.00	
679841	65	Metallurgical Assays	15.20	
679850	65	Consultants	23,037.39	
679860	65	Equipment Rental	26,902.30	
679865	65	Heavy Equipment Rental	84,868.64	
679866	65	Other Equipment Rental	945.00	
679870	65	Transportation/Handling	4,839.31	
679880	65	Contractor Services	29,021.11	
679901	65	Photo/Film Expense	5.34	
689122	65	Hourly Labor	535.38	
689131	65	Employer FICA	9,550.62	
689133	65	Workmen's Compensation	2,526.60	
689135	65	Medical Insurance	4,019.60	
689502	65	Transportation	747.60	
689510	65	Meals/Entertainment	28.12	
689550	65	Legal Expenses	1,081.60	
689560	65	Telephone/Fax	1,584.91	
689590	65	Postage/Express Shipping	232.25	
689780	65	Interest	25,881.17	
689930	65	Depreciation: Machy & Equipment	13,279.10	
			598,368.68	0.00
Net loss for accounts listed			598,368.68	

97 accounts printed.

General
Exploration &
Development
Admin

Trial Balance as at December 31, 1993

Print Trial Balance from account [700000] to [799998]
for department [65] to [65]
for the YTD fiscal period ending [12]
with the report sorted by (Account).
(Include) accounts with no activity.

Acct.	Dept.	Description	Trial Balance	
			Debits	Credits
711317	65	Electrical Hardware	2,470.31	
711411	65	Pipe Fittings	757.00	
721220	65	Wood	242.53	
721411	65	Pipe	1,643.60	
721412	65	Pipe Fittings	51.32	
731412	65	Pipe Fittings	120.29	
731421	65	Pumps	4,284.00	
751611	65	Durable Tools	328.55	
751623	65	Cylinder Rental	4.37	
751635	65	Safety Supplies	213.74	
751639	65	Misc Other Supplies	0.00	
751643	65	Tires/Tubes	196.78	
751661	65	Gasoline	587.30	
751662	65	Diesel	3,785.47	
751664	65	Lubricants	1,000.85	
771111	65	Regular Salaries	5,576.92	
771123	65	Temporary Labor	6,754.50	
771129	65	Overtime Labor	105.00	
791752	65	Accommodation	867.00	
791812	65	Heavy Equipment Rental	3,307.20	
791813	65	Other Equipment Rental	252.95	
791870	65	Electricity	1,119.31	
			33,668.99	0.00
Net loss for accounts listed			33,668.99	

22 accounts printed.

General Ledger Listing as of December 31, 1993

G/L listing for account [150000] to [159999],
for department [65] to [65],
for fiscal period [1] to [12],
sorted by (Account).
(Include) accounts with no activity.
Printed in (Standard) format.

Last posting sequence number: 164

Acct.	Dept.	Pd	Src	Date	Description	Reference	Debits	Credits	Net Change	Balance
153000	65				Machinery & Equipment					0.00
		2	AP-IN	Mar 08 93	Consolidated		33,309.00		33,309.00	33,309.00
		3	GL-	9 May 04 93	Reclass Fixed Asset Postings	3-118		33,309.00	33,309.00-	0.00 *
153100	65				Machinery/Equipment					0.00
		1	AP-IN	Mar 08 93	Consolidated		10,500.00			
		1	AP-MC	Mar 08 93	Consolidated		445.08		10,945.08	10,945.08
		3	GL-	9 May 04 93	Reclass Fixed Asset Postings	3-118	5,500.00			
		3	GL-	9 May 04 93	Reclass Fixed Asset Postings	3-118	33,309.00		38,809.00	49,754.08
		10	GL-	9 Oct 28 93	Cap Lease/Cat 416 Backhoe	10-23	26,585.70		26,585.70	76,339.78
		12	GL-	9 Dec 31 93	CIT LOAN	12-118	13,368.08			
		12	GL-	9 Dec 31 93	Reclass Zonia Development	12-215		33,309.00	19,940.92-	56,398.86 *
156004	65				Capitalized Development	Special Posting(s) - Previous Year				
		12	GL-	9 Dec 31 92	CAPITALIZED COSTS	92/12-224	10,304.53		10,304.53	
					Opening Balance					12,018.84
		1	GL-	9 Mar 08 93	Consolidated		33,253.28		33,253.28	45,272.12
		2	GL-	9 Mar 08 93	Consolidated		39,185.53		39,185.53	84,457.65
		3	GL-	9 Apr 08 93	Cap Development Cost/March 93	3-98	41,042.39			
		3	GL-	9 Apr 14 93	Addtl March Cap Develop	3-105	15,203.82			
		3	GL-	9 May 11 93	Cap Devel for Non-prod Propty	3-128	2,017.22			
		3	GL-	9 May 17 93	Capitalized interest	3-143	1,378.00		59,641.43	144,099.08
		4	GL-	9 May 13 93	Capitalize Development Costs	4-81	112,555.33			
		4	GL-	9 May 14 93	Addtl Cap Develop Costs	4-82	556.65			
		4	GL-	9 Jun 23 93	Addtl Capitalized Construction	4-88	1,005.22		114,117.20	258,216.28
		5	GL-	9 Jun 14 93	May Construction Costs	5-80	23,388.34			
		5	GL-	9 Jun 23 93	Addtl Capitalized Const	5-84	7,619.50		31,007.84	289,224.12
		6	GL-	9 Jul 07 93	Capitalize Const Accts/June	6-41	24,846.99			
		6	GL-	9 Jul 10 93	Addtl Cap Development Costs	6-53	1,521.31			
		6	GL-	9 Jul 15 93	Adj Cap Const for Med Adjusts	6-66		579.00		
		6	GL-	9 Jul 15 93	Correct Cap Const	6-68		100.00		
		6	GL-	9 Jul 16 93	Capitalize Interest	6-70	4,698.00		30,387.30	319,611.42
		7	GL-	9 Aug 04 93	Capitalize Const Costs	7-47	24,146.14		24,146.14	343,757.56
		8	GL-	9 Sep 07 93	Capitalize August Const Costs	8-67	29,115.85			
		8	GL-	9 Oct 11 93	Correct Cap Dev - Zonia	9-86		23.37		
		8	GL-	9 Oct 11 93	Correct Cap Dev	8-76	23.37			
		8	GL-	9 Oct 11 93	Rev From Batch 235	9-86r	23.37		29,139.22	372,896.78
		9	GL-	9 Oct 07 93	Cap Consts Accts for Sept '93	9-74	36,344.07			
		9	GL-	9 Oct 07 93	Correct Cap Const	Corr Zonia	100.00			
		9	GL-	9 Oct 11 93	Rev entry	9-86R	23.37			
		9	GL-	9 Oct 11 93	Correct Cap Dev	9-86		23.37		
		9	GL-	9 Oct 11 93	Addtl Cap Dev Zonia	9-87		23.37		
		9	GL-	9 Oct 15 93	Capital Interest @ 3d Qtr	9-89	7,556.00		43,976.70	416,873.48
		10	GL-	9 Nov 04 93	Capitalize Const Costs	10-66	50,668.09		50,668.09	467,541.57
		11	GL-	9 Dec 08 93	Capitalize Dev Costs	SJ11-11	84,929.68		84,929.68	552,471.25
		12	GL-	9 Dec 31 93	Corr 12-125	12-130	33,257.89			
		12	GL-	9 Dec 31 93	Cap Int 4Q93	12-133	10,477.00			
		12	GL-	9 Dec 31 93	Reclass Zonia Development	12-215	33,309.00			
		12	GL-	9 Dec 31 93	I/C Profit Elim - WSE	12-217		14,710.04		
		12	GL-	9 Jan 10 94	Capitalize Const Costs	SJ12-11	62,560.41		124,894.26	677,365.51 *
							814,127.21	82,077.15		

44 transactions printed.
3 accounts printed.

Trial Balance as at June 30, 1994

Print Trial Balance from account [150000] to [159999]
for department [65] to [65]
for the YTD fiscal period ending [6]
with the report sorted by (Account).
(Exclude) accounts with no activity.

Acct.	Dept.	Description	Trial Balance	
			Debits	Credits
153100	65	Machinery/Equipment	56,398.86	
156004	65	Capitalized Development	859,738.57	
			916,137.43	0.00

2 accounts printed.

@ 3/31
M/E 56.4
E/D 788.5
844.9

1994 - 153100 = 0.00

7734
13,127.9
20,000
542
173
735,000
33,000
769,000

173
550
723

7734
1700 Dep

GENERAL LEDGER LISTING 12/13/93

$859,738.57$ TRIAL BALANCE JUNE 30, 94
 $677,365.51$ G/L CAP. Dev BAL. 12/13/93
 $- 182,373.06$
 $- 182,698.06$ - 1994 TRIAL BALANCES
 $\$325.00$

CHECK TRIAL BALANCE FOR A FORWARD POST OF 325⁰⁰ BETWEEN 6/1/94 - 6/30/94

NOTE 2

∴ THE TRIAL BALANCE FOR 1993 should equal $677,365.51$ G/L
 BUT IT IS

$632,037.67$
 $45,327.84$

∴ From TRIAL BALANCE FOR 6/30/94 $859,738.57$
 $- 814,735.73$
 $\$45,002.84$

325⁰⁰

FINDINGS

- ① 1994 Trial Balance = Detail sheets AS OF JUNE, 94
- ② 1993 Trial Balance ARE AVE Detail sheets By $\$42,656$

1993
 TB $673,850 = 18,547.85$

TB $889,780 = 25,881.17$
 $44,429.02$

DS TOTAL INTEREST = $1,772$
 $42,657.02$

CONSULTANTS
 INTEREST

- ③ G/L LISTING (12/31/93) + Trial BALANCE (600,000 + 700,000 series) - 325⁰⁰
 = TRIAL BALANCE OF $916,137.43$

ALSO FROM NOTE ② WE SUBTRACT $12,018.84 = \$33,309.00$

+ 1992 O/B 12,018 ⁸⁴

+ 1993 TB (600000 : 700000) 632,037 ⁶⁷

1 * +

mounting:
equip

33,309 ⁰⁰

?

+ 1994 TB (600000 : 700000) 182698. ⁰⁶

JUNE'S ACCOM. NOT INCLUDED

- 4/ TRIAL BALANCE AS OF JUNE 15, 94
8:52 AM

325 ⁰⁰

859,738 ⁵⁷

2 * +

mobile
mining
equip

56,398 ⁸⁶

\$ 916,137 ⁴³

1 * THE ENTRY 156064 - 12 - GL-9 DEC 31, 1993

RECLASS ZONIA Development Ret 12-215

For ³¹ 33,309 IS NOT INCLUDED IN THE TRIAL
BALANCES NOR THE Detailed COST SHEETS.

2 * THE ENTRIES FOR 153100 - 65 (Machinery / Equipment)

ARE NOT INCLUDED ON THE TRIAL BALANCES NOR
IN THE DETAIL COSTS.

(INCL DEP.)

	Trial BALANCES		TOTAL	Detail COST SHEET INCL. Dep	CONST. DETAIL COST SHEET
	600 000's	700 000's			
1993	598 368 ⁶⁸	33 668 ⁹⁹	632 037 ⁶⁷	555 713	33 669
1994	180 909 ⁵⁶	1788 ⁵⁰	182 698.06	180,584 + 325 180 909	
	779 278.24	35457.49	814 735 ⁷³	736 622	

DIFF. Trial 600000 : Detail COST SHEET

1993

42 655 68

= ⊖ CONSULTANTS ON TRIAL
NOT SHOWN ON DETAIL
⊖ INTEREST DIFFERENTIALS

1994

0

MINE DEPARTMENT
MONTH OF APRIL 1st, thru 30th, 1977

OPEN PIT	THIS MONTH			YEAR TO DATE			MONTHS FORECAST		
	TONS	% TOT	% OX	TONS	% TOT	% OX	TONS	% TOT	% OX
Treated Ore	402,915	0.687	0.246	1,611,507	0.738	0.297	420,000	0.656	0.171
Lbs Cu Contained	5,491,875			23,803,237			5,510,000		
FROM:									
Thornton	60,319	0.741	0.079	396,885	0.842	0.151	199,000	0.665	0.138
Live Oak	-	-	-	3,764	0.690	0.400	-	-	-
Red Hill	331,171	0.673	0.265	1,051,050	0.718	0.301	164,000	0.595	0.202
Joe Bush-AREA	11,425	0.615	0.578	159,803	0.596	0.583	57,000	0.800	0.200
TO:									
Leaching Plt	236,917	0.688	0.282	945,124	0.708	0.327			
Slimes	20,884	0.957	0.686	83,534	1.277	0.919			
Concentrator	145,119	0.631	0.125	587,844	0.718	0.131			
Waste	1,127,555	0.138	0.087	3,999,627	0.137	0.069	1,050,000		
FROM:	> 0.10	≥ 0.10		> 0.10	≥ 0.10				
Thornton	9,097	-		176,057		19,894			
Live Oak	-	-		-		-			
Red Hill	39,816	4.467		139,227		113,780			
Joe Bush-AREA	272,057	807.178		779,189		2,771,480			
DAILY PRODUCTION									
Ore	19,186			19,415		20,000			
Stripping	53,693			48,188		50,000			
Total	72,879			67,603		70,000			
Days Worked	21			83		21			
W/O Ratio	2.80/1.00			2.48/1.00		2.50/1.00			
Correction Factor	93.06			98.16					
Rainfall	0.53"			3.88"					
Loading Shifts	156.500			607.500					
Ave/Day	7.452			7.319		6			
Truck Shifts-Pit	698.250			2,611.675					
Ave/Loading Sh.	4.467			4.279					
Load Factor	97.98			97.11					
Drill Shifts	22125			90.500					
Ave/Day	1.054			1.090		1			
LEACHING									
Live Oak	2041	1.23	903,067	2,057	1.40	4,141,992	2100	1.30	982,800
Davis Canyon	1012	1.31	475,595	1,136	1.07	1,745,877	1400	0.80	403,200
#24	423	1.11	168,750	241	1.27	440,968	300	0.90	97,200
Willow Springs	1192	1.00	429,176	1,330	0.93	1,777,565	1200	1.00	432,000
Total			1,976,588			8,106,377			1,915,200
Operating Days			30						30

INSPIRATION CONSOLIDATED COPPER COMPANY
WILLOW SPRINGS LEACHING
MONTH OF APRIL 1st, thru 30th, 1977

LEACHING & PRECIPITATION	THIS MONTH	YEAR TO DATE
GPM to No. 27 Dump	1192	1263
Cu	0.37	0.50
Acid	7.8	11.9
Fe	31.6	32.2
Fe'''	0.5	1.0
GPM from No. 27 Dump	1192	1263
Cu	1.46	1.53
Acid	0.5	2.3
Fe	27.8	28.9
Fe'''	10.8	10.5
GPM from Towers	1192	1263
Cu	0.42	0.56
Acid	1.0	2.4
Fe	32.9	34.9
Fe'''	T	0.9
# Cu to Towers	627,716	2,778,445
# Cu from Towers	198,540	1,124,656
Net Cu Recovered	429,176	1,653,789
% Recovery	68.37	59.52
Acid Consumed - Pounds	5,128,000	21,052,000
#/Acid per # Cu Prec.	11.95	12.73
Iron Consumed - Pounds	3,056,000	11,506,000
#/Iron per # Cu Prec.	7.12	6.96
Operating Days	30	120

ENDING INVENTORIES - MONTH

Net Cement Copper Content - Pounds		3,515,445
Acid - Tons		767
Iron - Tons - in Stockpile	762	
	in Towers	48
	Total	810

INSPIRATION CONSOLIDATED COPPER COMPANY

INTEROFFICE MEMORANDUM

TO: F. Monninger

DATE May 12, 1977

FROM: T. M. Anderson

SUBJECT: Mining Division Highlights for April, 1977

1. SAFETY

There were no L. T. or M. D. accidents reported during the period.

The Safety-Man-of-the-Week for the First Quarter of 1977 and their wives were treated to a Mexican dinner. A total of 26 attended, including key supervisory personnel.

2. PRODUCTION

A. Open Pit Department

<u>Ore</u>	<u>Tons</u>	<u>Grade</u>	<u>Contained Copper #</u>	<u>Engineers' Estimate</u>
Forecast	420,000	0.656	5,510,000	0.656
Actual	402,915	0.682	5,491,825	0.733
% of Forecast	95.9%	104.0%	99.7%	.
<u>Waste</u>	<u>Tons</u>	<u>Stripping Ratio</u>		
Forecast	1,050,000	2.5:1		
Actual	1,127,555	2.8:1		

There was a 206,363# unaccounted for gain in copper produced from ores for the month, reducing the Y.T.D. losses to 414,966#.

B. Ox Hide

	<u>Forecast</u>	<u>Actual</u>
Tons Ore Mined	257,717	229,280
Tons Waste Mined	15,283	31,030
TOTAL	273,000	260,310
Pounds Copper Precipitated	881,610	815,337

Calculated Copper Inventory on hand May 1, 1977, 2,044,645 - up 215,000# from April 1 inventory.

C. Dump Leaching

	<u>Forecast</u>	<u>Actual</u>
Live Oak	982,800	903,067
Number 5 Dump	403,200	475,595
Willow Springs	432,000	429,176
Number 24 Dump	97,200	168,750
TOTAL	1,915,200	1,976,588

Memo to: F. Monninger
Subject: Mining Division Highlights for April, 1977
May 12, 1977
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Calculated Copper Inventory on hand May 1, 1977

Live Oak	5,947,843
Willow Springs	<u>3,515,443</u>
TOTAL	9,463,286*

*43,780% increase over April 1 inventory.

3. OPERATIONS COMMENTS

A. Open Pit Department

The total average daily tonnage was 72,879, down approximately 7,000 TPD below March's daily average, but 2,879 TPD above forecast. The drop from March's average was due to manpower shortage and a combination of longer hauls. We did, however, on April 1st, mine 91,275 tons which was the highest tonnage removal figure for a 24-hour period since September 22, 1975.

Waste production efforts were concentrated in the Joe Bush Area - accounting for 95% of total waste removed for the month.

A drop cut to the 3625 J.B. was started by loaders with the purpose of speeding up the development of ore in the South area of Stage I.

The Red Hill area supplied 82% of all ore mined. The ground movement in this area along the No. 5 fault continued at a steady rate of approximately .3' vertical drop per two day period. Measurements are being taken every other day. The maximum total vertical displacement in the subsided area is 12.8'. Approximately 13.5 million tons are in the subsiding area between the 4000 to the 3750 elevations.

The 15-yard loader operated 227 hours for the month producing 8,000 tons per shift. It was available 75% of operating time. Two major failures occurred to the left front drive planetary due to faulty construction.

B. Ox Hide Department

The new haulage access to the Inner Pit was completed and mining of the old haulage ramp began. More waste than forecast was mined in conjunction with the completion of the new ramp system. Also, a lower grade of ore than forecast was mined due to mining being concentrated in the North and East portions. The better grade lies in the central and West portions. Total ore production was lower than could have been achieved due to low truck availability the latter half of the month.

A good portion of the ore produced during the month went into a ramp system in the No. 3 Heap area to develop a haul road to upper elevations.

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The OFF solution grade from No. 3 Heap declined during the month from a 1.51 GPL Cu in March to 1.40 GPL in April. This is primarily due to the limited amount of new material brought under leach for reasons above and the lower grade of the most recent material placed under leach.

By mid-May we should be in a position to return to an orderly sequence of bringing fresh material into production and material to heap should be back up to forecast grade or above.

OFF solution grade from No. 1 declined from a 1.1 GPL in March to a 0.86 in April

4. DUMP LEACHING

In the Live Oak area operations were normal. OFF solution grade showed a decline from March. Changes made on the dump, bringing in new areas and reactivating old began to reflect in an improved OFF solution grade in the last quarter of the month.

The performance of No. 5 Dump has been exceptionally good and well above forecast. This in spite of the fact no new material has been placed in this area in over two years.

Willow Springs operations were normal and uneventful.

Black Copper (No. 24 Dump) continues to produce above forecast due in part to the leaching of the slopes of the test pad.

5. MAINTENANCE

A. Mine

Equipment availabilities were good and exceeded operations demands. Major shovel repairs were limited to the overhaul of the crowd transmission on No. 101. All other maintenance was of a normal routine nature.

B. Ox Hide

During much of the latter half of the month, truck availability was below requirements due to transmission, differential and engine problems.

All six scrapers and one D-9 Dozer was sold to Empire Machinery for a total of \$493,000.

6. MINE ENGINEERING DEPARTMENT

Routine surveying requirements for the Ox Hide and Open Pit Operations were performed. Minor surveying jobs for the Smelter and Plant Engineering were also performed. Close monitoring of the movement along the

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Number 5 fault in the Red Hill area was continued.

Ed Richardson and Ray Ramos attended, with Don Prah1, the Spring Meeting of the Open Pit Section of the Arizona Council of the A.I.M.E. at the ASARCO-Sacaton Operation on April 27.

The rental office trailer for the Mine Engineering group was received and installed, lacking only the steps and finishing touches at the month's end. The group will be moving in early May.

Thomas M. Anderson
THOMAS M. ANDERSON
Manager, Mining Operations Division

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cc: TMA
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MINE DEPARTMENT

MONTH OF MARCH 1st, thru 31st, 1977

OPEN PIT	THIS MONTH			YEAR TO DATE			MONTHS FORECAST		
	TONS	% TOT	% OX	TONS	% TOT	% OX	TONS	% TOT	% OX
Treated Ore	423,471	0.736	0.319	1,708,587	0.757	0.308	440,000	0.654	0.215
Lbs Cu Contained	6,235,448			18,511,412			5,755,200		
FROM:									
Thornton	50,472	1.262	0.095	336,566	0.867	0.164	121,000	0.645	0.124
Live Oak	3,764	0.690	0.400	3,764	0.690	0.400	-	-	-
Red Hill	302,504	0.681	0.302	719,879	0.738	0.318	261,000	0.683	0.206
Joe Bush-AREA	66,731	0.592	0.558	148,378	0.595	0.583	58,000	0.544	0.444
TO:									
Leaching Plt	248,957	0.684	0.354	708,212	0.715	0.355			
Slimes	25,182	1.322	0.990	62,650	1.310	0.997			
Concentrator	149,302	0.724	0.149	437,725	0.747	0.133			
Waste	1,532,362	0.093	0.046	2,872,072	0.127	0.064	1,100,000		
FROM:	> 0.10	2	0.10	> 0.10	2	0.10			
Thornton	48,862	-	-	166,965	-	19,894			
Live Oak	-	-	-	-	-	-			
Red Hill	9,043	16.895		99,411	109,313				
Joe Bush-AREA	142,302	1.115	2.60	507,137	1.969	3.52			
DAILY PRODUCTION									
Ore	19,249			19,493			20,000		
Stripping	60,562			46,324			50,000		
Total	79,811			65,817			70,000		
Days Worked	22			62			22		
W/O Ratio	3.15/1.00			2.38/1.00			2.50/1.00		
Correction Factor	101.44			99.80					
Rainfall	1.55"			3.35"					
Loading Shifts	160.875			451.000					
Ave/Day	7.313			7.274			6		
Truck Shifts-Pit	736.250			1,913.375					
Ave/Loading Sh.	4.577			4.243					
Load Factor	99.15			96.82					
Drill Shifts	26.125			68.375					
Ave/Day	1.188			1.103			1		

LEACHING	GPM	NET GPL	LBS CU REC	GPM	NET GPL	LBS CU REC	GPM	NET GPL	LBS CU REC
Live Oak	1994	1.40	1,038,685	2,063	1.45	3,238,925	2100	1.30	1,015,560
Davis Canyon	893	1.22	406,263	1,175	1.00	1,270,271	1400	0.85	442,680
#24	318	1.44	170,092	225	1.34	325,438	300	0.95	106,020
Willow Springs	1268	1.07	505,241	1,331	0.90	1,295,169	1200	1.05	468,720
Total			2,120,281			6,129,809			2,032,980
Operating Days		31						31	

INSPIRATION CONSOLIDATED COPPER COMPANY
WILLOW SPRINGS LEACHING
MONTH OF MARCH 1st, thru 31st, 1977

LEACHING & PRECIPITATION	THIS MONTH	YEAR TO DATE
GPM to No. 27 Dump	1268	1286
Cu	0.55	0.54
Acid	9.4	14.2
Fe	29.7	32.4
Fe'''	1.1	1.1
GPM from No. 27 Dump	1268	1286
Cu	1.79	1.55
Acid	1.4	2.8
Fe	28.5	29.3
Fe'''	10.5	10.4
GPM from Towers	1268	1286
Cu	0.65	0.60
Acid	1.3	2.8
Fe	35.7	25.5
Fe'''	1.8	1.2
# Cu to Towers	844,043	2,150,729
# Cu from Towers	338,804	926,116
Net Cu Recovered	505,241	1,224,613
% Recovery	59.86	56.74
Acid Consumed - Pounds	5,058,000	15,924,000
#/Acid per # Cu Prec.	10.01	13.00
Iron Consumed - Pounds	3,202,000	8,450,000
#/Iron per # Cu Prec.	6.24	6.90
Operating Days	31	90

ENDING INVENTORIES - MONTH

Net Cement Copper Content - Pounds

Acid - Tons

Iron - Tons - in Stockpile 500 in Towers 48 Total

3,086,267
998
548

INSPIRATION CONSOLIDATED COPPER COMPANY

INTEROFFICE MEMORANDUM

TO: F. Monninger

DATE April 18, 1977

FROM: T. M. Anderson

SUBJECT: Mining Operations Division Highlights for March, 1977

1. SAFETY

There were no Lost Time injuries in any department of the Division for the month.

One M.D. case occurred in the Mine Maintenance Department when a haulage truck tire blew out while the truck was parked. A lubrication mechanic standing near by fell down and bruised his head.

The safety record for the Division in the First Quarter vs. 1977's objectives and 1976 First Quarter performance is as follows:

	<u>Frequency Rate</u>			<u>Severity Rate</u>			<u>M. D. Case Rate</u>		
	<u>1st Qtr</u> <u>1977</u>	<u>Object.</u> <u>1977</u>	<u>1st Qtr</u> <u>1976</u>	<u>1st Qtr</u> <u>1977</u>	<u>Object.</u> <u>1977</u>	<u>1st Qtr</u> <u>1976</u>	<u>1st Qtr</u> <u>1977</u>	<u>Object.</u> <u>1977</u>	<u>1st Qtr</u> <u>1976</u>
Mine Group	10	14	51	1,248	367	640	31	35	51
Ox Hide Group	36	9	39	215	18	390	72	36	116

2. PRODUCTION

A. Open Pit Department

Ore

	<u>Tons</u>	<u>Grade</u>	<u>Contained Copper #</u>	<u>Engineers Estimate</u>
Forecast	440,000	0.654	5,755,200	0.654
Actual	423,471	0.736	6,235,448	0.708
% of Forecast	96.2%	112.5%	108.3%	

Waste

	<u>Tons</u>	<u>Stripping Ratio</u>
Forecast	1,100,000	2.5:1
Actual	1,332,362	3.15:1

There was an unaccounted for copper loss through ore treatment processes of 401,340# giving a Y.T.D. total loss of 621,329#.

B. Ox Hide

	<u>Forecast</u>	<u>Actual</u>
Tons Ore Mined	252,010	288,640
Tons Waste Mined	80,630	67,930
Pounds Copper Precipitated	837,000	800,187

Memo to: F. Monninger

Subject: Mining Operations Division Highlights for March, 1977

April 18, 1977

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Calculated Copper Inventory on hand April 1, 1977, 1,829,645 - down 502,000# from March 1 inventory.

C. Dump Leaching

	<u>Forecast</u>	<u>Actual</u>
Live Oak Area	1,015,560	1,038,685
Number 5 Dump	442,680	406,263
Willow Springs	468,720	505,241
Number 24 Dump	106,020	170,092
TOTAL	2,032,980	2,120,281

Calculated Copper Inventory on hand April 1, 1977:

Live Oak	6,333,239
Willow Springs	3,086,267
TOTAL	9,419,506*

*1,333,871# increase over March 1 inventory.

3. OPERATIONS COMMENTS

A. Open Pit Department

The total average daily tonnage was 79,811, up approximately 20,000 T.P.D. above February's daily average and 9,811 T.P.D. above forecast. The reasons for the favorable variance were:

1. Haulage truck driver crews were finally filled out in late February, improving man power availability.
2. Good availability of 10-yard shovels.
3. The 15-yard loader replacing the remaining 5 and 6-yard shovels. No shovels under 10-yard capacity were operated during the month.
4. Improved truck load factor for the month. Truck load factors are based on truck ore load count and Crusher weightometer tonnages (dry). This factor is then applied to the waste truckload count to calculate waste removal. The factor for March was up approximately two (2) tons per truck load over prior months.

Of the total waste moved during the month, 94% came from the Joe Bush area.

Of the 66,731 tons of ore from the Joe Bush Area, 19,513 tons came from Cities Service, bringing the total ore mined to date from the Cities Service portion of Joe Bush to 23,523 tons @ 0.51 copper.

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Subject: Mining Operations Division Highlights for March, 1977
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B. Ox Hide Department

At mid-month the mining plan was changed to mining within the Inner Pit Outline as determined by the Long Range Planning group. The Inner Pit will provide approximately two years supply of ore at the present mining rate with a .06:1 stripping ratio and a 0.32 ore grade.

Mining operations were normal. All waste encountered in the Inner Pit area was hauled to No. 3 Dump area to develop the haul road encircling the South side of the area for access to upper elevations.

Pipeline problems which plagued the leaching operations in February were corrected with few production interruptions experienced during the month. Solution to No. 1 Dump continued throughout the month with some interruptions when it became necessary to discard surplus solutions due to rainfall run off. The grade of OFF solution from No. 1 was 1.1 GPL Cu at the month's close.

OFF solution grade from the other areas remained relatively stable throughout the month with No. 3 OFF averaging 1.51 GPL and No. 2 averaging 0.44 GPL.

C. Dump Leaching

At Willow Springs, tower efficiency was improved. However, towers required cleaning twice during the month. OFF volume and grade both were a little above forecast.

Number 24 Dump (Black Copper) showed a favorable variance due to OFF grade holding approximately 50% above forecast.

In the Live Oak area operations were normal except for two return solution pump failures, causing a below normal volume to be pumped to the L. O. and #5 Dumps for a three day period.

Reactivation of dormant areas on No. 5 Dump provide a boost in OFF solution grade accounting for the favorable variance in pounds produced in spite of the lower volume treated as explained above.

4. MAINTENANCE

A. Mine

Major equipment availabilities for the First Quarter of 1977 were as follows:

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<u>Equipment</u>	<u>% Availability</u>
<u>Haulage Trucks</u>	
Fleet 7 - 85T Electra Haul - 3 Units	80
8 - 105T Dart - 1 Unit	68
11 - 75T Dart - 11 Units	76
12 - 85T WABCO - 7 Units	79
14 - 85T WABCO - 9 Units	79
All Haulage Trucks	78
<u>Electric Shovels</u>	
5-yard - 1 Unit	89
6-yard - 1 Unit	99
8-yard - 1 Unit	0 (Removed from service)
10-yard - 3 Units	86
Total Shovels	74
<u>10-Yard Loaders</u> - Cat Model 992 - 2 Units	98
<u>15-Yard Loaders</u> - Marathon-LeTourneau 800 - 1 Unit	80
<u>Rotary Drills</u> - CP-T750 9" - 3 Units	87
<u>Wheel Dozers</u> - Cat Model 824, 814 - 6 Units	89
<u>Track Dozers</u> - Cat D-9, D-8H - 4 Units	88
<u>Motor Graders</u> - Cat Model 16 - 3 Units	90
<u>Water Trucks</u> - 6 Units	97

Major repairs to haulage trucks were engines and transmissions. An accumulation of some high hour components coming due for overhaul together for the first time, plus the routine failures created a heavier than normal load for engine and transmission overhauls.

Number 102 shovel required a crowd transmission overhaul. This is the first time for it. The machine now has +10,000 hours in service.

B. Ox Hide

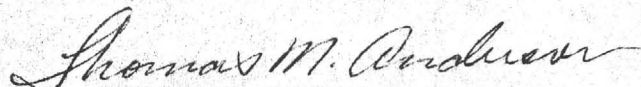
Equipment availabilities were good. There were a few occasions when truck availabilities were below requirements. One truck had two transmission failures - one regular, one premature - on an overhauled unit. A sixth truck was sent out from the Open Pit group to satisfy requirements.

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5. MINE ENGINEERING DEPARTMENT

Mr. Ray Ramos assumed the duties of Superintendent of Mine Engineering, promoting from his prior position of Chief Engineer at the Christmas Division. Mr. Jim Clark was transferred from the Resident Geology Department to fill the position of Ore Control Geologist.

The activities of the Department centered around the routine surveying needs for the Ox Hide and Open Pit operations. A new haulage road for the Inner Pit at Ox Hide was laid out for construction. Close monitoring of the movement along the Number 5 fault in the Red Hill area began.


THOMAS M. ANDERSON
Manager, Mining Operations Division

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File - 2

ZONIA MINE
Walnut Grove Mining District
Yavapai County, Arizona

HISTORY

- | | |
|-----------|--|
| 1890's | Started mining |
| 1911 | Shannon Copper Company, Clifton, Arizona <ul style="list-style-type: none">- 6 churn drill holes |
| 1916-1920 | Anaconda Copper Company,
Inspiration Consolidated Copper Mine <ul style="list-style-type: none">- Sank Cuprite shaft to 874'- Developed 5 levels |
| 1927 | Hammond Copper Company,
Arizona Metals Inc.,
Golden Daisy Mines Consolidated,
Zonia Copper Mining Company <ul style="list-style-type: none">- Rehabilitated part of underground workings- Explored adjacent gold bearing zones- Pilot leach plant |
| 1942 | U.S. Bureau of Mines,
Gold Fields American Development Co. <ul style="list-style-type: none">- Evaluated strategic copper reserves- 2035' trenching- 2960' Diamond drill- check sampled 210' level- Mill tests |
| 1947-1948 | Mr. Gottbehut, Los Angeles, California (?) <ul style="list-style-type: none">- Leased property- Shipped ore from 210 level |
| 1955-1957 | Miami Copper Company <ul style="list-style-type: none">- Exploration / evaluation program- B/W and color arial photographs- Topographic maps- Geologic maping / sampling- 26 churn drill- 24 air rotary drill |
| 1964-1975 | McAlester Fuels Company |
| -1964 | <ul style="list-style-type: none">- Air reconnaissance- Surface geologic exams |
| -1966 | <ul style="list-style-type: none">- Pit mining / heap leach |
| -1971 | Homestake Mining Company <ul style="list-style-type: none">- Explore / purchase option |

ZONIA MINE
Walnut Grove Mining District
Yavapai County, Arizona

HISTORY

- 1975
 - shut down
 - Homestake dropped property
- 1977
 - Phelps Dodge Corporation**
 - Exploration program
- 1977-1980
 - American Selco**
 - Geochemical sampling / drilling
- 1982
 - Nerco**
 - South end of property
 - Evaluation / drilling of leach pad