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1994 EXPLORATION PROGRAM  
THREE MILE SPRING PROSPECT  
ELKO COUNTY, NEVADA

LEXAM EXPLORATIONS (U.S.A.) INC.

5171 Ward Rd, Unit #1  
Wheat Ridge, CO 80033

Jon L. Powell

March, 1995

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## SUMMARY

The Three Mile Spring prospect is located just north of Wells in Elko County, Nevada. The area is a precious metal epithermal hot spring target. Tertiary siltstones and conglomerates are the predominant rocks in the area, and are generally silicified to some degree. Several strongly silicified faults are present in the vicinity of Three Mile Spring, with anomalous Au-As-Sb-Hg values.

Reconnaissance mapping and rock chip sampling in 1992 identified several areas where anomalous gold values are present with associated anomalous arsenic and antimony. The most prospective of these areas is along the silicified faults east and north of Three Mile Spring, as well as along the range front north and south of Three Mile Spring, where the highest gold values occur.

A TEM survey in 1994 to evaluate the depth to basement in the basin to the west of the prospect did not reveal a drill target. Tuff horizons present in the subsurface may explain some of the results, but the survey was unable to distinguish the basin-bounding fault or the outcropping structures. Drilling on the outcropping silicified structures to test for vertical zonation in the system is still recommended.

## INTRODUCTION

The Three Mile Spring prospect is a precious metal epithermal hot spring-type target hosted by Tertiary sedimentary rocks. The project area is located in Elko County, Nevada, four miles north of the town of Wells (Figure 1). The property is located along the western flank of the southern portion of the Snake Mountains.

Lexam's land position consists of five sections of fee minerals and 23 unpatented lode claims in T38N, R62E (Plates 1 & 2). Lexam controls a 75% interest in the mineral rights in sections 9, 15, 17, 21, and 27, with Mobil controlling the other 25%. Eighty-nine claims were staked by Lexam in 1990 in sections 16, 20, 22, and 28, but 66 were subsequently dropped in 1992. Work in 1994 on the Three Mile Spring prospect consisted of a Time-Domain Electromagnetic (TEM) survey to evaluate the depth of alluvium in the pediment area west of the range front.

## PREVIOUS INVESTIGATIONS

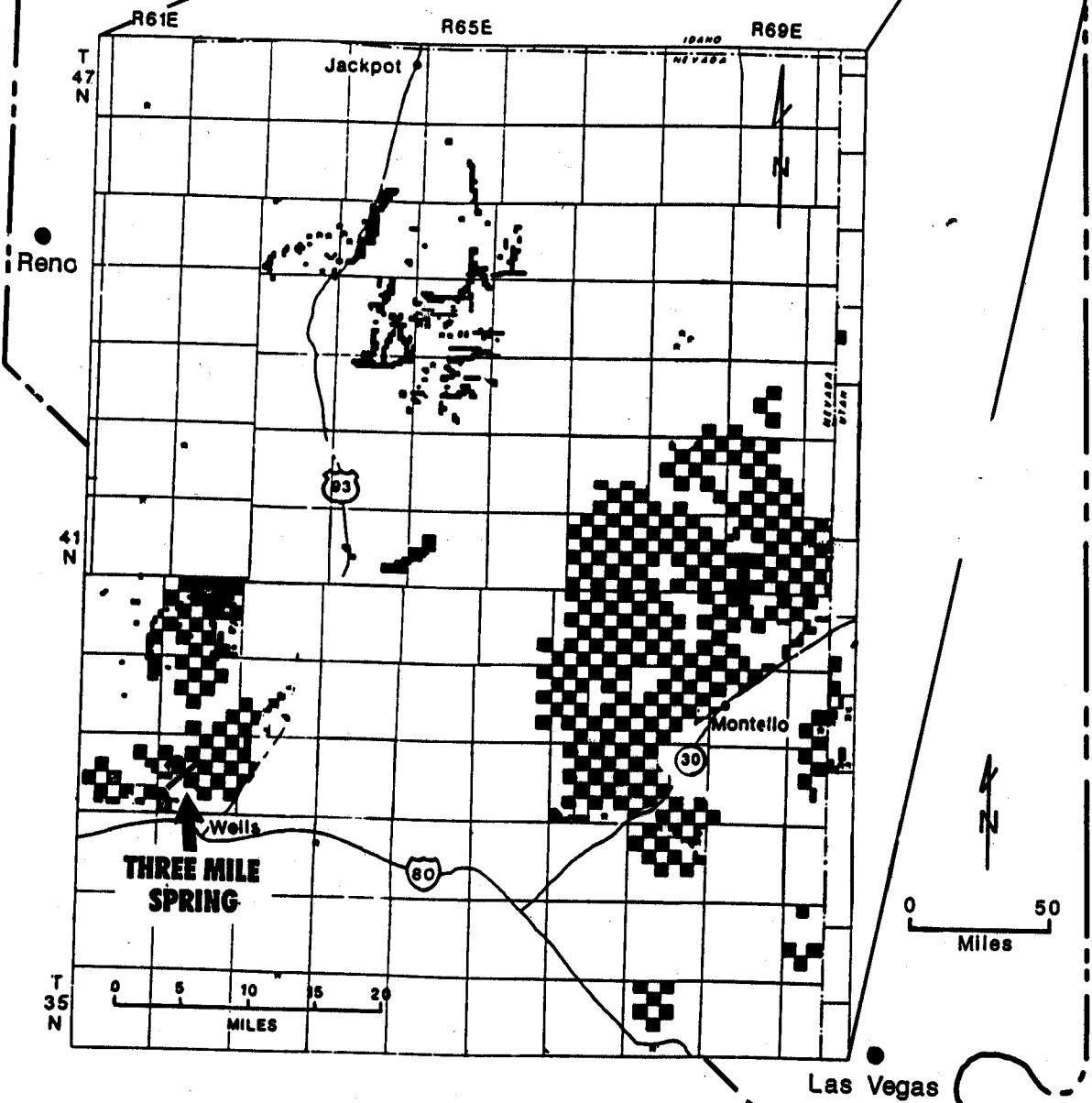
Work by Lexam on the Three Mile Spring prospect began in the late 1980s. In 1988 and 1989, 22 rock chip samples were collected by Lexam in the Three Mile Spring area (Appendix B, Plate 4). These samples were analyzed for Au, Ag, As, Sb, and Hg. Weakly anomalous gold values were discovered, with a high of 96 ppb gold.

In 1992, geologic mapping and rock chip sampling (Appendices C & D) identified several areas of anomalous Au-As-Sb-Hg associated with silicification of Tertiary sediments (Powell, 1993). These geochemical anomalies were strongest along silicified north- and northwest-trending structures (Plates 3 & 5). A limited reverse circulation drill program to test the down-dip extension of these structures was proposed, along with a geophysical survey to evaluate the potential of the basin to the west.

## GEOLOGY

The regional geology of the southern Snake Mountains and the local geology and geochemistry of the Three Mile Spring prospect area are discussed in Powell (1993), and will not be repeated here. The geology of the prospect area is shown on Plate 3, rock chip sample locations are compiled on Plate 4, and gold in rock values are plotted on Plate 5.

# NEVADA



**LEXAM EXPLORATIONS (U.S.A.) INC.**

**THREE MILE SPRING PROSPECT**

**PROPERTY  
LOCATION MAP**

DATE  
2/1985

SCALE

MAP BY

Figure 1

## 1994 INVESTIGATIONS

Work in 1994 on the Three Mile Spring prospect consisted of a TEM survey conducted by Ken Sweet of Kenco Minerals (Appendix A). The survey was carried out over two days in May, 1994. Four east-west lines totaling 8600 feet were surveyed (Plate 3). Ken Sweet's report is included as Appendix A.

The TEM survey was planned to provide information on the change from alluvial basin on the west to the outcrop area on the east. Line A (Plate 3) was laid out to cover equal portions of basin and outcrop. Lines B and C covered mainly the basin, but were extended to the east far enough to cross the proposed basin-bounding fault (Plate 3). Line D extended primarily over outcrop.

Similar geophysical responses were obtained along all four lines (Appendix A). A high resistivity surface layer is underlain by a low resistivity layer, which is in turn underlain by another high resistivity layer. These horizons appear to continue from the basin to the outcrop, with no indication of the basin-bounding fault present. No evidence of the strongly silicified N-trending fault which outcrops at 2800E on Line A or the silicified outcrops at 1800E on Line A is found. Tuff units may explain the low resistivity layer in the basin, but the lack of response from the basin-bounding fault or the outcropping structure is unresolved (Appendix A).

## CONCLUSIONS

Sweet's report recommends no drilling, based on the TEM data (Appendix A). The TEM results show no apparent silicified target in the basin west of the outcrop. Although the geophysical survey suggests that there is no target in the basin, the potential of the outcrop area remains unchanged, based upon the geology and geochemistry (Powell, 1993).

The hot spring precious metal deposit model of Berger (1985), applied to the Three Mile Spring prospect, suggests that higher precious metal values could be present at depth, below the exposed levels of strong silicification (Powell, 1993). Stockwork veining and hydrothermal brecciation zones can contain higher gold values than the overlying zone of pervasive silicification. These zones may be present below the surface at Three Mile Spring. This possible vertical zonation should be tested by drilling.

## RECOMMENDATIONS

Further work at the Three Mile Spring prospect should consist of a limited reverse circulation drill program. The drill program would include two drill holes (500 ft each) to

test the deeper parts of the silicified structures. Proposed  
drill holes are plotted on Plate 3.

## REFERENCES

- Berger, B. R., 1985, Geologic-geochemical features of hot-spring precious-metal deposits: U. S. Geol. Surv. Bull. 1646, p. 47-53.
- Powell, J. L., 1993, 1992 exploration program, Three Mile Spring prospect, Elko County, Nevada: unpublished report for Challenger Gold, Inc., 19p.

**APPENDIX A: TEM REPORT**

**COMMENTS**  
on a  
**TEM SURVEY**  
**CONDUCTED**  
on the  
**THREE MILE SPRING PROSPECT**  
**ELKO COUNTY NEVADA**  
for  
**CHALLENGER GOLD**  
by  
**KENCO MINERALS, INC.**  
**MAY 1994**

## Introduction

On May 1st and 2nd a Time domain ElectroMagnetic (TEM) survey was conducted on the Three Mile Spring project for Challenger Gold by Kenco Minerals.

The equipment used for the survey was a Geonic's EM-37 operated at 30 hertz. A square transmitting loop 400 feet on a side was used. The current for the entire survey was set at 14 amperes with a turn off time of 60 microseconds.

Kenco provided a crew of 2, a senior geophysicist and an operator. Two Challenger staff geologists, Jon Powell and Fred Limbach worked as helpers on the crew, they did the surveying of the lines and moved the wires. In addition they helped move the transmitter and receiver when they had enough time. The survey went well, much due to the help of Jon and Fred.

Four lines were surveyed A, B, C, and D shown on the geologic map provided by Jon Powell, Challenger staff geologist. All of the lines crossed the projected fault between the alluvium to the west and out crops of tertiary silt stones and conglomerates to the east. Some of the tertiary sandstones and siltstones were silicified, in general parallel to the projected fault.

## Line A

A surface high resistivity zone (greater than 100 ohm-meters) occurs along the entire line. It is not possible with TEM to determine the true resistivity because of the deeper low resistivity zone. With large resistivity contrasts, greater than perhaps 10, the true resistivity of a high resistivity zone is not important to the modeling, only the fact that it is very resistive. I can use resistivities from 100 to perhaps several thousand ohm-meters and get the same interpretation models.

A low resistivity unit occurs at 100-300 feet along the entire line. I do not have any geologic information to help with the interpretation so will suggest several possibilities, there may be more possibilities.

Tuff units occur over much of Nevada. I expect a resistivity of between 5 and 15 ohm-meters for the Tuff, generally on the lower end. In addition to mineral surveys data is available from ground water studies. The tuff is impermeable, ground water studies look for gravel channels within the alluvium.

If it is a tuff unit, the surface water may be a perched water table rather than the true water table. I would expect that information from nearby water wells could help with the interpretation.

The low resistivity data could be mapping the water table, the unsaturated alluvial material being more resistive than the saturated alluvial material. I don't believe this is true, the water table appears to be closer to the surface, we have a flowing spring, and in some areas standing water on the surface.

At stations 0, 1600E, and 2000 E. a thin high resistivity zone occurs at a depth of 300-500 feet. I could see no indication of it at stations 400, 800, and 1200 E. I would expect that it occurs but is too thin to see from the surface. The source is not known, perhaps a volcanic flow, alluvial gravel, or silicification. A similar response occurs at 2800E and 3200E, considerably thicker at 3200 east.

A large shift in surface layer thickness occurs between 2000E and 2400E. This is possibly a fault zone.

I find it unusual that I see little change in the geophysical response across the inferred fault between the alluvium and the bedrock or across the fault at 2800 east. Frankly without the geologic data I would interpret the data as being all alluvium, perhaps mapping tuff's and gravel's. At 1800E where the silicification is mapped on the surface, the thickness of the surface resistivity zone is thicker, perhaps due to silicification.

### Line B

Line B was surveyed on the alluvium, station 1400 E. would be on the inferred fault between the alluvium and the tertiary sediments. The response is very similar to line A and will not be discussed further.

### Line C

Line C started on the alluvium, station 0, and extended to the east, across the inferred fault between the alluvium and the bedrock. In general the response is similar to line A and will not be discussed further.

On stations 1400 E and 1800 E a deep high resistivity zone is indicated based on interpretation of the TEM data. At 1400E it is to deep to see with confidence, but at 1800 E the deep higher resistivity zone can be seen in the data. I do not have a plausible geologic interpretation for the deep resistivity zone.

### Line D

The response on line D is very similar to the response on line A. The high resistivity zone at depth is thicker.

### Conclusions

Little change in response occurs from the alluvial area to the out crop area. The low resistivity zone at a depth of 100-300 feet in the alluvial area is likely a tuff, in the outcrop area the geophysical response is the same. Based only on the TEM response one could not locate the outcrop or silicified areas. The silicification cannot extend to a depth of more than a few hundred feet.

### Recommendations

No drilling target can be recommended based on the geophysical response. There is no indication of vertical structures, data was collected at 400 foot intervals.

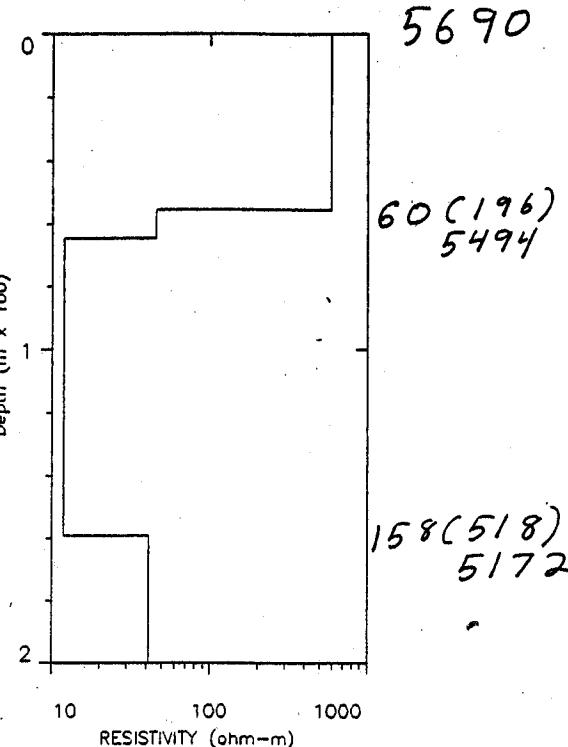
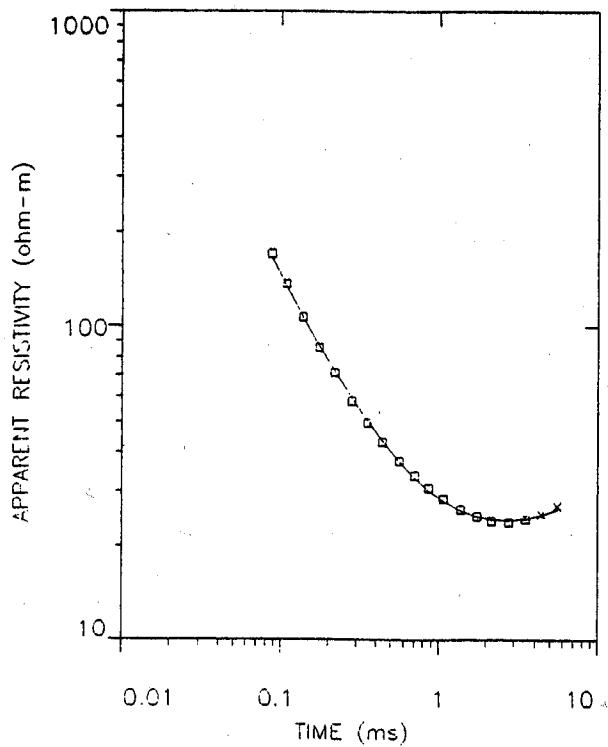
A ground magnetic survey might show a change between the alluvium and the outcrop. I would suggest surveying along line A at 25 foot intervals. The chances of seeing the contact are not great, both the sediments and the alluvial material would have a low magnetic susceptibility. Some mafic tuffs can have a strong magnetic response.

Ken Sweet

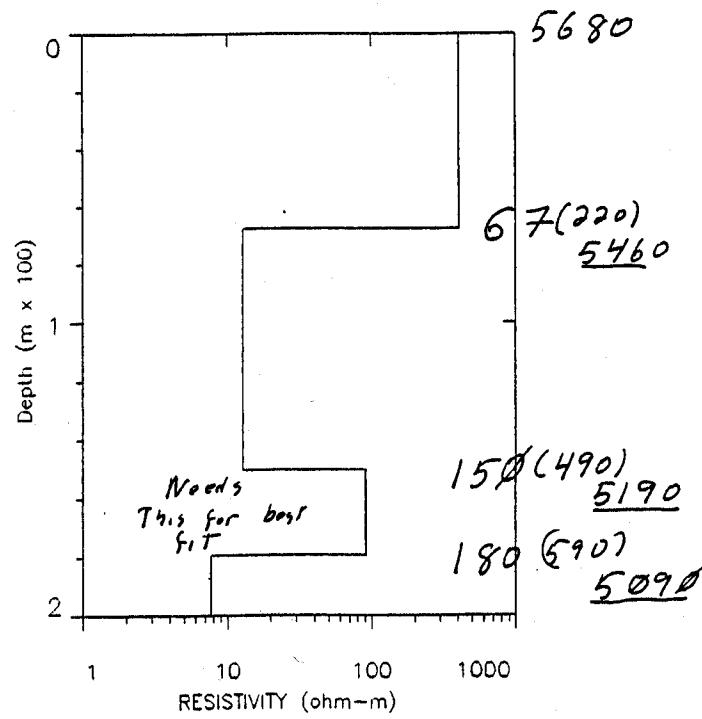
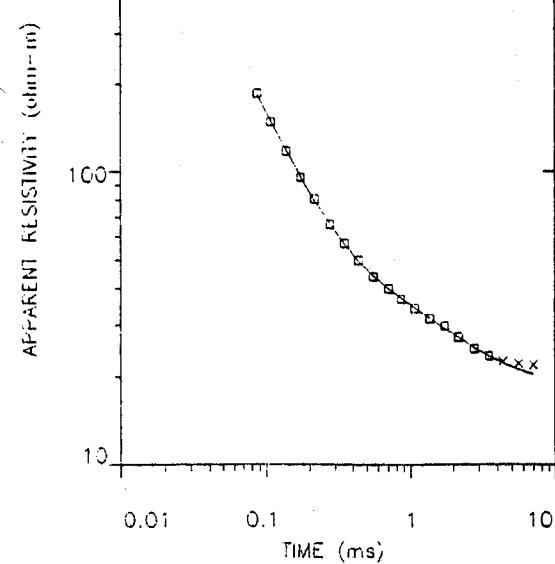


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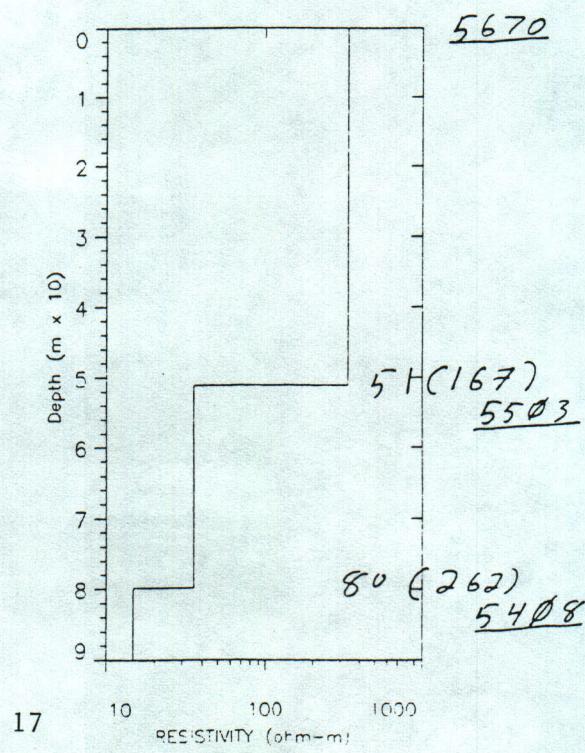
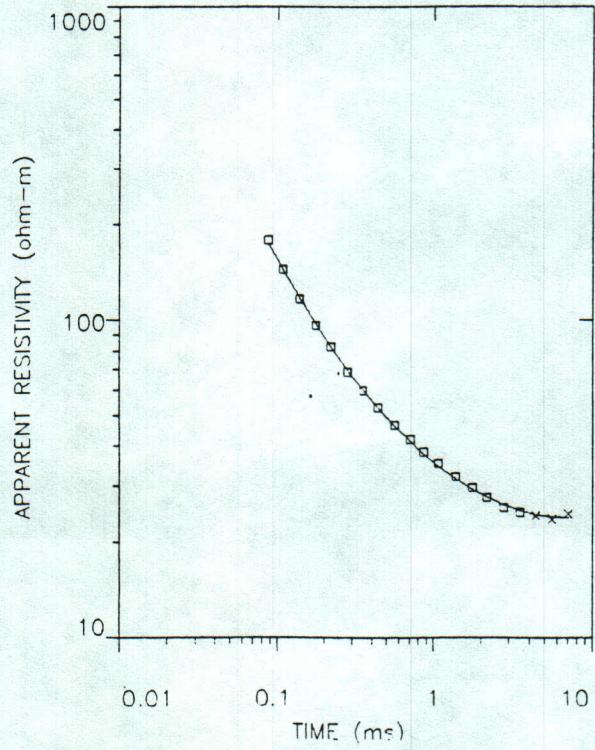
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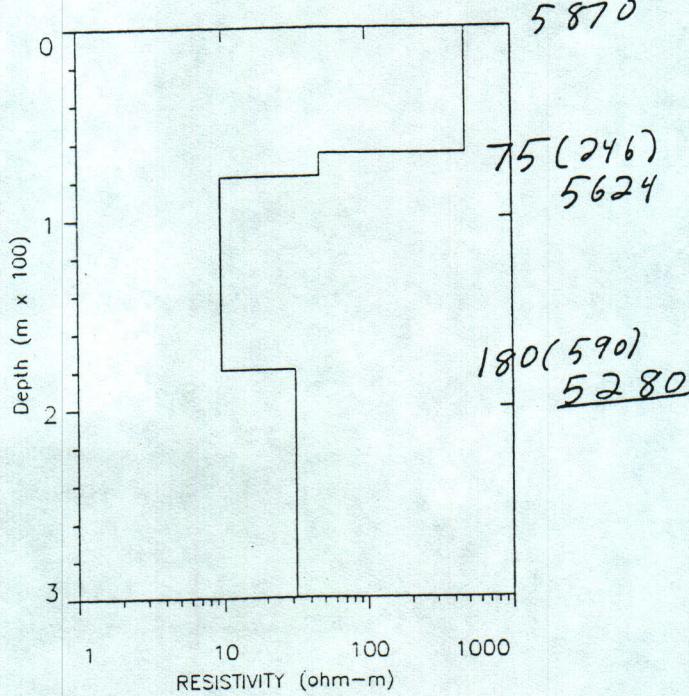
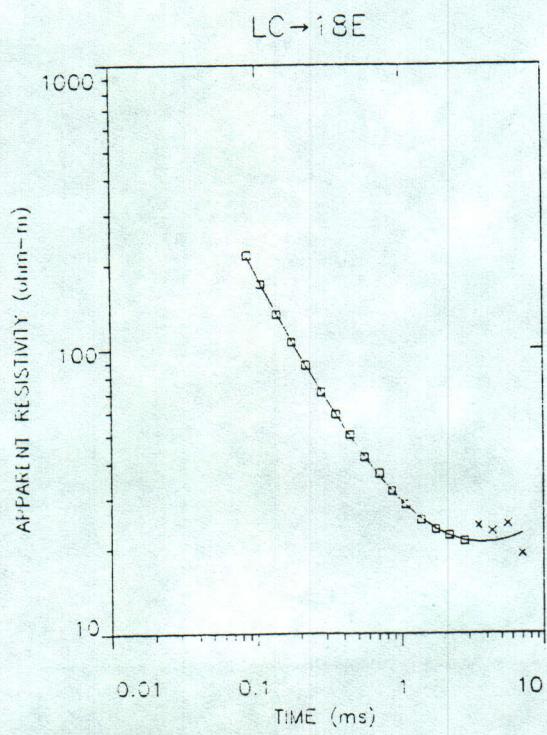
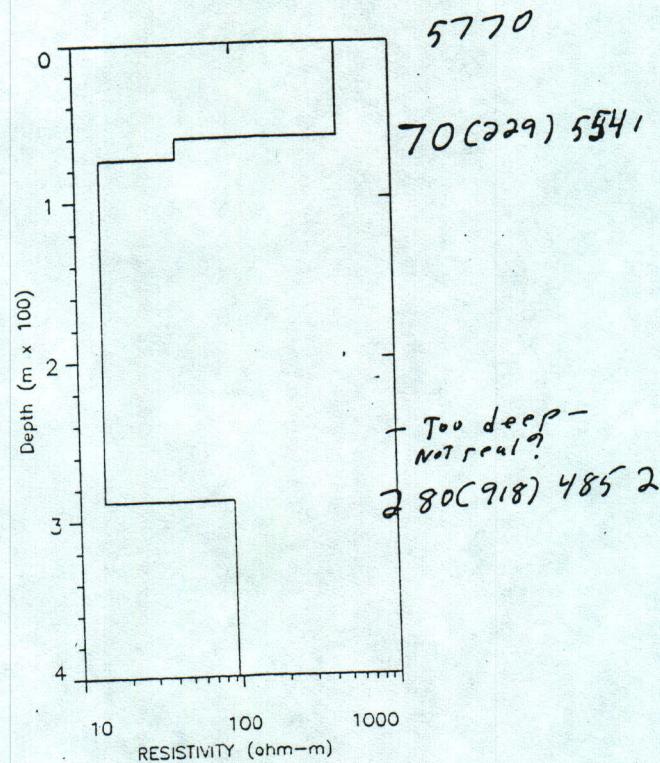
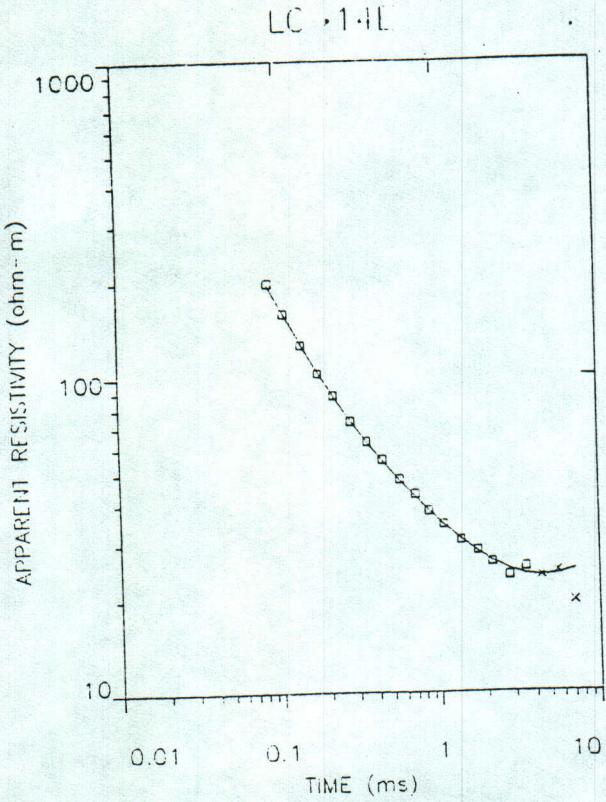


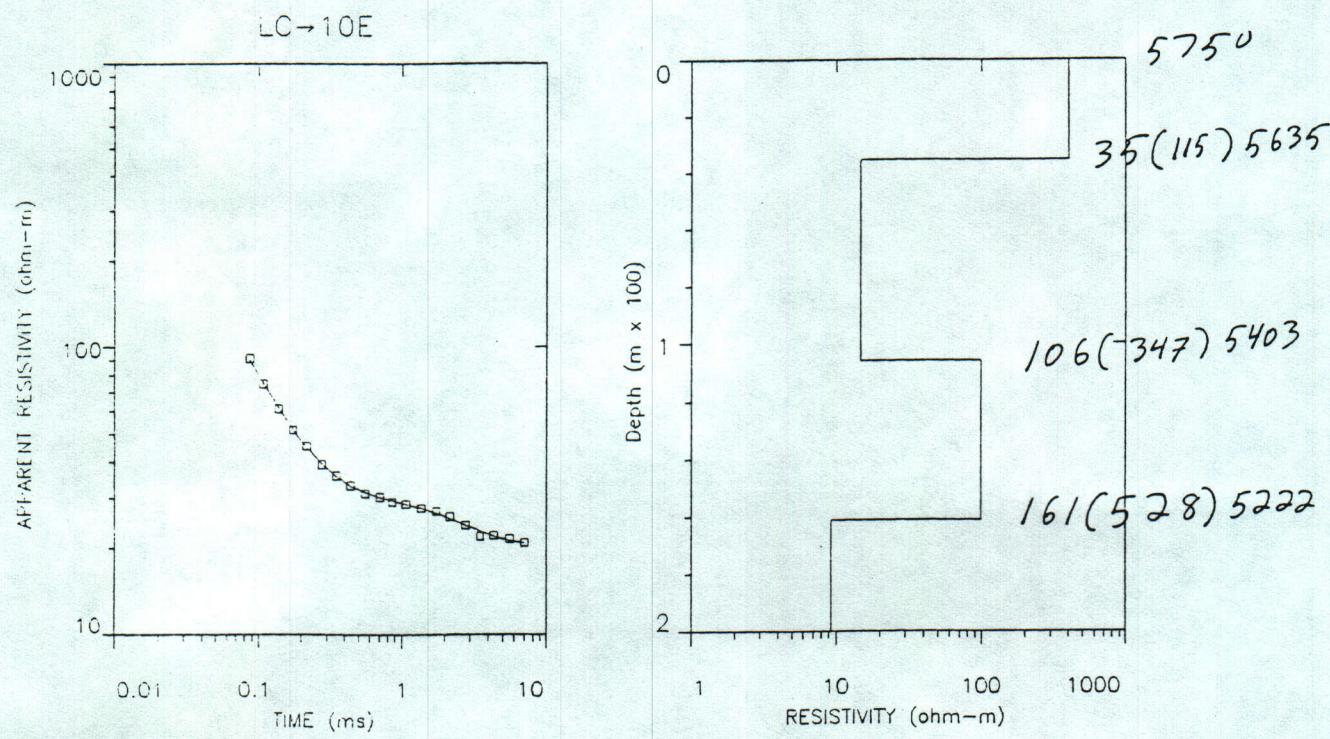
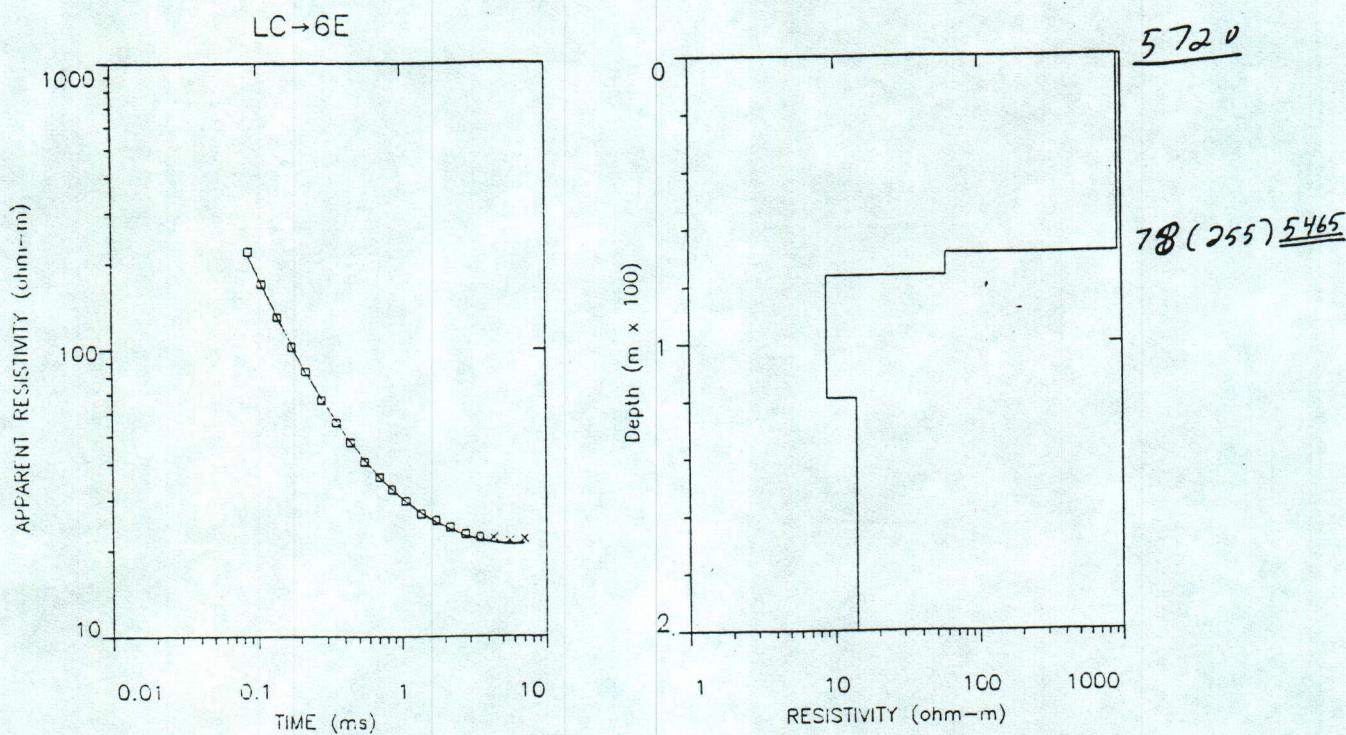
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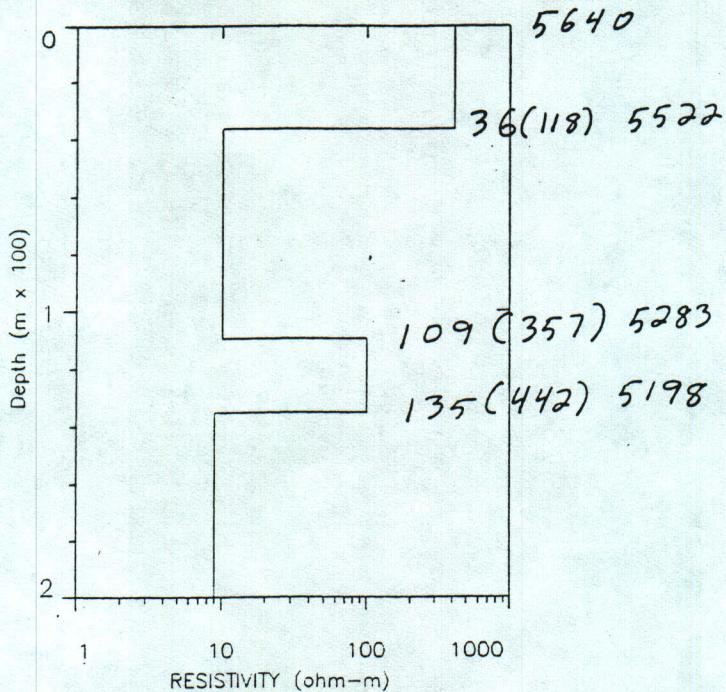
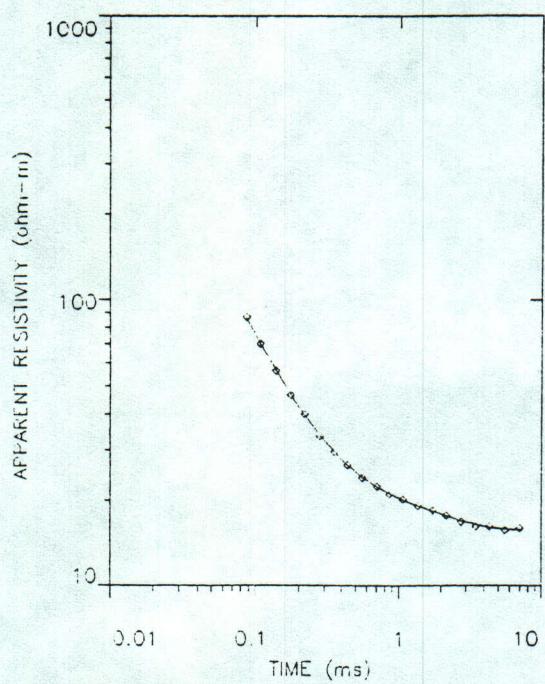
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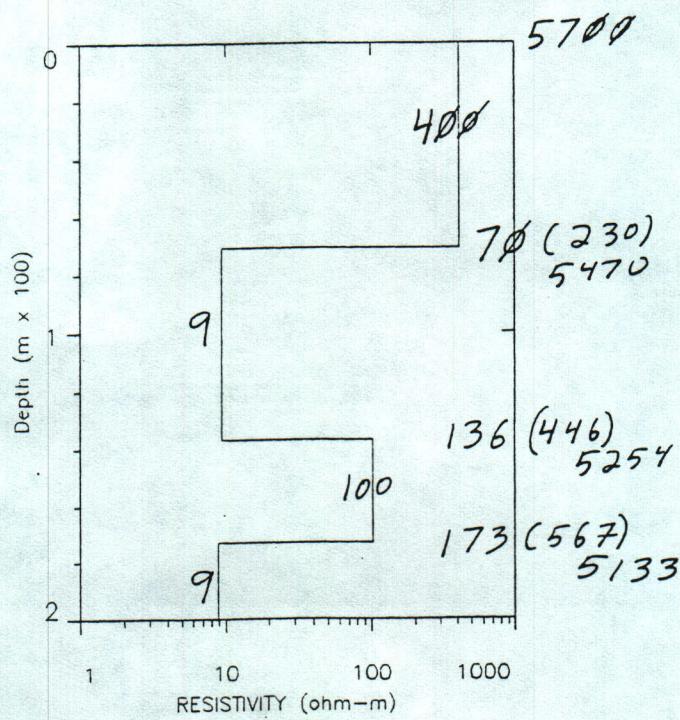
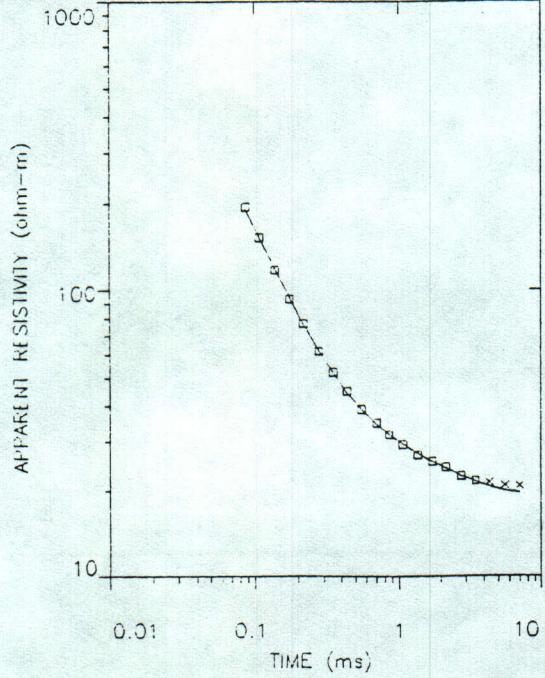




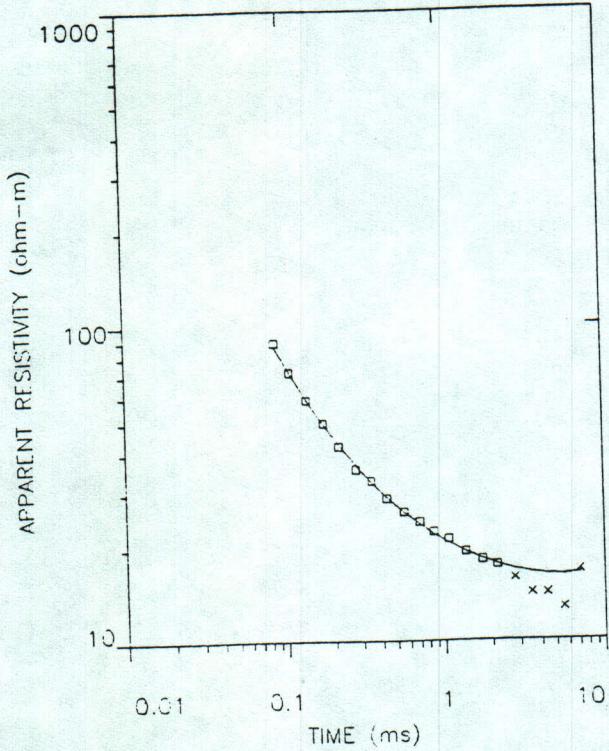
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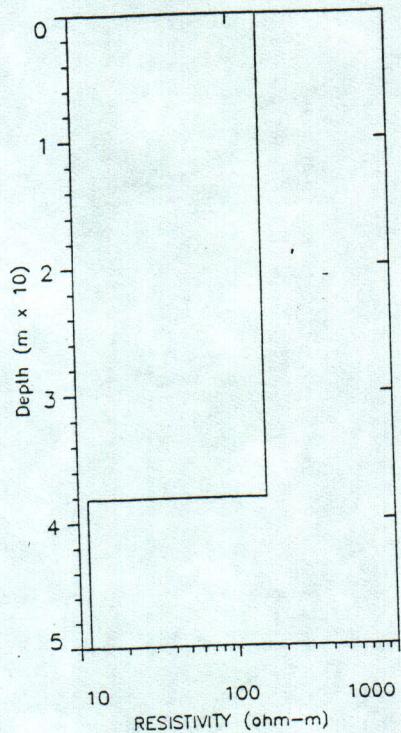
LC → 2E



LA → 4E

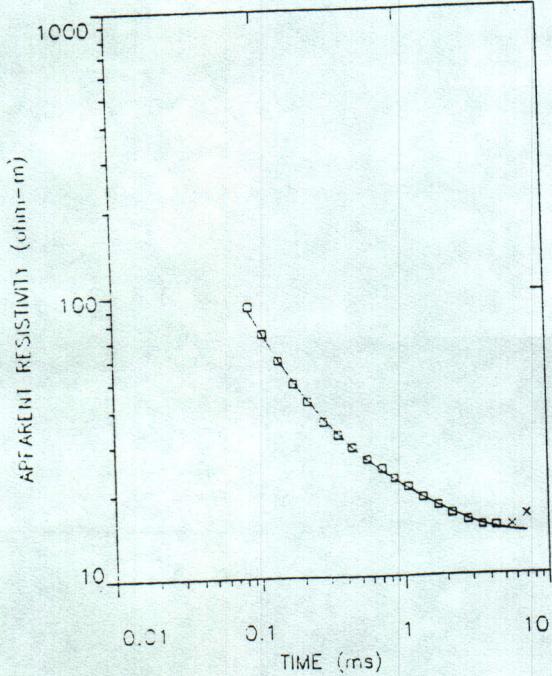


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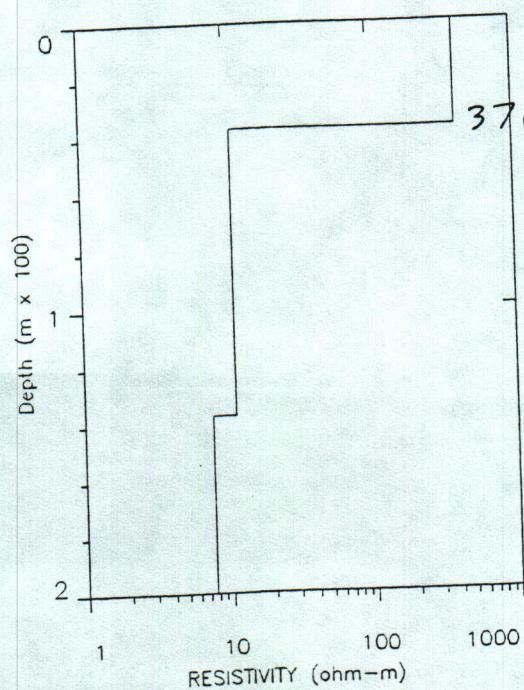


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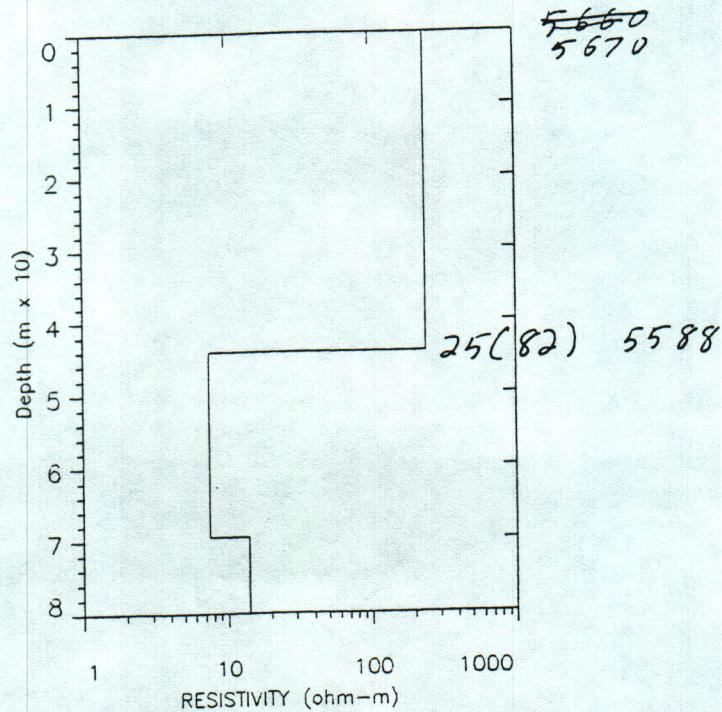
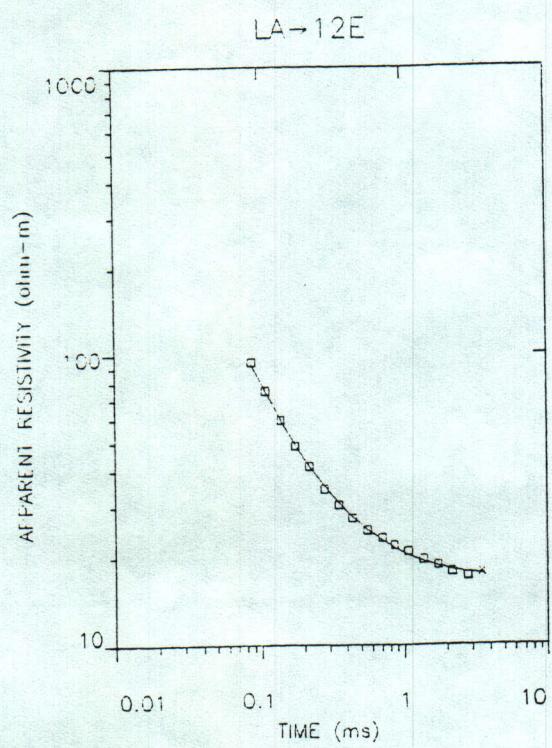
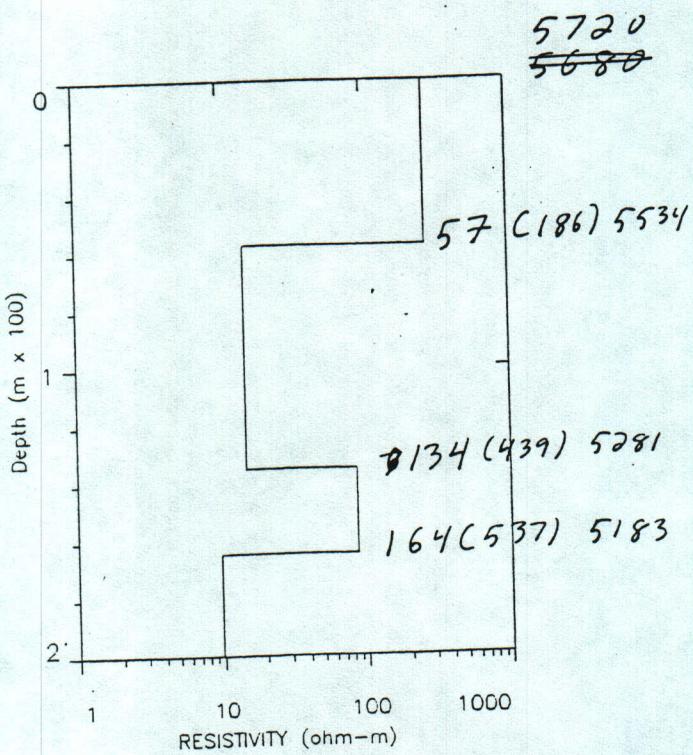
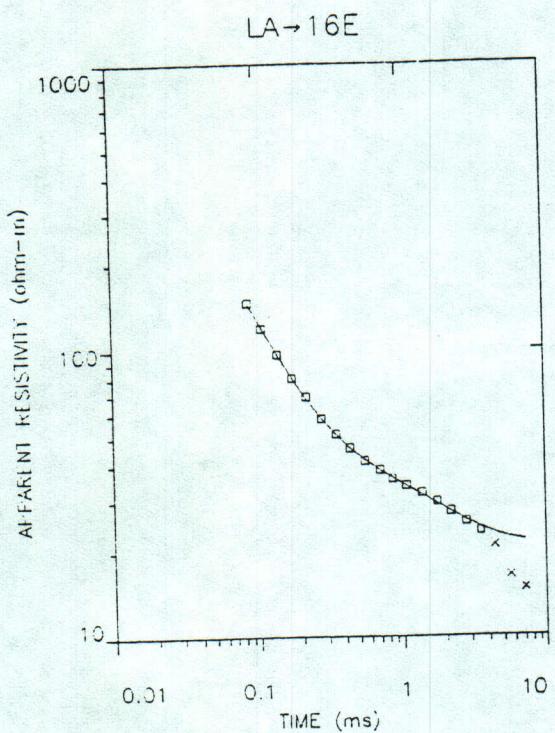
LA → 8E



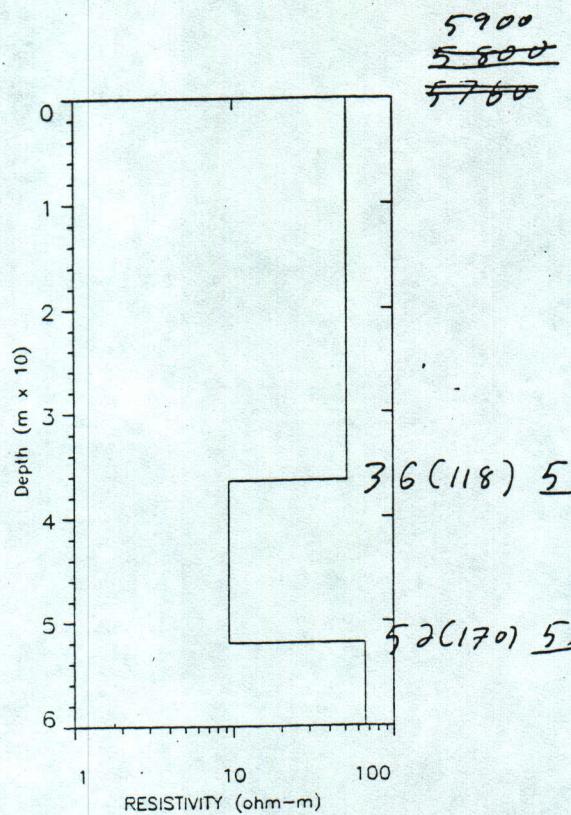
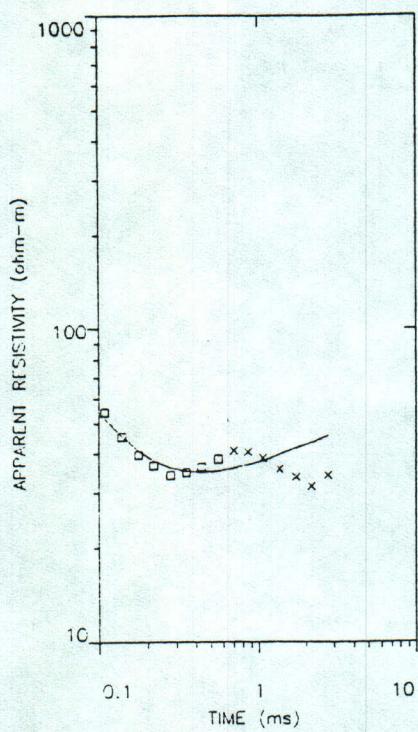
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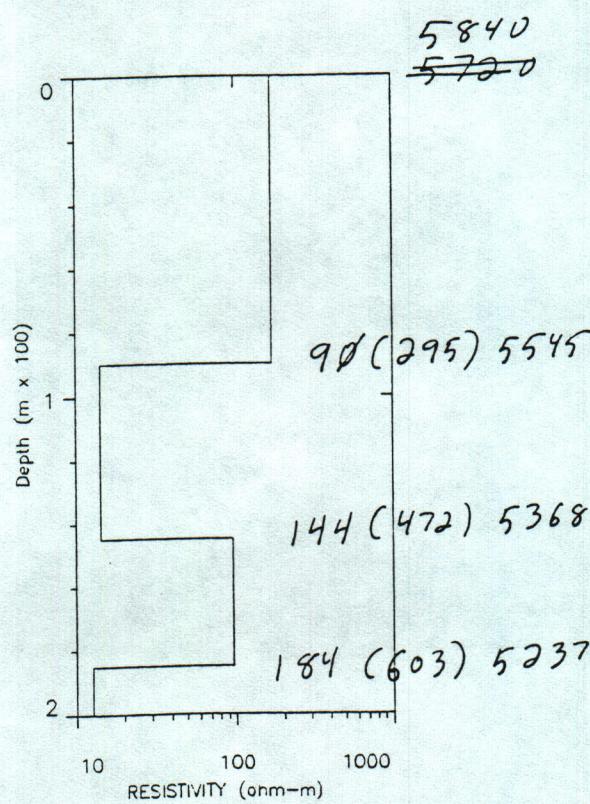
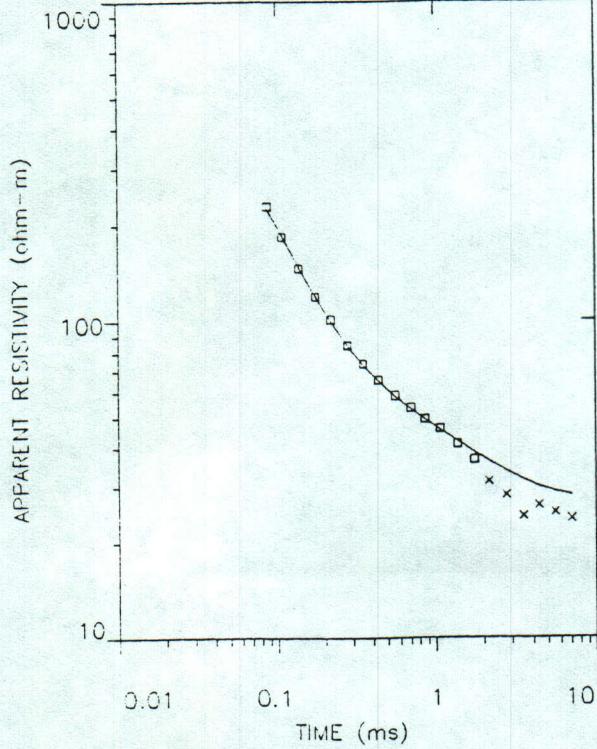
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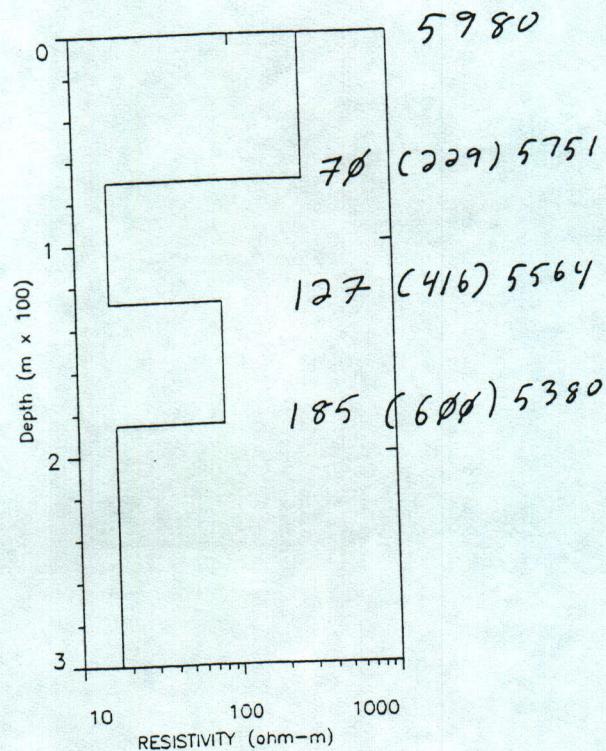
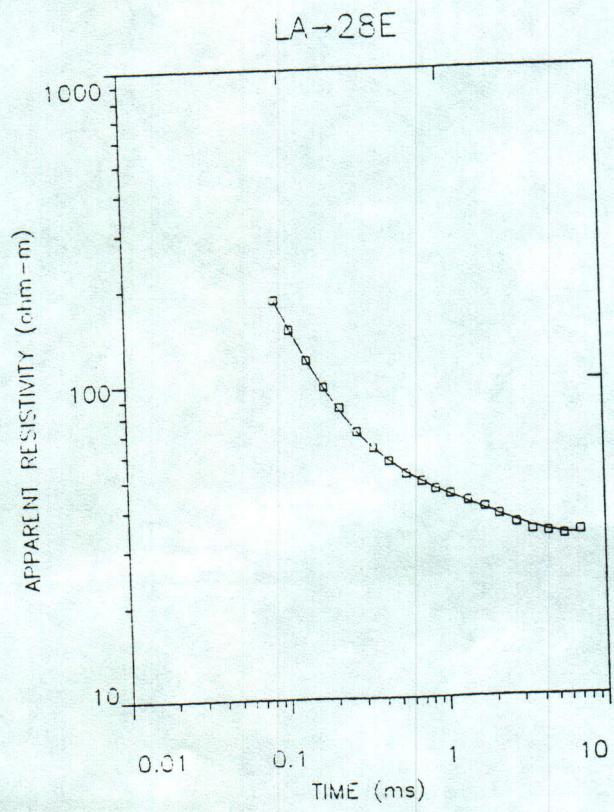
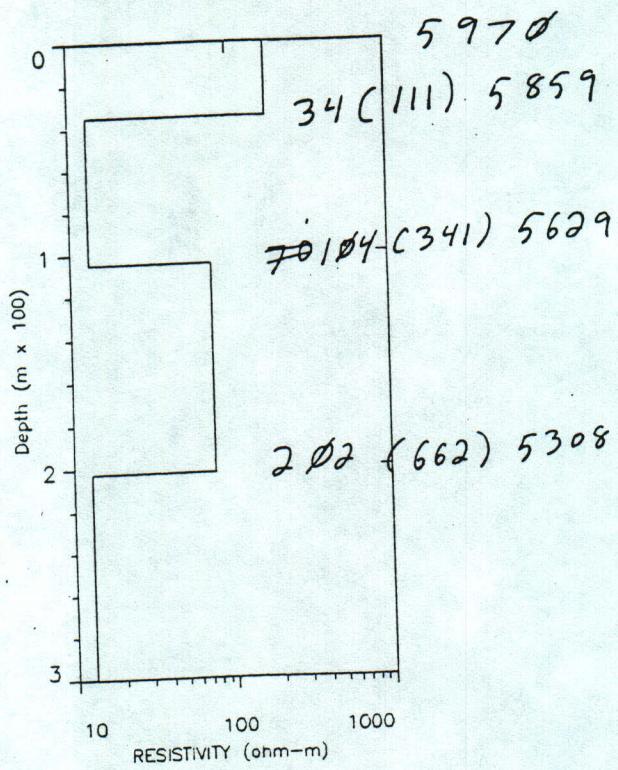
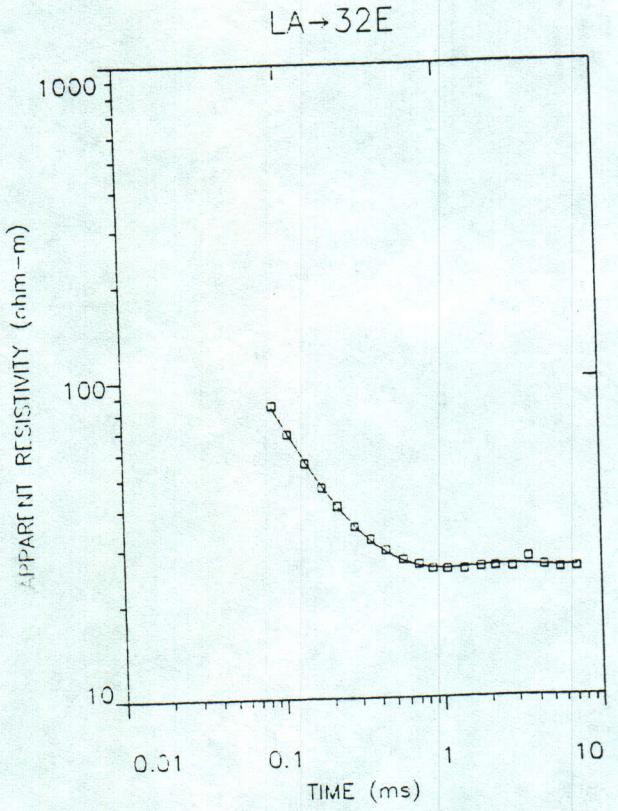


LA-24E

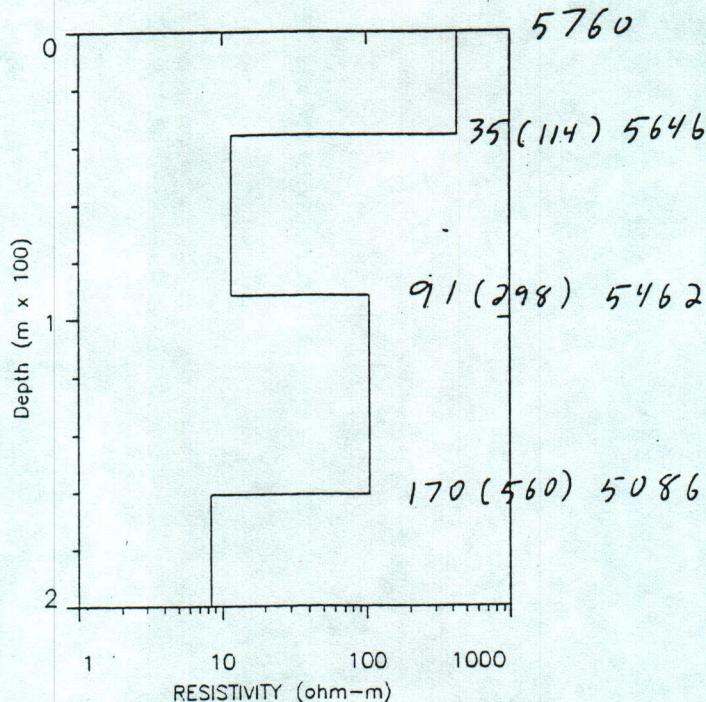
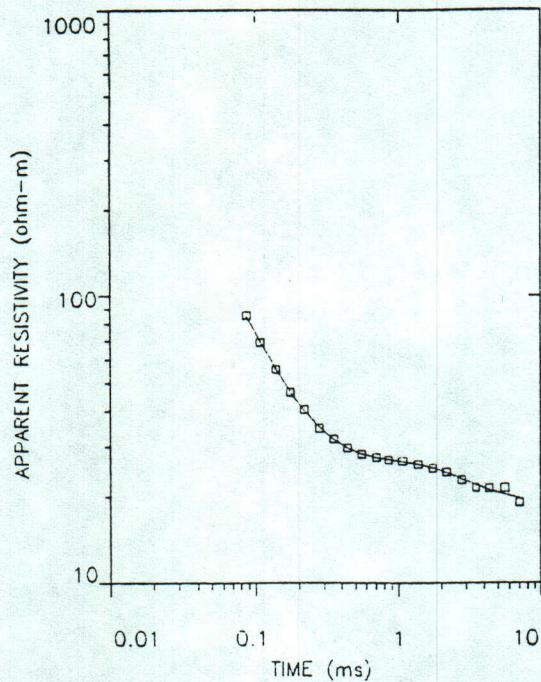


LA-20E

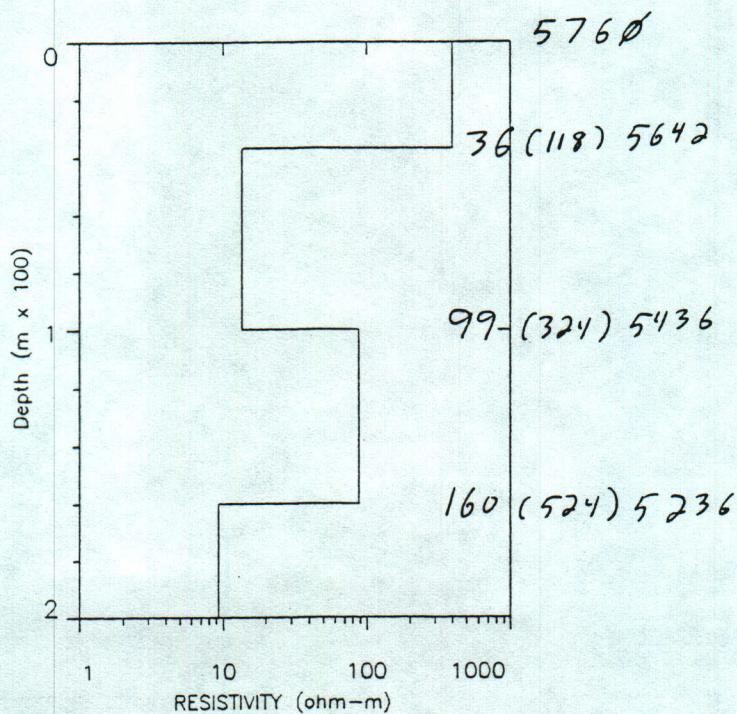
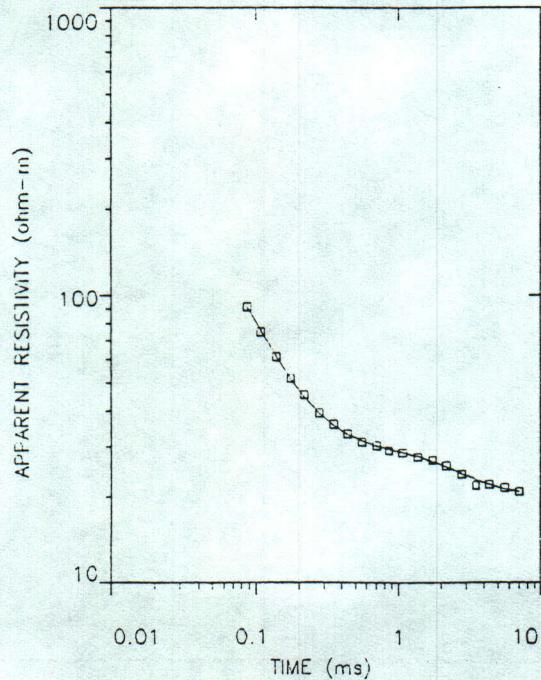


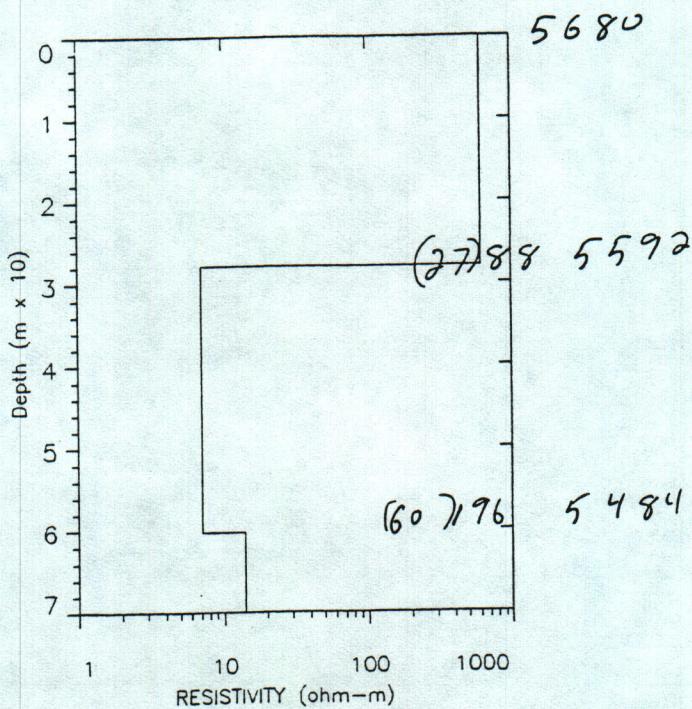
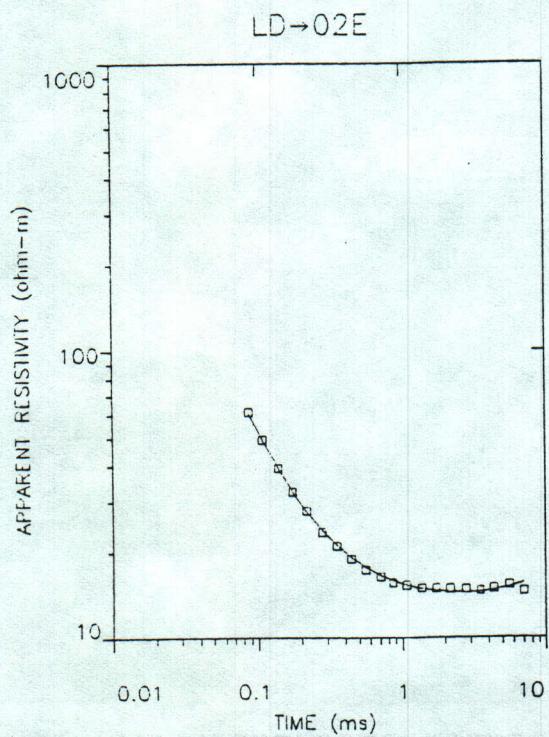
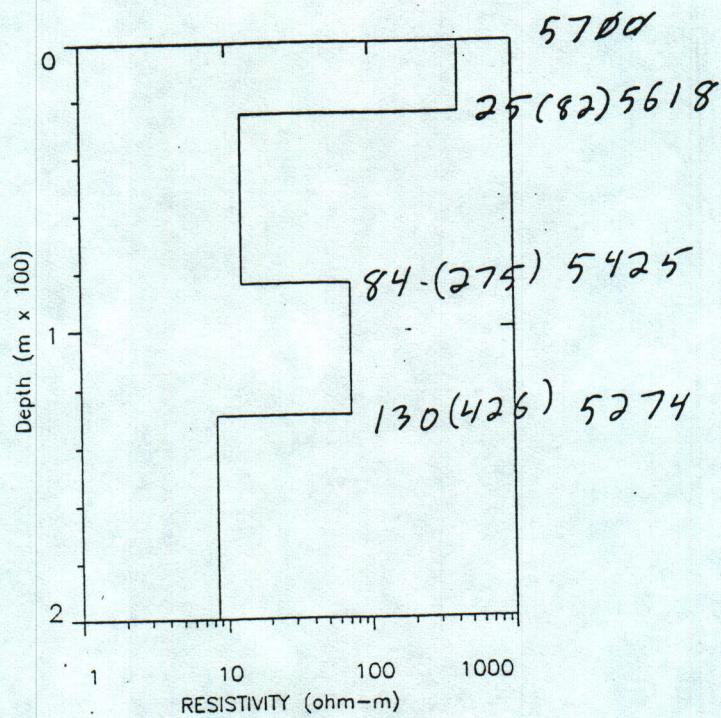
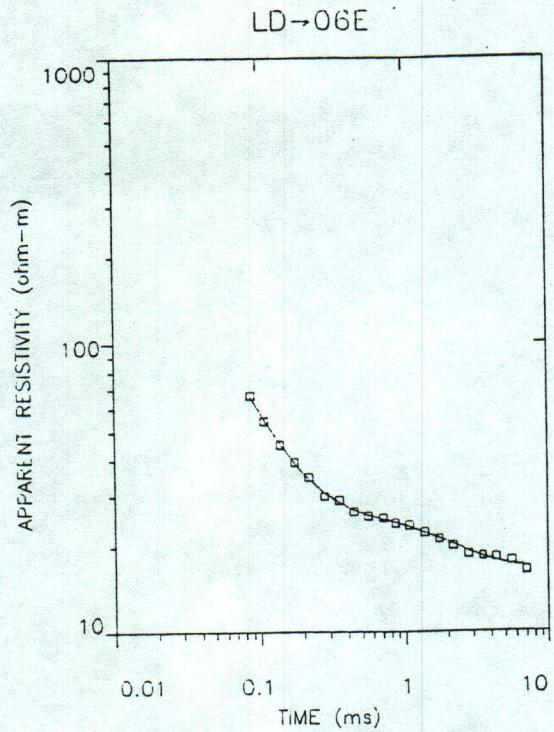


LD→14E



LD→10E





**APPENDIX B: 1988 TO 1989 ROCK ANALYSES**

THREE MILE SPRING PROSPECT, ELKO COUNTY, NEVADA - 1988 & 1989 ROCK ANALYSES

<u>Sample Number</u>	Au ppb	Au opt	Ag ppm	As ppm	Sb ppm	Hg ppm	File Number	<u>Sec</u>	Location Twnsp Range
TW-89- 271	7	0.000	0.27	91	5	0.18	ABER032	16	38N 62E
TW-89- 272	27	0.001	0.08	15	3	0.08	ABER032	16	38N 62E
TW-89- 273	<7	0.000	0.10	58	3	0.08	ABER032	16	38N 62E
TW-89- 274	10	0.000	0.14	22	4	0.12	ABER032	16	38N 62E
TW-89- 275	10	0.000	0.09	56	4	0.12	ABER032	15	38N 62E
TW-89- 276	7	0.000	0.10	40	2	0.15	ABER032	15	38N 62E
TW-89- 277	10	0.000	0.30	64	5	0.06	ABER032	15	38N 62E
TW-89- 278	14	0.000	0.06	50	3	0.12	ABER032	15	38N 62E
TW-89- 279	7	0.000	0.32	18	1	0.16	ABER032	21	38N 62E
TW-89- 280	24	0.001	0.50	53	2	0.26	ABER032	21	38N 62E
TW-89- 281	34	0.001	0.46	46	2	0.18	ABER032	21	38N 62E
3MS-#1	96	0.003	2.74	64	10	0.29	ABER012	20	38N 62E
3MS-#2	21	0.001	0.16	12	3	0.05	ABER012	20	38N 62E
31858	30	0.001	0.80	30	<2	1.00	BC-999-1947	28	38N 62E
31859	10	0.000	0.80	4	3	2.50	BC-999-1947	28	38N 62E
31860	20	0.001	0.60	18	<2	0.30	BC-999-1947	28	38N 62E
31861	20	0.001	0.80	28	5	0.25	BC-999-1947	20	38N 62E
31862	30	0.001	0.30	25	<2	1.20	BC-999-1947	21	38N 62E
31863	50	0.001	1.10	24	<2	>5.00	BC-999-1947	20	38N 62E
31864	30	0.001	1.00	44	2	0.25	BC-999-1947	16	38N 62E
31865	25	0.001	0.20	15	<2	0.52	BC-999-1947	16	38N 62E
31866	10	0.000	0.40	<2	<2	0.05	BC-999-1947	17	38N 62E
# Samples	22								
Maximum	96	0.003	2.74	91	10	>5.00			
Minimum	0	0.000	0.06	0	0	0.00			
Average	22	0.001	0.51	35	3	0.36			
Std Dev	20	0.001	0.57	22	2	0.55			

**APPENDIX C: 1992 ROCK ANALYSES**

THREE MILE SPRING PROSPECT, ELKO COUNTY, NEVADA - 1992 ROCK ANALYSES

## THREE MILE SPRING PROSPECT, ELKO COUNTY, NEVADA - 1992 ROCK ANALYSES

Sample Number	Au ppb	Au opt ppm	Ag ppm	As ppm	Sb ppm	Hg ppm	Tl ppm	Cu ppm	Pb ppm	Zn ppm	Mo ppm	W ppm	Bi ppm	Cd ppm	Co ppm	Cr ppm	Ni ppm	U ppm	V ppm	Ba ppm	Be ppm	Ga ppm	La ppm	Mn ppm	P ppm	Sc ppm	Sr ppm	Ti ppm	Al %	Ca %	Fe %	K %	Mg %	Na %
P-2-101	0	0.000	0.0	36	4	0	0	16	8	52	2	0	0	0	4	202	13	0	29	150	0	20	195	990	2	52	0.00	0.78	0.94	1.77	0.33	0.27	0.01	
P-2-102	55	0.002	0.0	56	4	0	0	10	12	42	26	0	0	0	1	200	3	50	36	280	0	10	20	120	3260	2	229	0.00	0.27	0.87	1.21	0.27	0.04	0.02
P-2-103	25	0.001	0.2	46	2	0	0	47	14	20	10	0	0	0	1	227	3	0	36	210	0	10	20	60	860	2	59	0.00	1.11	1.10	1.21	0.97	0.09	0.01
P-2-104	30	0.001	0.0	28	2	0	0	13	12	34	5	0	0	0	2	160	5	0	35	370	0	10	20	150	950	2	42	0.00	0.80	0.21	1.26	0.39	0.14	0.01
P-2-105	50	0.001	0.2	56	4	0	0	9	6	8	17	0	0	0	1	161	4	0	36	200	0	10	20	80	360	1	59	0.00	0.37	0.07	1.14	0.29	0.04	0.01
P-2-106	0	0.000	0.0	38	6	0	0	12	4	32	2	0	0	0	3	127	5	0	29	470	0	10	20	485	840	2	57	0.00	0.55	2.11	1.06	0.31	0.19	0.01
P-2-107	0	0.000	0.0	4	0	0	0	11	0	6	2	0	0	0	1	235	4	0	4	180	0	0	60	180	0	49	0.00	0.14	0.39	0.46	0.03	0.08	0.01	
P-2-108	0	0.000	0.0	56	10	0	0	19	12	40	5	0	0	0	2	120	6	0	33	320	0	10	20	110	1070	2	190	0.00	0.52	0.36	1.23	0.32	0.08	0.00
# Samples	60																																	
Maximum	55	0.002	1.4	106	10	19	10	79	50	178	318	10	4	4.5	9	404	24	70	2500	1.5	20	70	845	10000	3	849	0.04	3.11	14.58	2.13	1.82	0.43	0.18	
Minimum	0	0.000	0.0	0	0	0	0	3	0	4	0	0	0	0	0	8	0	0	2	50	0	0	5	40	0	13	0.00	0.14	0.02	0.25	0.03	0.00	0.00	
Average	9	0.000	0.1	38	2	1	0	12	12	28	15	0	0	0.1	1	141	4	3	26	407	0.1	6	27	121	1036	1	109	0.00	0.62	1.15	1.08	0.42	0.11	0.02
Std Dev	15	0.000	0.3	23	2	2	1	11	8	27	41	1	1	0.6	1	84	4	11	17	503	0.2	6	18	138	1731	1	143	0.01	0.51	2.58	0.42	0.30	0.09	0.03

Samples analyzed by Chemex Labs Ltd, Certificates A9214038 and A9215821  
 Au analysis - 30 g FA-AAS  
 All other elements - ICP-AES

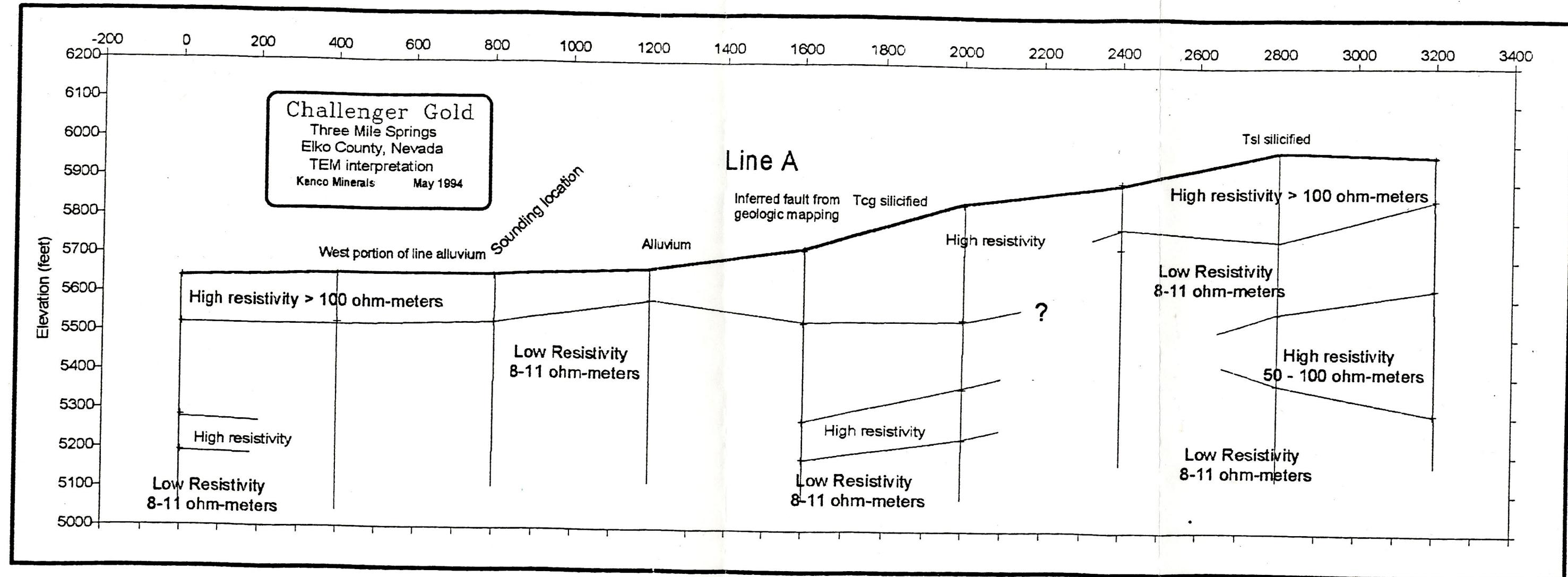
## THREE MILE SPRING PROSPECT, ELKO COUNTY, NEVADA - 1992 ROCK DESCRIPTIONS

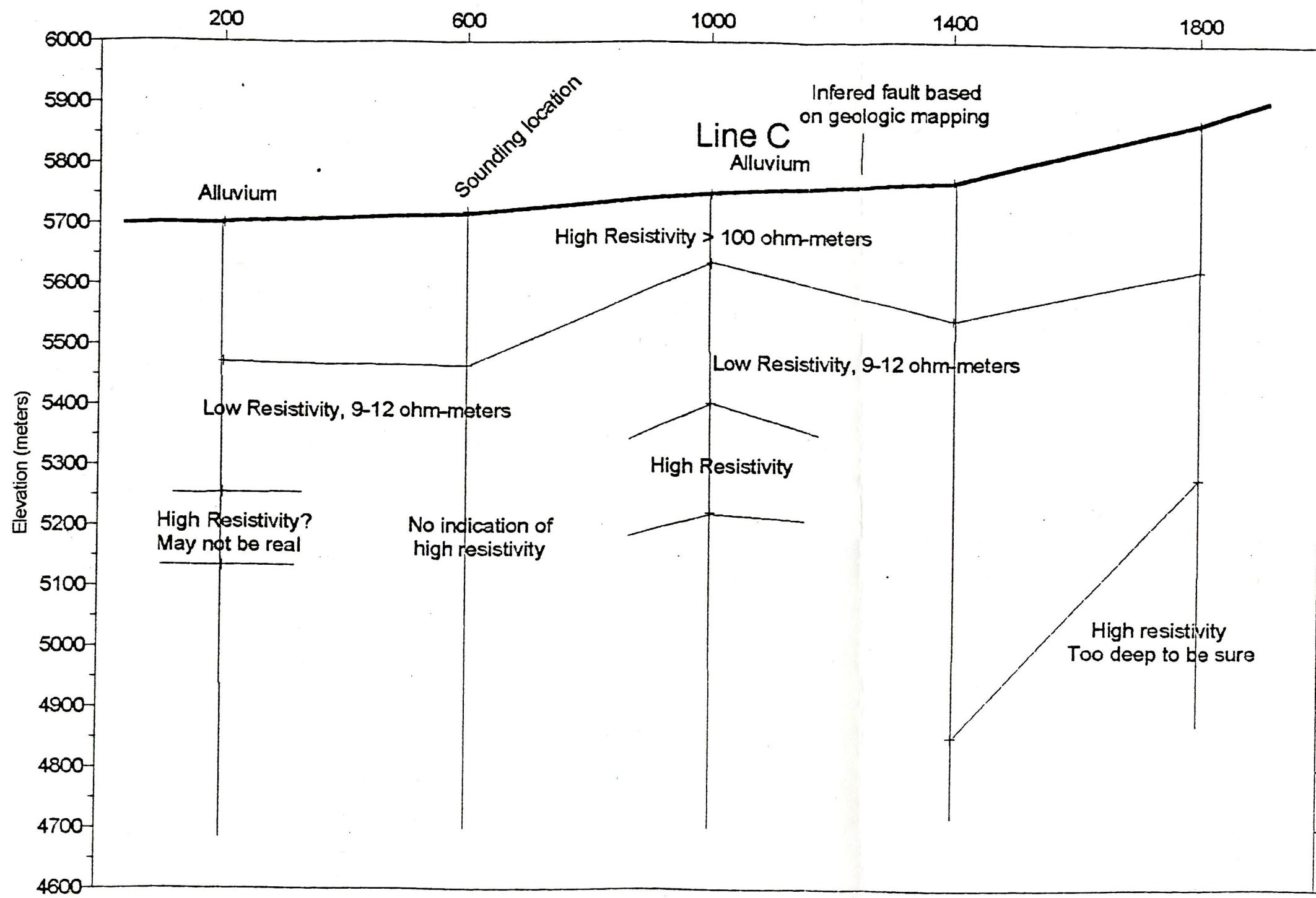
Sample Number	Sec	Twnsp Range	Description
P-2- 49	21	38N 62E	Conglomerate, tan-lt green, str silic, mod lim staining, minor drusy qtz in vugs, cut by abundant 1/4" qtz veins
P-2- 50	21	38N 62E	Quartz vein (up to 1.5'), massive to bladed, mod lim staining, tr pyrite, min clays in vugs
P-2- 51	21	38N 62E	Quartz vein, 2-5' wide, generally massive with minor bladed, mod -str limonite
P-2- 52	20	38N 62E	Prospect pit, conglomerate, str silic, mod limonite staining, mod bladed quartz
P-2- 53	21	38N 62E	Conglomerate, str silic, str lim staining, abundant drusy quartz in vugs and fractures
P-2- 54	21	38N 62E	Siltstone, white to it tan, wk silic, str limonite staining
P-2- 55	21	38N 62E	Siltstone, grey, str silic, 2% pyrite
P-2- 56	21	38N 62E	Siltstone, dk grey, str silic, str limonite staining, tr pyrite, minor quartz veins
P-2- 57	21	38N 62E	Siltstone, dk grey, str silic, str lim staining, 2-3% pyrite, minor quartz veins
P-2- 58	21	38N 62E	Siltstone, grey, str silic, str limonite staining, 2-5% pyrite, abun quartz stringers with minor quartz veins up to 2"
P-2- 59	21	38N 62E	Siltstone, tan-brown, str silic, mod lim staining, wk to mod Fe-banding
P-2- 60	21	38N 62E	Siltstones, grey, str silic, str lim staining, drusy quartz in abundant vugs
P-2- 61	21	38N 62E	Siltstone, lt grey, str silic, local str limonite staining, up to 2% pyrite
P-2- 62	28	38N 62E	Conglomerate, str silic, mod lim staining, common quartz veining with local bladed quartz
P-2- 63	16	38N 62E	Siltstone, white, unsilic with local wk silic layers, str limonite stained zones, soft
P-2- 64	16	38N 62E	Prospect pit, siltstone, white, mod to str silic, grey silic 1/4"-1/2" layers with 2-3% pyrite
P-2- 65	16	38N 62E	Siltstone-sandstone, str silic, mod to str lim staining
P-2- 66	16	38N 62E	Sandstone-siltstone, white, yellow and red layers, mod silic, local str lim (yellow) and hematite (red)
P-2- 67	16	38N 62E	Sandstone-siltstone, tan to it brown, mod to str lim staining, minor Fe-banding
P-2- 68	16	38N 62E	Conglomerate, coarse cobbles, str silic, mod lim staining, local drusy quartz lining vugs
P-2- 69	16	38N 62E	Sandstone, tan to it reddish brown, mod to str silic, str hem staining locally, str Mn-staining
P-2- 70	16	38N 62E	Sandstone, white to it tan, unsilic with rare thin silic bedding layers, local str lim along fractures, v str hem and lim banding
P-2- 71	16	38N 62E	Sandstone, white to it tan, wk to locally mod silic, str lim along fractures, v str Fe-banding
P-2- 72	21	38N 62E	Conglomerate, wk silic, mod lim staining, mod interbedded sandstone
P-2- 73	21	38N 62E	Siltstone-sandstone, tan-brown, rare silic layers, mod lim staining, rare Fe-banding
P-2- 74	21	38N 62E	Sandstone-siltstone, white to tan, mod to str silic, locally str lim staining, local Fe-banding
P-2- 75	21	38N 62E	Siltstone-sandstone, yellow-brown to tan, unsilic with minor silic along fine layers, str lim staining, minor Fe-banding assoc with Silic
P-2- 76	16	38N 62E	Sandstone, yellow-brown to red, locally str silic, mod to str lim staining, local Fe-banding, str Mn-staining
P-2- 77	5	37N 62E	Siltstone, green, wk to mod silic, str lim bands parallel to bedding
P-2- 78	5	37N 62E	Siltstone, green, mod to str silic, rare lim staining with wood fragments
P-2- 79	5	37N 62E	Siltstone, green, wk to mod silic, cut by abundant drusy veinlets perp to bedding
P-2- 80	32	38N 62E	Siltstone, white to it brown, mod to str silic, rare lim staining, cut by opaline silica stringers
P-2- 81	32	38N 62E	Siltstone, green, varible mod to str silic, local opaline silica
P-2- 82	16	38N 62E	Siltstone, white, tan and lt red, mod to locally str silic, minor eg layers
P-2- 83	16	38N 62E	Siltstone, grey to tan, str silic, str Fe-banding
P-2- 84	16	38N 62E	Conglomerate, grey to orange-brown, str silic
P-2- 85	16	38N 62E	Siltstone, grey to red, str silic, Fe-banding parallel to bedding
P-2- 86	16	38N 62E	Conglomerate, grey, str silic, mod limonite staining
P-2- 87	16	38N 62E	Siltstone, grey, v str silic, mod lim staining, 1/4" quartz veins common, some drusy
P-2- 88	9	38N 62E	Siltstone, grey to tan, mod to str silic, str limonite staining, str local Mn-stained
P-2- 89	9	38N 62E	Siltstone, grey to dk grey, str silic, Fe-banded slickensides present on flat surface
P-2- 90	16	38N 62E	Siltstone, pink to pinkish grey, generally unsilic with local bedding layers of mod to str silic, str lim staining, Fe-banding common, tr Mn-staining
P-2- 91	16	38N 62E	Siltstone, grey to tan, wk to unsilic, mod to str limonite staining, minor str silic layers
P-2- 92	16	38N 62E	Conglomerate, generally unsilic, str lim staining
P-2- 93	16	38N 62E	Sandstone to conglomerate, pink to lt red, mod to str silic
P-2- 94	9	38N 62E	Conglomerate, brown to grey, str silic, opaline silica veins throughout mostly in matrix
P-2- 95	17	38N 62E	Siltstone, grey to lt green, str silic, str limonite staining
P-2- 96	17	38N 62E	Siltstone, grey to lt green, str silic, str limonite staining
P-2- 97	8	38N 62E	Conglomerate, grey, str silic, mod lim staining
P-2- 98	8	38N 62E	Siltstone, tan to grey, unsilic to locally mod silic, str limonite staining
P-2- 99	21	38N 62E	Conglomerate, grey to light red, str silic
P-2- 100	21	38N 62E	Siltstone, grey to orange, str silic, str to mod lim staining and banding

## THREE MILE SPRING PROSPECT, ELKO COUNTY, NEVADA - 1982 ROCK DESCRIPTIONS

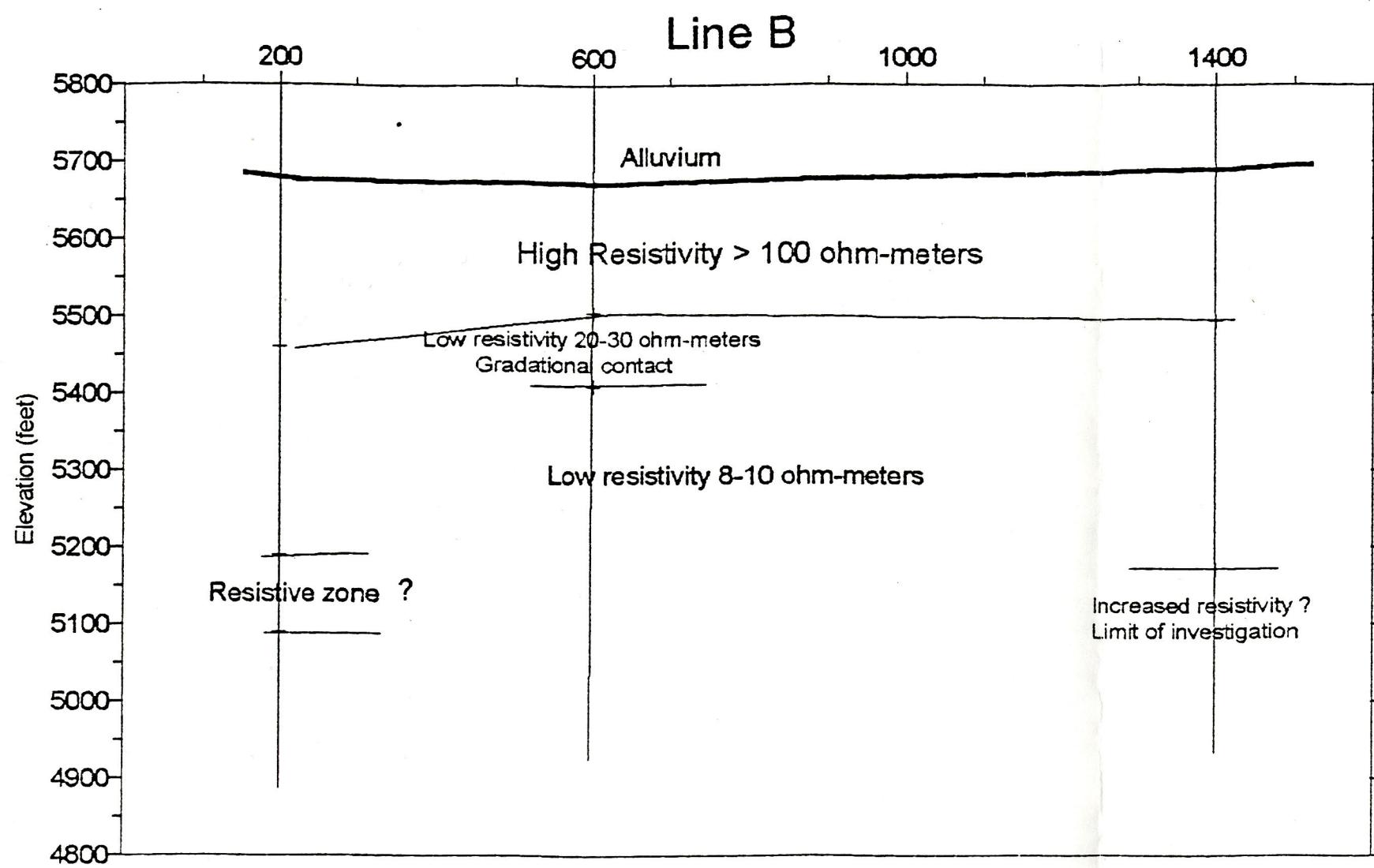
Sample Number	Sec	Twnsp	Range	Description
P-2-101	20	38N	62E	Conglomerate, grey, str silic, mod limonite staining
P-2-102	21	38N	62E	Siltstone, grey to reddish-grey, str silic, str lim staining, minor pyrite
P-2-103	21	38N	62E	Siltstone, grey to greenish-grey, str silic, str ilmenite staining, tr pyrite, local Fe-banding
P-2-104	16	38N	62E	Sandstone and conglomerate, minor silic, wh lim staining, not strongly cemented
P-2-105	21	38N	62E	Conglomerate, grey, str silic, mod to str lim staining
P-2-106	16	38N	62E	Conglomerate, grey, unsilic, mod limonite staining
P-2-107	16	38N	62E	Siltstone, lt brown-tan, str silic, minor limonite staining, local v fine-grained drusy quartz veinlets
P-2-108	16	38N	62E	Conglomerate, str silic, local str limonite staining

# of Samples      60





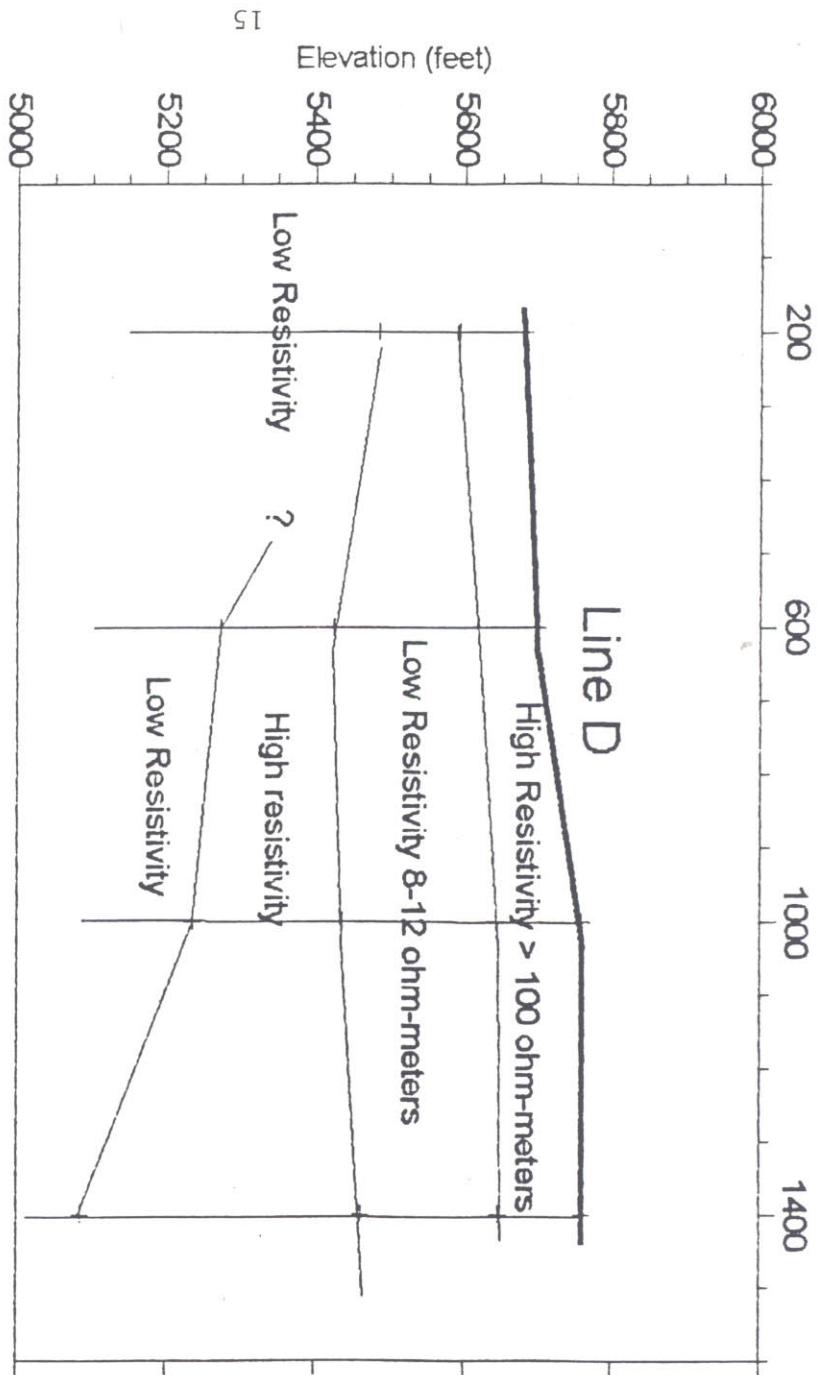
Challenger Gold  
Three Mile Springs  
Elko County, Nevada  
TEM interpretation  
Kenco Minerals May 1994



Challenger Gold

Three Mile Springs  
Elko County, Nevada  
TEM Interpretation


Kenco Minerals May 1994



Challenger Gold  
Three Mile Springs  
Elko County, Nevada  
TEM Interpretation  
Kenco Minerals May 1994

R 62 E

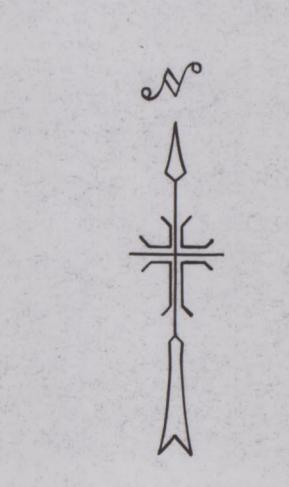



**EXPLANATION**

Quaternary	Qal Alluvium
Qt	Talus
Qhs	Hot Spring Deposits
Tertiary	Tsl Sillstone
Tcg	Conglomerate

**SYMBOLS**

- (O) Extent of Outcrop
- (—) Fault, dashed where inferred dotted where covered
- (•) Silicification, increased density of dots corresponds to increased silicification
- (X) Prospect pit
- (X<sup>37</sup>) Strike and dip of bedding
- (Y) Proposed drill hole


 SCALE 1"-500'  
0 500 1000 1500 Feet

**LEXAM EXPLORATIONS (U.S.A.) INC.**  
**THREE MILE SPRING PROSPECT**  
Elko County, Nevada  
**GEOLOGIC MAP**

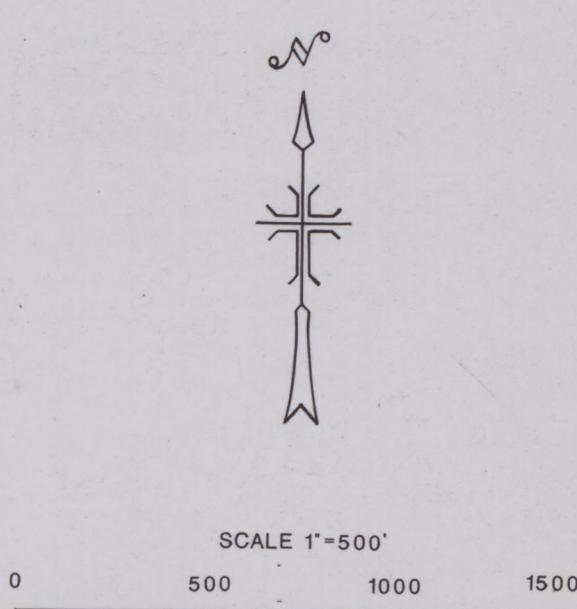
DATE March 1995	SCALE 1"-500'	MAP BY JLP
		PLATE 3

EIKO COUNTY GENERAL  
ITEM 128  
00500088

R 62 E

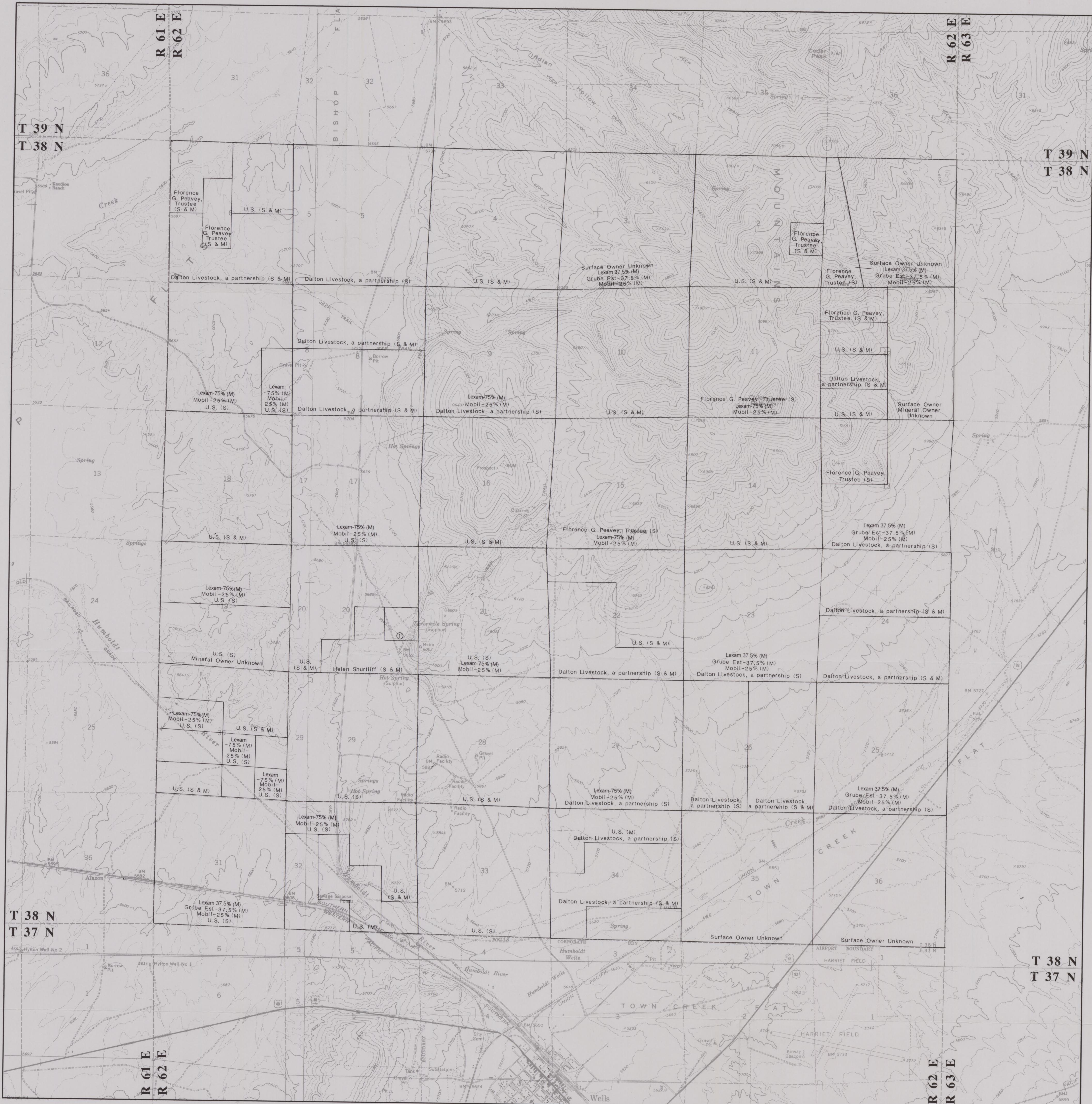
**EXPLANATION**

- ≥50 ppb Au
- 40-49 ppb Au
- 30-40 ppb Au
- <30 ppb Au



LEXAM EXPLORATIONS (U.S.A.) INC.		
THREE MILE SPRING PROSPECT		
Elko County, Nevada		
GOLD IN ROCKS (ppb)		
DATE March 1995	SCALE 1"-500'	MAP BY JLP
PLATE 5		

ELKO COUNTY GENERAL  
ITEM 128  
00500088



## EXPLANATION

① Victor D. Fulk & Wm. V. Rodriguez 5/8 (S)  
Sharon Bradley W. Lester & Dorothy Agee  
Thelma LeMaire Esther Teressa Boies 1/4 of 3/8 each (S & M)  
Faye C. & Anne E. Barger 5/8 (M)

Florence G. Peavey, Trustee  
Weis, Nevada  
(702) 752-3671

Dalton Livestock, a partnership  
Weis, Nevada  
Brad (son) (702) 752-3817  
D. Vernon (father) 752-3498

Helen Shurtliff  
494 West Main Street  
South Vale, Oregon 97918



Scale: 1:24,000  
0 2000 4000 6000 FEET

## LEXAM EXPLORATIONS (U.S.A.) INC.

### THREE MILE SPRING PROSPECT

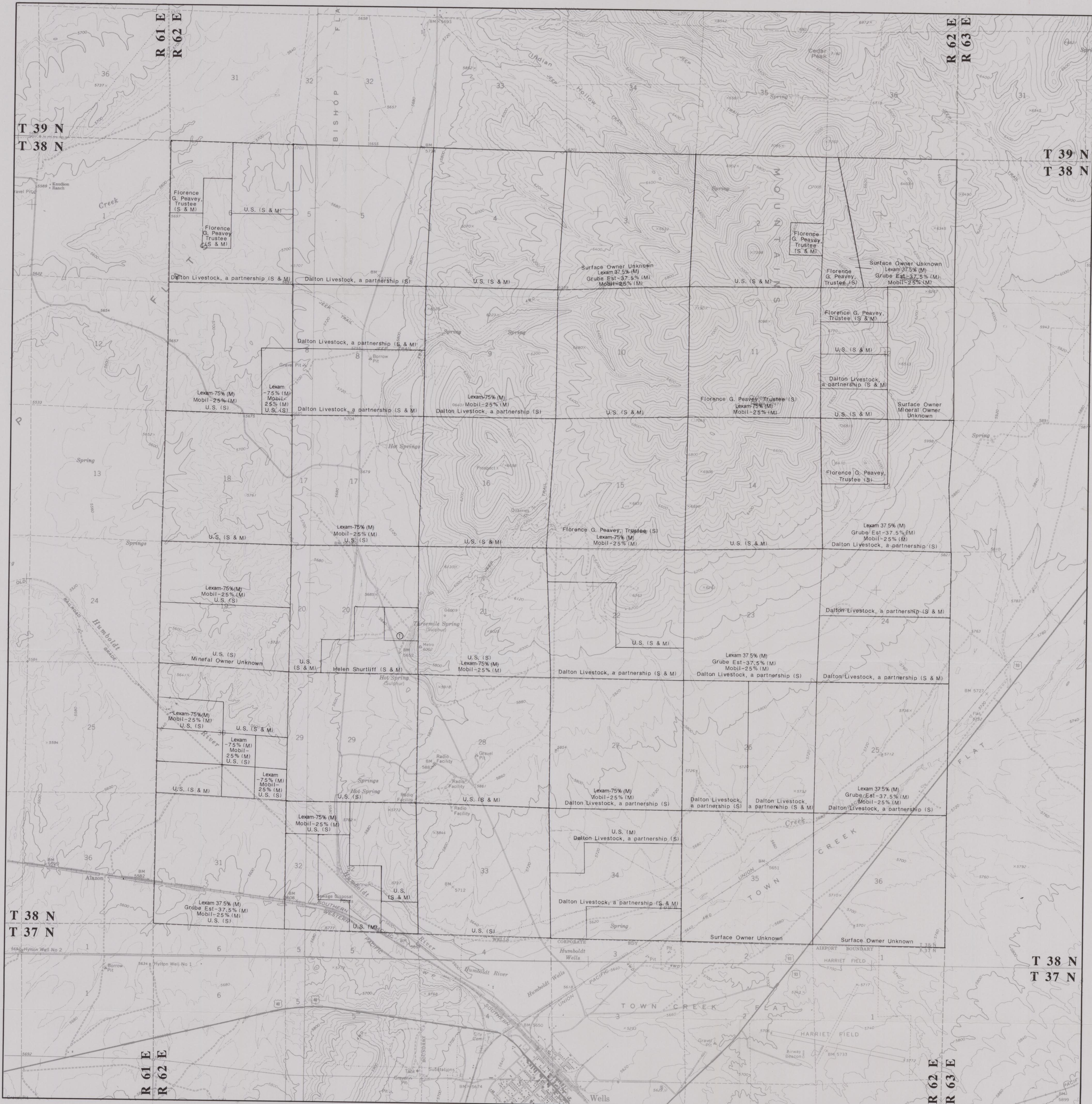
Elko County, Nevada

### SURFACE & MINERAL OWNERSHIP

DATE	SCALE	MAP BY
March 1995	1"=2000'	PLATE 2

EIKO COUNTY GENERAL  
ITEM 128

00500088



## EXPLANATION

① Victor D. Fulk & Wm. V. Rodriguez 5/8 (S)  
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494 West Main Street  
South Vale, Oregon 97918



Scale: 1:24,000  
0 2000 4000 6000 FEET

## LEXAM EXPLORATIONS (U.S.A.) INC.

### THREE MILE SPRING PROSPECT

Elko County, Nevada

### SURFACE & MINERAL OWNERSHIP

DATE	SCALE	MAP BY
March 1995	1"=2000'	PLATE 2

EIKO COUNTY GENERAL  
ITEM 128

00500088