

0730 0008

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Item 7

## HIGHWAY GROUP OF CLAIMS

### -----Geographical Location-----

The above mining claims are situated in the Broken Hills Mining District, Churchill County and near the Mineral County line.

Fifty miles south is the town of Luning, on the Southern Pacific Railroad and about 58 miles Northwest is the city of Fallon on a branch line of the Southern Pacific Railroad, these are the nearest shipping points.

A good road connects these points with the mine. Truck freight is about \$4.00 per ton -- Railroad freight rates according to the class of ore shipped, from \$3.20 to \$14.00 per ton.

### -----Surface Extent of Property-----

The property consists of six full claims. These claims are known as the Highway, Highway #1, Highway #2, Lodi #1, Lodi #2, and Lodi #3.

The mines are located about four miles Northwest of the town of Broken Hills, where the famous mine by that name is situated.

The altitude of the mines is about 5500 ft.

### -----Title-----

The property is held by right of discovery and location; the claims have been monumented and recorded in the Book of Mines at County seat.

All discovery and assessment work, required by law to obtain and perfect title has been performed up to date.



## Highway Group Mines Report

### -----Geological Formation-----

The country rock, in general consists of Monsonite, Malapai and sedimentary rocks, with intrusions of porphyry, diorite, andesite and reefs of shale and dykes of Hematite, calcite.

Faulting and fissuring of the formation: Upheaval of monsonite together with intrusions of porphyry and diorite in the limestones and other sedimentaries have caused immense fractures and veins in the monsonite and contact fissures or cavities along the junctions of the igneous and sedimentary rocks; it is in these fissures that the ore occurs.

The faulting and fissuring, caused by the upheaval of the sedimentaries by the igneous rocks is so extensive and the general mineralization of the fissures, fault planes and contacts so pronounced that unquestionably the ore deposits of this section extend to great depths.

The limestones have a decided dip of several degrees to the east in places, but in most places dips to the west.

On the Highway claims, the limestone, in places forms the hanging wall and in other places forms the foot wall. This is shown very plainly in what is known as the main shaft, one contact dipping to the east and one to the west.

This shaft was started at the top of the hill, also the apex of the upheaval of the andesite. This shaft shows both contacts very plain, with a streak of ore in each contact. The east contact dips about 45 degrees and the west contact about 55 degrees. It is from these contacts that some high grade has been shipped.



West of the main shaft is a large cropping of quartz, showing some lead and silver chlorides. It is here that the limestone forms the foot wall, with andinite forming the hanging wall. This quartz is fully fifteen feet wide, opened by an open cut across the vein. A splendid place for development by sinking a shaft.

This quartz cropping shows every indication of a large and rich ore body.

The limestone is very heavily mineralized with iron and manganese.

These contacts have a bearing of from N. 22 degrees East to North 35 degrees East, while the contacts east of main shaft have a bearing of N. 20 degrees West, with several quartz ledges along contact and adjacent to contact in the limestone. This contact, at a point about the north end line of Highway seems to strike considerable more West, thus assuring a junction with the contacts west that bear to the east.

#### -----Development-----

The development consists of numerous shallow shafts, open cuts, and short tunnels.

What work has been done shows pay ore in all places sufficient to warrant further development with a very good chance of opening up a paying mine.

On what is known as East contact or vein some very high grade ore has been opened up going as high as \$800.00 per ton. There is also a good grade of milling ore shown-----Twenty to Fifty dollar ore.

On one of these ledges a forty-five foot tunnel has been driven, the ledge showing strong its entire length.

The East contact on the north end of the Highway claim has a good showing of quartz well filled with ore, some very high grade. The contacts are highly metamorphised and show a heavy mineralization their entire length.



-----Climate-----

The climate is such that continuous operation can be carried on the entire year.

-----Labor-----

There are plenty of good American miners available. The wage scale is about the same as in the Tonopah District.

-----Shipments and Assays-----

There has been small shipments made by owners, which gave the following:

No.1 Gold .04, Silver 31.7 Oz. Lead 30% Copper .6%  
 No.2 Gold .04, Silver 279.10 Oz. Copper 5.5%

The following are some of the assays:

	Gold	Silver	Lead	Copper
No.1	.04	252.10 Oz.		7.1%
No.2	.05	776.10 "		12.54%
No.3	.04	38.00 "	18.60%	
No.4	trace	5.00 "	6.20%	
No.5	.54	125.20 "	29.40%	2.3%
No.6		33.00 "	46.00%	
No.7	.12	107.50 "		
No.8	.03	5.42 "	14.10%	
No.9	.16	40.00 "	34.00%	
No.10		14.60 "	17.10%	

continued -



	Gold	Silver	Lead	Copper
No.11		7.60 Oz.	24.40%	
No.12		8.10 "	10.80%	
No.13		6.80 "	11.10%	

No's 6, 10, 11, 12, and 13 are not assayed for gold or copper  
 " 7 not assayed for lead  
 " 8, 12, 13 sampled through dirt, waste, rock through vein;  
 sampled 4 to 2 cut in 4s two thrown out cut in thirds.

-----Conclusion-----

In conclusion I wish to state:  
 Taking in consideration the strong, highly mineralized  
 contacts and veins, having proven themselves by shipments  
 of good ore and by numerous assays, I can see no reason  
 why the property should not develop into a good producing  
 mine.

I do not hesitate in recommending the property for  
 development.

Respectfully submitted

Signed-----