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Item 153

SISKON CORPORATION

ASSETS

March 22, 1982

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SUMMARY

Hanna Mining Company acquired 100% of the Siskon Corporation by purchase of shares in 1981.

On the following pages is a brief description of the mining properties which represents the major portion of the company's assets.



# CENTRAL COMSTOCK

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Siskon's Central Comstock property consists of a group of claims and fee lots, totalling 148 acres covering the southcentral portion of the historically famous Comstock Lode in Virginia City, Nevada. The property is currently under lease to United Mining Corporation, who are presently engaged in underground exploration and development of a reserve of low-grade silver-gold ore left in the walls and as back-filling of stopes originally mined in the 1870's and 1880's. Detailed underground exploration by Goldfield Consolidated in the 1920's indicates a reserve of 6,700,000 tons grading around 0.104 oz. Au and 2.66 oz. Ag per ton on Siskon ground down to the 580 foot level.

\$509.17  
gross  
metal  
value

$$.104(525) + 2.66(9) = 75.94 ; \quad \times 6.7 = \$508.8$$

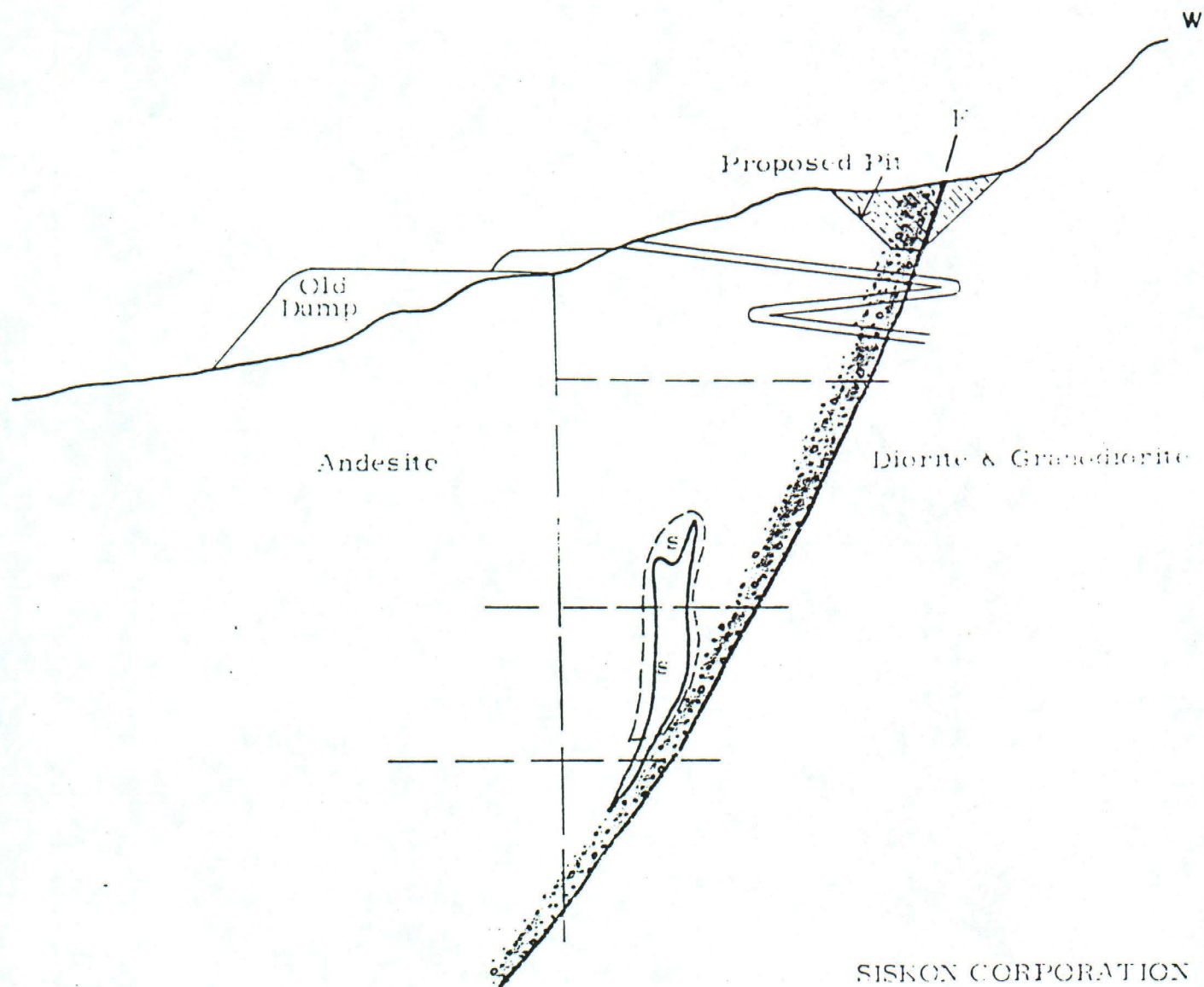
The proposed mining operations lie beneath the town of Virginia City, and the ore will have to be mined by cut-and-fill methods in order to prevent subsidence of the surface. Mining costs are likely to be high, and it is possible that a substantial portion of the near-surface reserve may not be recoverable at present metal prices.

United Mining does not presently have access to a mill to treat ore from its mine. United is currently negotiating for the purchase of the nearby Houston International cyanide mill. Given this mill, United could possibly connect with and rehabilitate an old (1930's) haulage level 100 feet or so below the present bottom level of the New Savage mine that would provide easy access to a point just below the Houston mill. Ore haulage on this level would avoid a surface haul over a steep, congested state highway, but rehabilitation of the level would probably take at least a year.

If United is successful in acquiring the Houston mill, trial mining could conceivably begin during the latter half of 1982, but sustained production at a 500 tpd rate is unlikely before 1983.

Siskon's arrangement with United Mining calls for an 8% net smelter return royalty.





# SECTIONAL VIEW - LOOKING SOUTH



## SISKON CORPORATION CENTRAL COMSTOCK PROPERTY

Diagrammatic Geology  
&  
Mine Workings

0 500 1000  
FEET

-  Comstock Fault
-  Mineralized Fault-zone
-  Old Workings; stope on  
high-grade vein
-  Ramp or Decline  
(Proposed)