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ItemBRIEF:EASTER GOLD PROSPECT
LINCOLN COUNTY, NEVADAFile: NJ-11-09-14-0-001
Brief #1: Dated 3/16/82

PROPERTY: J. W. Cole & Ester Cole are sole owners of 22 unpatented mining claims (approx. 440 acres) in Lincoln County, Nevada. Coastal Mining Co. has a 70 year lease dated 13 August, 1981, whereby Coastal does annual assessment work, pays Coles a minimum royalty of \$5,000 on 8/13/82, \$10,000 on 8/13/83 and \$20,000 thereafter. Annual payments are made quarterly and are applied against the earned royalty (paid quarterly) of 7% of net mint returns to an end price of \$500,000. Lease is assignable by either party. Coastal can terminate at any time following completion of 1981-82 assessment obligations.

GEOLOGY: An east-west trending fault zone in Tertiary volcanic rocks which has been silicified and brecciated over widths of up to 200' can be traced for approx. 8000'. This fault zone dips 45-60 deg. north. Gold mineralization within the silicified zone varies from 0.15 oz. Au over 15'-20' to .08 oz. Au and .62 oz. Ag over 126'. These grades come from shallow drill holes and underground workings which indicate an open pit reserve of .75mm tons of .077 oz. Au and .7 oz. Ag at a stripping ratio of 5:1, waste:ore. Within this reserve at zero stripping is .29mm tons at .105 oz. Au and .66 oz. Ag. Potential to increase these reserves to 1.5mm-3.0mm tons is good.

In addition to the open pit reserves there exists underground potential as indicated by an ore intersection in the only deep drill hole, 15' of .14 oz. Au and 1.8 oz. Ag at 700' depth. Fluid inclusion work carried out by Phelps Dodge suggests that the bulk of the gold was probably deposited at depths of 1500'-2000' possibly in the Prospect Mtn. quartzite. This environment is similar to the Delamar Mine, 4 miles to the west, which has produced 217,000 oz. Au and 420,000 oz. Ag.

METALLURGY: Preliminary bottle/column leach tests indicate that a conventional cyanide mill is required with 90% and 70% anticipated recoveries for Au and Ag respectively.

WORK-TO-DATE: Geophysical (EM) and geochemical surveys are being run to better define the extent and more favorable parts of the fault zone. EM survey is in progress and geochem results are pending but both seem to be achieving meaningful and positive results. Additional claims are being staked in Coastal's name to protect our interests at the east end of the zone.

WORK SCHEDULED: Drilling of 2 1500' holes to confirm the underground potential and 6 500' holes to verify and expand the open pit reserve. Drilling is scheduled to begin in mid-April, 1982, run for 2 months at a cost of \$108,000 for drilling, \$3,000-\$6,000 including assaying (Hanna Research Lab) and \$15,000 in overhead charges.

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COMMENT: Cole-Coastal deal is an excellent deal for Coastal (low holding costs, no work commitment beyond assessment work and an end price) which means we can afford to hang on to this one until the gold price is right.

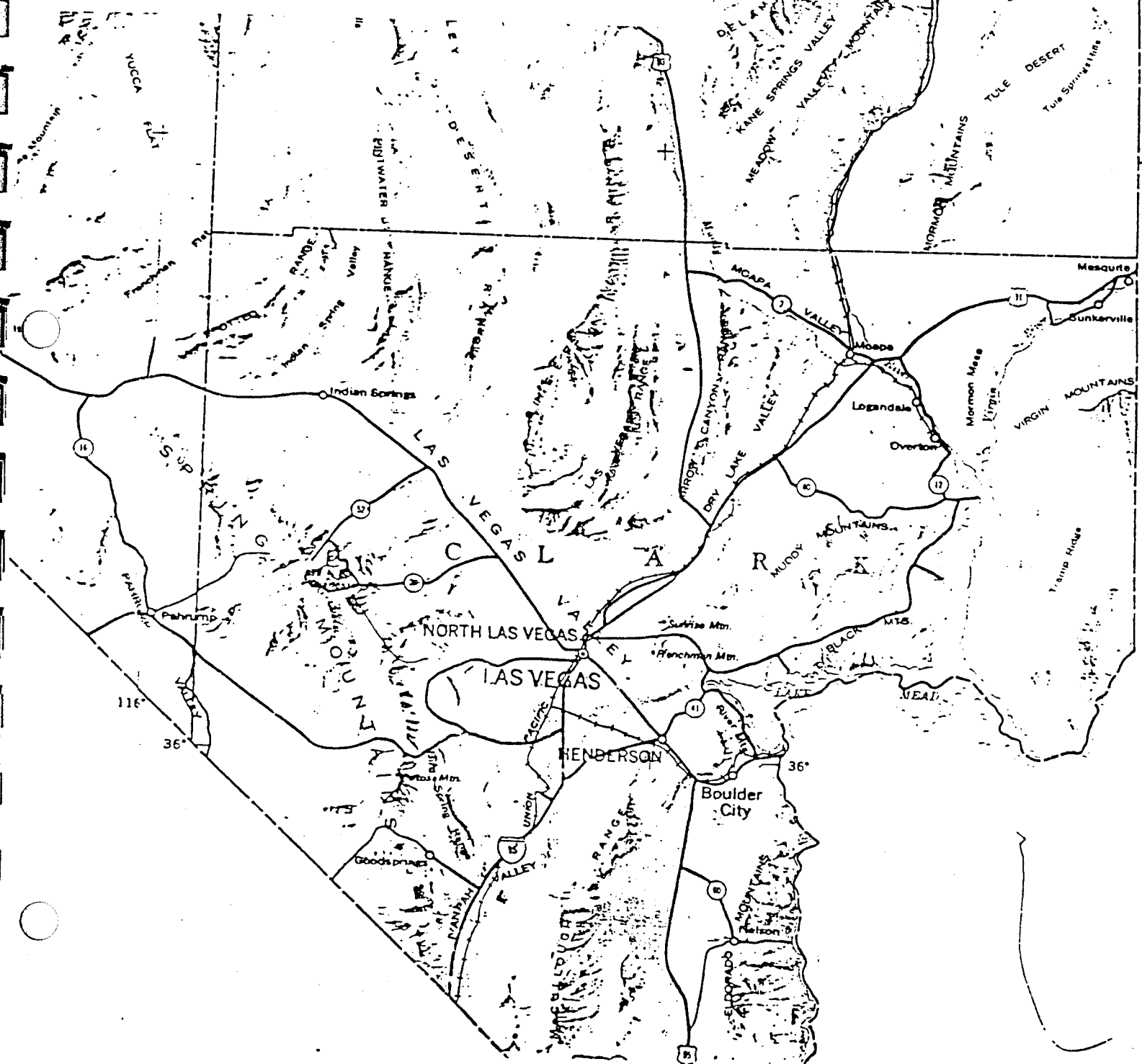
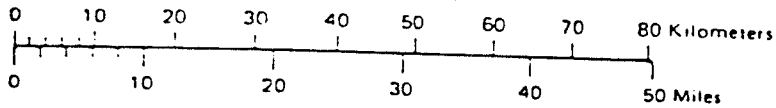
RECOMMENDATIONS: The Easter has two targets of stage II rating worthy of a phase II drill program. Analysis of the EMV's indicate we should drill this one ourselves if the gold price is above -\$400./oz.

LOCATION MAP

Easter Gold-Silver Project
Lincoln County, Nevada

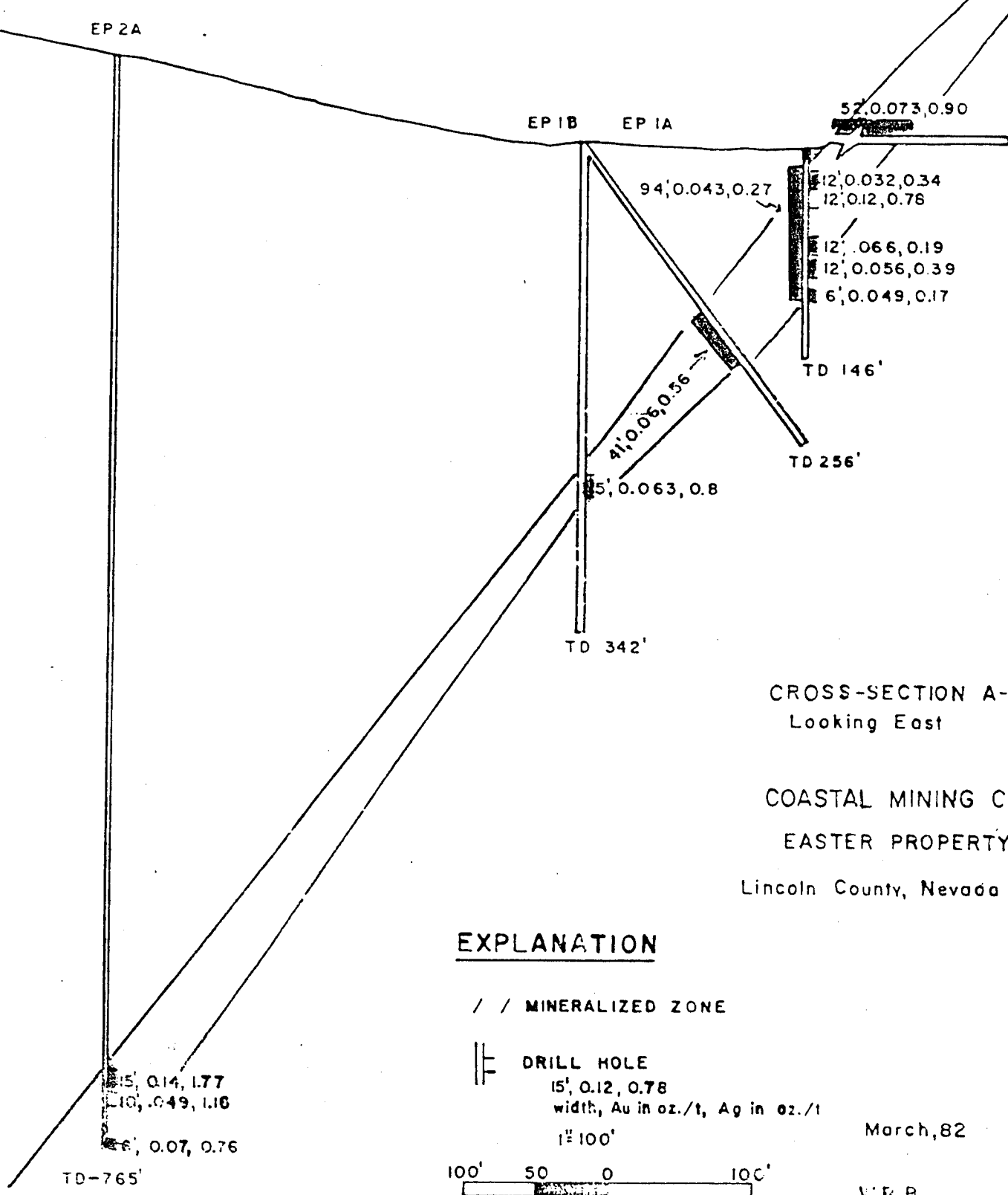


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OREGON

IDAHO

CALIFORNIA

UTAH

ARIZONA

EXPLANATION

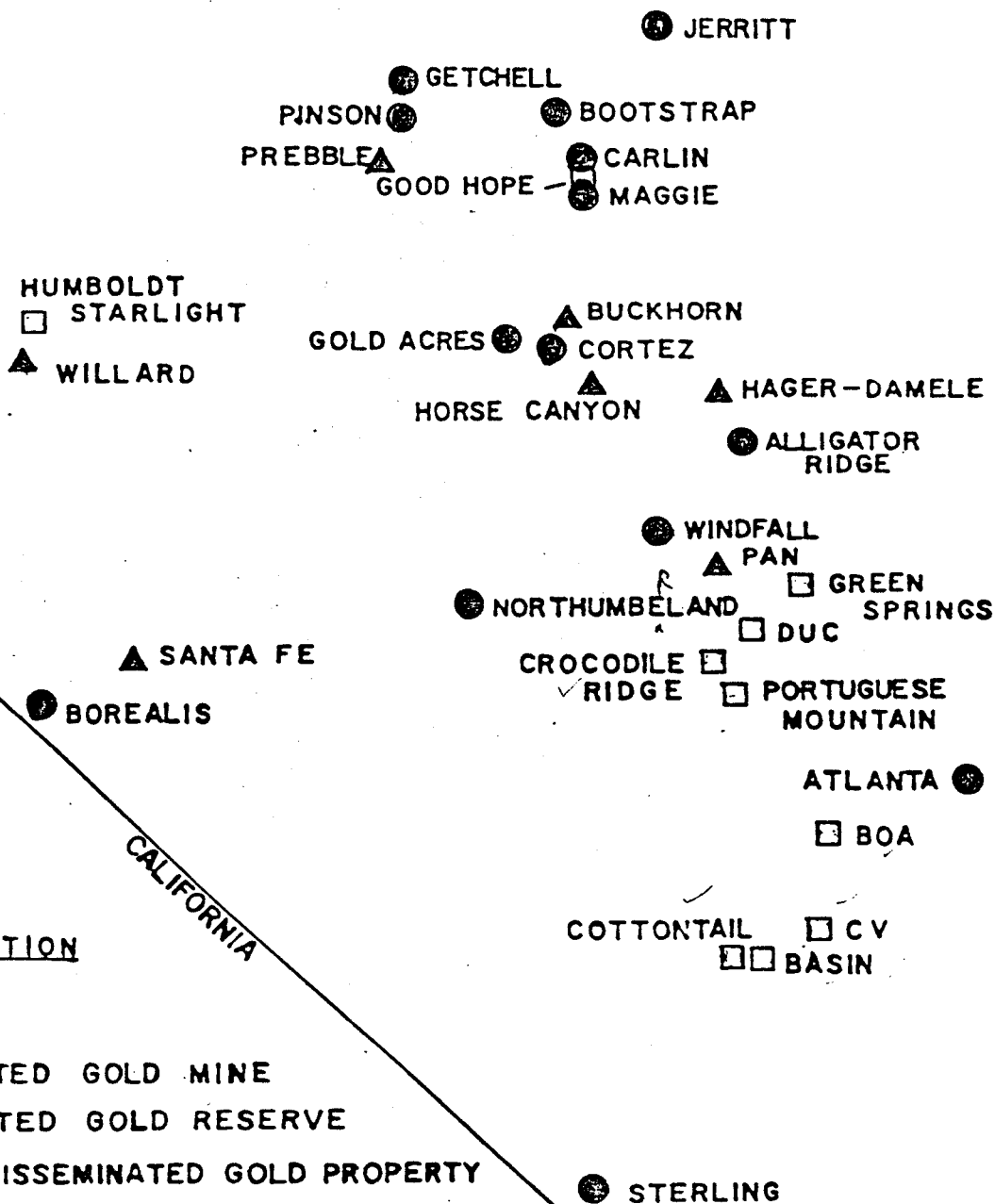
- DISSEMINATED GOLD MINE
- ▲ DISSEMINATED GOLD RESERVE
- COASTAL DISSEMINATED GOLD PROPERTY

HANNA-COASTAL MINING CO.

NEVADA
DISSEMINATED GOLD
SUMMARY MAP



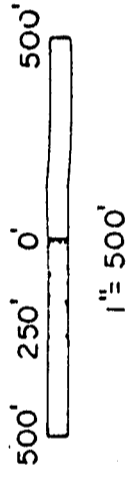
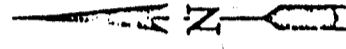
MARCH 1982



COASTAL MINING CO.

EASTER PROPERTY

Lincoln County, Nevada



Tv Tertiary volcanic rocks

Vein & silicified Zone

Fault

Vein attitude

Drill hole

Prospect

Boundary of property

Silicified Zone partially covered

Area of 900,000
ton drill-indicated
reserve

Tv

Tv

Tv

Tv

Tv

57

50

50

8

65

65