

FMC Corporation

Industrial Chemical Group
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Item 19



BACKGROUNDER

PARADISE PEAK GOLD AND SILVER MINE

On April 24, 1986 the first gold and silver bars were poured at FMC Corporation's Paradise Peak Mill. This event was the culmination of an effort which began in mid 1983 with the discovery by FMC geologists of the 12 million ton ore deposit containing 1.1 million ounces of recoverable gold and 30 million ounces of recoverable silver. The deposit is located eight miles south of Gabbs, Nevada on 50 square miles of claims on Federal Government land administered by the Bureau of Land Management and controlled by FMC Corporation.

Development of the project started in early 1984 when Davy McKee Corporation of San Ramon, California, an internationally known engineering firm, was selected to design and construct the processing facility. Construction commenced on January 2, 1985 and was completed two and a half months ahead of schedule and considerably below budget.

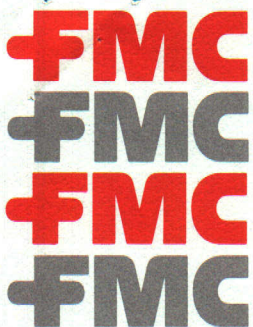
The mine is at an elevation of 5,500 feet, one mile from the mill complex. It operates 2 shifts, 5 days a week. Open-pit mining methods are used to extract the ore. Before active mining began, a mine plan was developed based on the data collected over a three year period. Geological information and drill data were analyzed by a computer to produce economical pit limits for various gold/silver prices. Pit walls, safety benches and haul roads were designed for maximum efficiency and safety. As additional information becomes available, through further exploration and active mining, the mine plan will be refined and updated.

The mill will operate at 4,000 tons per day grinding capacity. The ore will be crushed to a size of 100 mesh and then leached in sodium cyanide solution. The slurry of liquid and rock will be separated to remove the rock from the gold-laden liquid. The liquid will be further treated in our refinery to remove the gold and silver in a form which can be mixed with fluxes and smelted in a furnace equipped with a tilting device used for pouring. The melted furnace charge is poured into cast iron slag pots and cooled. After cooling, the slag is broken away leaving the doré button. The doré will be approximately 96% by-weight of silver and 3.5% by-weight of gold. Mill operators and laboratory technicians track

every stage of the process. The doré bullion is weighed, assayed, boxed, and will be sold to foreign refineries.

The operation employs 185 people who live in the surrounding communities of Hawthorne, Gabbs, Fallon, Tonopah, Mina and Luning. Production from the facility will average 100,000 ounces of gold and 3.5 million ounces of silver per year. Further exploration is being conducted by FMC geologists in an effort to expand the reserves of this the seventh largest precious metals reserve in the nation.

FMC Paradise Peak Corporation is a wholly-owned subsidiary of FMC Corporation



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News Release

For Release June 28, 1986

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FMC DEDICATES PARADISE PEAK GOLD AND SILVER MINE

Gabbs, NV, June 28, 1986--"The mill and processing plant you see here result from the hard work and creative efforts of many individuals in this audience," said Robert H. Malott, FMC Corporation chairman of the board and chief executive officer, as he greeted more than 800 guests, including Governor Richard H. Bryan, present for today's dedication of FMC's Paradise Peak gold and silver mine.

Malott noted that the collective skills and dedication to excellence of company employees, customers, contractors and suppliers, along with the support of state and community leaders, resulted in the new mine and processing mill starting operations ahead of schedule. "We expect the successful operation of Paradise Peak will make a significant contribution to our company's future," Malott continued.

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FMC DEDICATES PARADISE PEAK GOLD AND SILVER MINE
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At the ceremony, Malott presented Governor Bryan a restored mine shaft headframe which will stand permanently at the entrance to the Paradise Peak facility as a symbol of the company's appreciation for the state's support. The headframe inscription reads: "FMC Corporation has preserved this headframe-ore bin in recognition of Nevada prospectors' dedication to their profession in years past, present, and future and for their continuous contribution to the mining industry."

Also addressing the guests, Minerals Division Manager, Brian J. Kennedy, said, "Today's dedication was made possible by one important quality--teamwork."

Discovered in 1983 by FMC geologists, development of the Paradise Peak mining and milling facilities began in January 1985. The processing facility, designed and constructed by the engineering firm of Davy McKee Corporation of San Ramon, California, was completed and operational in just sixteen months. The construction project employed 450 people and cost nearly \$100 million.

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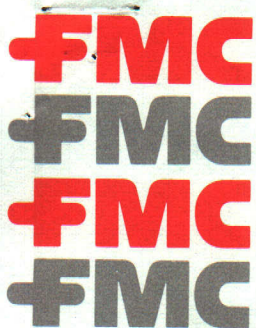
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The 12 million ton Paradise Peak ore deposit contains 1.1 million ounces of recoverable gold and 30 million ounces of recoverable silver. The mill will produce an average of 100,000 ounces of gold and 3.5 million ounces of silver per year. The mine has 185 employees and is projected to run through 1996.

Other FMC operations in Nevada are a joint-venture gold mine at Jerriitt Canyon in Elko and a barite mine in Battle Mountain.

FMC Corporation, headquartered in Chicago, is one of the world's leading producers of machinery and chemicals for industry, government and agriculture. The company operates 112 manufacturing and mine facilities in 26 states and 15 foreign countries. The company divides its businesses into four major segments: Industrial Chemicals, Defense Systems, Performance Chemicals, and Machinery and Equipment.

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FMC Corporation Industrial Chemical Group
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News Release

For Release

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April 24, 1986

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FIRST GOLD AND SILVER BARS POURED AT FMC CORPORATION'S PARADISE PEAK MILL

Gabbs, Nevada, April 24, 1986--The first gold and silver bars were poured at FMC Corporation's Paradise Peak mill today, April 24, 1986, climaxing three years of intense exploration, research and construction. The first pour marks the operational beginning of the Paradise Peak mine/mill and FMC's entry as a producer to the precious metals business.

Discovered in 1983 by FMC geologists and ranked as the seventh largest gold reserve in the nation, the 12,000,000 ton Paradise Peak ore deposit contains 1.1 million ounces of recoverable gold and 30 million ounces of recoverable silver. The mill will produce an average of 100,000 ounces of gold and 3,500,000 ounces of silver per year and is projected to run through 1996. The deposit is located eight miles south of Gabbs, Nevada on 50 square miles of claims on Federal Government land administered by the Bureau of Land Management and controlled by FMC Corporation.

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FIRST GOLD AND SILVER BARS POURED AT FMC CORPORATION'S
PARADISE PEAK MILL

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FMC Corporation began development of the mining and milling facilities in January 1985. The internationally experienced engineering firm of Davy McKee Corporation of San Ramon, California, designed and constructed the processing facility. Completed in just eighteen months, two and a half months ahead of schedule, the construction project employed 450 people and cost nearly \$100 million.

The mine, at an elevation of 5,500 feet, is located one mile from the mill complex. Operating two shifts, five days a week, open-pit mining methods are used to extract the ore.

Before active mining began, a mine plan was developed based on the data collected over a three year period. Geological information and drill data were analyzed by a computer to produce economic pit limits for various gold/silver prices. Pit walls, safety benches and haul roads were designed for maximum efficiency and safety.

The mill operates at 4,000 tons per day grinding capacity. The ore is crushed to a maximum size of 1/4 inch and then leached in a chemical solution. The slurry

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FIRST GOLD AND SILVER BARS POURED AT FMC CORPORATION'S
PARADISE PEAK MILL

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of liquid and rock is separated to remove the rock from the gold-laden liquid. The liquid is further treated in the refinery to remove the gold and silver in a form which can be mixed with fluxes and smelted in a furnace equipped with a tilting device used for pouring. The melted furnace charge is poured into cast iron slag pots and cooled. After cooling, the slag is broken away leaving the dore' button. The dore' will be approximately 90% by-weight of silver and 3% by-weight of gold. Mill operators and laboratory technicians track every stage of the process.

The operation employs 185 people who live in the surrounding communities of Hawthorne, Gabbs, Fallon, Tonopah, Mina and Luning. The official dedication of the Paradise Peak mill is planned for late June.

FMC Corporation, headquartered in Chicago, is a major international producer of machinery and chemicals for industry, agriculture, and government, with 1985 sales of \$3.3 billion. Worldwide, the company has 27,000 employees located at 112 manufacturing facilities and mines in 27 states and in 15 other nations.

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