

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

AGREEMENT

This Agreement, made and executed this tenth, (10th) day of March, 1936, by and between L. T. Brockbank, and J. W. Moore, both of Reno, Nevada, hereinafter called parties of the first part, and H. G. Walker, also of Reno, Nevada, hereinafter called party of the second part, m

WITNESSETH:-

(1) That, for value received, by each of the parties to this agreement, from the others, all parties to this agreement hereby agree to abide by, be governed by and act upon the stipulations and covenants enumerated hereinafter for a period of six months from date hereof, or until September 10TH 1936, unless modification is mutually agreed upon hereafter, and it is further agreed that the provisions of this agreement are binding upon the heirs and assigns of the parties hereto.

All provisions and stipulations of this agreement refer to proposed transactions for financing mining operations on, or sale of, that certain mining property owned in part and controlled in part under options to purchase by parties of first part, and known as the Commonwealth Mine, situated in Township 17 North, Range 19 East, M.D.M., Galena Mining District Washoe County, Nevada, and consisting of eight (8) unpatented and (1) one patented claims.

(2) Party of the second part hereby agrees to use his best efforts to procure finances for opening up and developing said mine, and/or to secure a buyer for said mine at a price and on terms and conditions such as will return a satisfactory profit to parties of the first part. It is agreed by party of second part that terms and conditions governing any transaction to finance or sell the property must be acceptable to and confirmed by parties of the first part before conclusion by party of second part.

(3) Parties of the first part agree to appoint and by these presents do hereby appoint the party of the second part as trustee, attorney in fact, and escrow agent, through whose offices all negotiations pertaining to the financing and/or sale of said property are to pass, during the life of this agreement, subject to conditions of paragraph #2, herinabove.

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Providing, (a) That parties of the first part are to receive not less than 50% of all profits and/or promotional benefits accruing from such operations or sale of property as may under this agreement be effected, and further

Providing, (b) that no transaction is to be effected on terms which are in any way detrimental to the interests of parties of first part or on less favorable terms than are involved in the existing option from owners of Union Lode Patented Claim #37, and further

Providing, (c) that in the event parties of the first part are able during the life of this agreement to bring about financing of operations or sale of the property on terms more favorable than those available through the offices of party of second part, they are permitted to effect such financing or sale on the same basis of division of profits with party of second part as hereinabove stipulated.

(4) All expenses in connection with the promotional efforts of party of second part are to be borne by him and shall in no manner constitute a lien against any of the property of the parties of the first part, but shall constitute a legitimate charge against joint profits from operations or sale of said property, when and as available.

IN WITNESS WHEREOF;- the respective parties to this agreement have set their hands and seals, this _____ day of March, 1936.

Parties of
first part.

L. T. Brockbank
L. T. Brockbank

Party of
second part.

J. W. Moore
J. W. Moore

H. G. Walker
H. G. Walker

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Memorandum Agreement

This Agreement, made and executed this 13th day of April, 1936, by and between H.G.Walker, of Reno, Nevada, hereinafter known as party of first part, and The Mountain Copper Company, Ltd., a corporation organized and existing under the laws of England, hereinafter known as party of the second part,

WITNESSETH:

That for and in consideration of the sum of Ten (\$10.00) Dollars, in hand paid by party of second part to party of first part, receipt of which is hereby acknowledged, party of first part grants unto party of second part those certain optional privileges enumerated hereinafter under the conditions as specified in the following paragraphs, to wit:-

Party of first part deposes that he is the legal agent, acting under power of attorney from L. T. Brockbank and J. W. Moore, both of Reno, Nev., with exclusive powers to negotiate for the sale of certain mining property owned by them as well as of certain mining property held by them under valid option from Washoe Consolidated Mining & Milling Company, a Nevada Corporation, all of which mining property is specifically described hereinunder, as follows:-

* Nine full mining claims, situated in Washoe County, Nevada, 15 miles south of Reno, Nev., about one half mile west of the Reno-Carson highway, and covering an area of about 180 acres in all and named

- * Union Lode *
- * No You Dont *
- * No You Dont # 1 *
- * No You Dont # 2 *
- * No You Dont # 3 *
- * No You Dont # 4 *
- * No You Dont # 5 *
- * No You Dont # 6 *
- * No You Dont # 7 *

The "Union Lode" is a patented claim, U.S. Survey No. 37.

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(2)

The other eight claims are held by location, in accordance with the provisions of the Mining laws of the United States. Over half of this acreage, including all of the Union Lode, is in Section 12, and the balance in Sections 11, 13 & 14, T.17 N., R.19 E., M.D.B.N. The certificates of Location covering these eight claims have been recorded in Volume T of Mining Locations, pages 76, 88, 89, 90, 91, 92, of Washoe County Records, and bear serial numbers 70875, 71262, 71263, 71264, 71265, 71266, 71267, 71268, and are dated September 11, 1935.

Party of first part agrees to sell to party of second part all right, title and interest in and to the above mentioned mining claims, and to all the ores contained therein, subject to approval of the title thereto as held by the Washoe Consolidated Mining and Milling Company, L. T. Brockbank, J. W. Moore, and H. G. Walker, as agent, and to provide and place in escrow a good and sufficient deed to same, as said title may appear from the official records, upon the following terms and conditions, to wit:

Party of first part grants unto party of second part a period of thirty (30) days from the date hereof in which to submit to its officials this proposal for their consideration, and agrees to render to party of first part at that time a decision indicating their further interest in the matter, with plans for future procedure. In the event it is decided by party of second part to proceed with the rehabilitation of the mine workings, surveying, sampling, unwatering and otherwise making a thorough examination of the mine, party of the first part will grant to party of second part an additional period of not less than ninety (90) days in which to complete such examination, and to determine whether or no the party of second part wishes to purchase the property. (It is hereby understood that if a slightly longer time is found to be absolutely essential to complete the examination and reach a decision, party of first part will be found agreeable to such reasonable extension as may be required, it being the purpose of this condition that party of second part exercise all diligence in effecting prompt and efficient completion of the proposed investigation).

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(3)

Party of second part agrees, upon completion of the examination at the end of the ninety day period just above referred to, and indicated as on or about August 15th, 1936, to either relinquish, in writing, all further claim to optional privileges with reference to this property, or to enter into a purchase agreement with party of first part to become effective immediately with the following purchase price and terms as the basis thereof, subject only to modification downward by consent of party of first part, as a result of possible effects of the results of proposed examination;

Purchase Price, \$125,000.00

Cash down payment, 12,500.00

Additional payments at intervals of
six months, of not less than
\$12,500.00 each, for 3 $\frac{1}{2}$ years, 87,500.00
with a final payment of \$25,000
six months later, or a total period
of four years from date of first
payment 25,000.00

It is further agreed that if, subsequent and in addition to the first cash payment of \$12,500.00 but prior to September 15th, 1936, a payment of \$20,000.00 is made, said payment of \$20,000.00 will apply on the next ensuing installments and will also entitle party of second part to a reduction of the total purchase price of \$30,000.00, thus making the total purchase price \$95,000.00.

Party of first part agrees to cooperate in every way possible with party of second part toward bringing about a satisfactory culmination of this proposal, and agrees that, in the event party of second part withdraws from the property following completion of the proposed examination, they may remove all equipment and tools which have been provided and placed thereon by them, excepting only such permanent timbering, ladders and fixed accessories as are properly considered to be requisite for keeping the mine in condition for further operation or examination.

APPROVED

L. F. Brockbank

Jack W. Moore

H. G. Walker
Party of first Part

Party of second part

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P R O P E R T Y
H O L D I N G S

and

other data

concerning

Washoe Consolidated Mine
Steamboat Springs,
Nev.

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LOCATION

Washoe County, Nevada, 15 miles south of Reno, Nevada, about three hundred yards west of the Reno-Carson paved highway. Just about 150 feet west of the Virginia & Truckee Railway tracks, with a spur track to the main tunnel dump. Elevation about 4500 feet. Climate suitable to all year operation.

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PROPERTY HOLDINGS

The property involved includes one patented and eight unpatented claims. Title is in good shape, taxes having been paid to date on the patented claim and the annual requirements kept up on the claims held by location, and properly recorded.

Attached is a copy of the most recent survey, in 1935, showing relative location of claims and principal workings, water supply and railroad facilities.

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Another car of about 29 tons of ore was shipped in December, 1935. from surface workings, where the ore is entirely oxidized. Copy of settlement sheet is attached. The only significance attaching to this sheet is in connection with the analysis of the ore. which was higher in silver and gold, and lower in sulphur. The oxidized zone probably does not extend below thirty feet. There is apparently little or no work between the 80 foot level and the surface. It is believed there will exist some relatively high grade ore above this level, and five men are now engaged in getting out some more shipping ore from open cuts and a tunnel close to the surface.

No mention of gold has been made heretofore. The average of samples taken by the writer has been 0.035 oz. from main tunnel samples. This may mean a value of \$7.00 to \$8.00 per ton in a flotation concentrate. This fact will be known in a few days, following analysis of products of flotation, now being made. If so, it would be important.

Apparently silver values follow the galena, not the zinc.

It is important to note also, that the lead and zinc are not at all evenly distributed throughout the vein, some parts of the vein being decidedly predominant as to lead and others as to zinc. What degree of selection, if any is desirable, could be made, could only be determined following a thorough sampling and mapping, but it is obvious that some selection could be made. It is stated that one winze, No. 2, is almost entirely in solid sphalerite ore, while No. 1 winze, is in galena. These winzes are about 600 feet apart. But since they are said to have been sunk on one wall or the other, it is not known whether or no the ore showing is uniform for the width of the vein.

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VALUES

The chief reliance in the matter of values, is a result of the data included in the Parker report. It is unfortunate that the majority of the assays reported are in dollar values, and while the prices used for the various metals are specified, the proportions of silver, lead and zinc are not given. Some 30 assays, however, do give the metal proportions, and if similar proportions are assumed for the 95 remaining assays, it would appear that the values at present day prices would run somewhere between 40% and 60% of those listed by Parker, possibly a general average of 50%.. The arithmetical average of the 30 assays, without giving weight to widths, is about 8.8% lead and 6.8 oz. silver, and nearly 10% zinc. It is believed by the writer, from other factors, that this zinc average is too high, but since no consideration has been given to zinc at all for present values, this factor may be ignored for the moment.

Type samples, and several zone samples, taken at significant points in the main tunnel by this writer, show about 8% to 10% lead and about 5-10 ounces silver, which approximately check Parkers averages. Rich spots were carefully avoided, where found, but they are probably of some importance in holding up mine run averages.

A shipment of 22 tons of ore was made in November 1935, by parties authorized to do so. This ore was gathered from the existing dumps at the portal of the main tunnel, by selection, not of individual pieces, but lots of a ton or so from various parts of the dump. This car showed as per copy of settlement sheet attached, 16.7 ox. silver, and 13.0 per cent lead. While the sheet does not show it, there was also 6% zinc, which was not penalized. The point is that this ore was apparently thrown on the dump during most recent operations as unsuitable for the purposes of the time, and doubtless represents the character of the ore at the zone from which it was mined. It further shows

42.6 % insoluble,

11.3 % iron

9.0 % sulphur

2.95 % arsenic & antimony

an analysis very closely corresponding with the average of ores treated daily at the Midvale concentrator of the U.S.Smelting Co., by selective flotation.

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HISTORY

The history of this property is so fragmental that it is difficult to piece together a continuous story. The mine was discovered and apparently the major portion of the workings opened in the "seventies" at which time the operators were probably in search of high grade silver ore which could profitably be shipped. Old timers state that many such shipments were made to Swansea, and there is evidence that ore running 100 ounces or over in silver, and nearly pure galena, occurring in bunches of irregular size, provided the material for these shipments.

At some later date, probably 20 years later, it appears that another group installed a mill of sorts, and attempted to mine and mill lower grade ores, and the tailings from such operations still remaining on the ground would indicate that probably jigging and some type of shaker tables were used, with what success is not known, except that these tailings run as high as \$7.00 to \$9.00 per ton at present lead and silver prices.

Various leasers have taken a chance at this property at intervals up to 1926, apparently with a view to selecting ore from the occasional high grade areas. At one time, about 1920, the property was acquired by a company, whose entire activities centered around stock promotional effort, and there is no record of their active operations in the mine, the title to one claim still remaining in the name of that company, a fact which will be later referred to in connection with the matter of terms.

The Treadwell examination took place in 1926, and resulted in their holding an option, by virtue of a monthly payment, until 1929. Why they dropped their option is not definitely known, beyond the fact that they centered their activity upon their Tybo operation at about this time and have been there engaged ever since.

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The main tunnel is caved in five or six places, the first being in about 700 feet, just before the vein is reached. The caves are not to be considered more than minor caves, occasioned by timbers of long standing having given away and gradual filling with loose rock, nearly to the roof. While it would be a relatively simple matter to muck them out and catch up the timber sets involved, it would necessitate the installation of about 700 feet of track and the removal of 500 tons or more of caved rock. From the first cave on in to the face of the tunnel, track is in place. Other caves have occurred at intervals of a few hundred feet, but in between them the tunnel is apparently in excellent shape. It is even now accessible throughout its entire length, except for the necessity of crawling over the top of the caved material, which in some instances is a fairly tight fit. It would not seem advisable to place a sampling crew in the mine without opening this tunnel and retimbering these several caved places. Also it would be difficult to drag samples out over the muck piles, particularly as most of the samples would be sizable, taken from prevailing widths.

Under the circumstances a preliminary inspection including the selection of type and zone samples is possible at present, but a thorough interval sampling would doubtless require cleaning out and retimbering these few sections of the main tunnel.

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DEVELOPMENT

The description of development as outlined in the report of H.L.Parker, copy of which is attached hereto, cannot be improved upon for clarity, and is therefore referred to so as to avoid unnecessary repetition.

It may be added that several cars of oxidized ore have been extracted during the past few months from the surface outcrops of the vein, resulting in a small amount of tunneling and open cuts in the region above what is designated as the Morgan tunnel. This tunnel does not appear to have received mention in Parker's report but is worthy of mention here. It begins at a point slightly above Galena Creek and was driven as a straight cross cut to the vein which it encountered at what is called the 180 foot level, that is to say about 120 feet above the main tunnel. It is caved to the extent that it cannot be traversed at present but permits the flow of air throughout the workings, and should by all means be re-opened, both from the standpoint of its desirability as a second exit from the mine and because it may prove useful in removing ore from the higher levels.

The winzes referred to in Mr. Parker's report are filled with water to about eight feet below the collar, so are not accessible at the moment. They were well timbered and equipped and probably could be easily put into condition for use. The station at the second winze, about 40 feet high, is in excellent condition as are the hoist foundations, ore bin and gallows frame. Timbers are generally speaking, in good condition, excepting at those points to be described in connection with caving in the main tunnel

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REPORT
ON
PROPERTY OF GALENA MINING COMPANY.

AT
GALENA, - WASHOE COUNTY, - NEVADA.

The property is situated fifteen miles southerly from Reno and sixteen miles northerly from Carson City and one-half mile westerly from the paved highway joining Reno and Carson City.

THE PROPERTY.

The property consists of one patented mining claim, the Union, patent No. 37 granted in 1874, and eight claims, the Protector, Protector No. 2, Why Not, Galena, Franklin, Furnace, and Tulton, held by location, - and a mill-site of about ten acres.

TRANSPORTATION.

Galena Creek Station, on the Virginia & Truckee R.R., is situated about 55 feet westerly from the east side line of the mill-site, and a good wagon road about one-half mile long connects the mine with Reno - Carson City highway.

WATER & POWER.

Galena Creek, with a minimum flow of three hundred (300) miner's inches of water during the low season, passes through the Union and Protector claims of the property. This water can be utilized, under a 250-ft. head, to generate 200 H/P by the construction of a pipe line one-and-a-half to two miles long.

The transmission line of the Sierra Light & Power Co. from its Truckee River power plant to Virginia City passes within four miles of the property.

TIMBER.

Good mine timber and lagging can be obtained in the foothills of the Sierra mountains about three miles westerly from the property, and delivered at the mine at reasonable cost.

The lumber companies of Reno also sell mine timbers.

GEOLOGY.

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GEOLOGY.

The mine lies in the foothills between the Sierra Nevada Mountains and the Virginia Range, (a northeasterly off-shoot from the Sierra Nevadas)- and about eight miles in an air line from Virginia City and the Comstock Lode, which is located just over the summit of the Virginia Range on its eastern slope.

The early slates were crushed and shattered by an intruding eruptive hornblende andesite, the contact of which with the slate strikes about South 50 degrees West.

The ore body lies in the slate and parallels the andesite slate contact, at no great distance, and is conformable with the stratification of the slate except insofar as it has been slightly displaced horizontally by a series of North-South faults which cross the ore zone at right angles at intervals fifty to seventy-five feet apart. These North-South faults parallel the main North-South faulting zone of the eastern side of the Sierra Mountains, and probably

Nevada

occurred during the same period, and are closely related to it. These faults are also responsible for the ore deposition, because at the intersections the richest ore is found. The Mineral-bearing solutions, ascending along these North-South fault planes, penetrated the slate and deposited their mineral-bearing content along the slates stratas, -- the deposition being heaviest close to the contact and gradually decreasing at greater distances from it.

DEVELOPMENT.

The main tunnel starts at a point about two hundred feet westerly from the spur track of the Virginia & Truckee Railroad, and about thirty feet above it in elevation, continues in a southwesterly direction for 700 ft., at which point it cuts the ore body at a depth of 300 ft.

Then, turning slightly to the south, it continues on the vein for 700 ft., showing pay ore to be continuous for the entire distance and with the face of the drift still in good ore.

Various cross-cuts show the ore body on the tunnel level to be from 8 to 35 ft. wide. The lead-silver-zinc ore shoots predominate on the footwall side, and the zinc ore bodies with a small lead-and-silver content are found on the hanging wall side of the vein.

Eight separate stopes showing faces of ore from 6 to 35 ft. wide, with ore chutes in and in good shape, are ready to start production from this level, - as soon as the compressor and air drills are installed.

Two winzes, one vertical and the other an incline, have been sunk below the tunnel level, showing good ore

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100 ft. deeper than the level, with the vein increasing in size as depth is gained.

The No. 1 raise continues on the vein from the tunnel level to the 80-ft. level, a distance of 220 ft., and cuts through pay ore for the entire distance. From the top of the raise a drift extends southwesterly on the vein for 200 ft., showing a continuous ore shoot of good grade from 4 to 15 feet wide.

At a distance of 600 ft. from No. 1 raise, another raise showing on the map continues up along the footwall of the vein for a distance of 200 ft. This raise continues through good ore for the entire distance. At a point 120 ft. above the main level from this raise, a drift extends northwesterly for 400 ft., showing good ore the entire distance. A new raise recently started at a point 60 ft. in this drift and now up about 12 ft. above this level, with about 180 ft. of backs above, shows 5 ft. of shipping ore with good mill ore still in the hanging wall side. The ore indicated by development above the main tunnel will supply a mill of 100 tons daily capacity with a sufficient tonnage for continuous operation for five years.

By developing and opening up new levels below, great reserves of ore can be blocked out.

HISTORY OF THE PROPERTY.

The mine was prospected by early-day miners in search of silver ore of high grade, but the result of their work was to develop a large ore body containing lead, zinc and silver, which at that time was not a desirable ore because of the low price of lead and zinc and of the difficult metallurgical problems in the separation of the lead, zinc and silver.

When shipments of this ore were made to the smelters, heavy deductions were made because of the pretence of zinc. The development during recent years of the Froth Differential and Selective Flotation Process has disclosed that a high-grade lead-silver concentrate and a high-grade zinc concentrate can be separated out from this class of ore. This development has been responsible for the great revival in mining in the West during the last two years, especially in Utah and Colorado, where many ore bodies of this character are found. Aspin, Leadville, and Rico in Colorado have again become very active mining camps, and the mines at Park City, Bingham, and Eureka, in Utah, have paid larger dividends than ever before.

The great industrial development in the United States and Europe since the close of the World War has resulted in such an increased demand for lead and zinc that the prices of both metals have greatly increased.

(Signed) H. L. Parker.

Examination for Treadwell Yelken Co

H. G. Walker

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ASSAYS

GALENA MINING COMPANY.

In the following assays, Lead is figured at the present market price of eight cents (8¢) per pound; Zinc at seven cents (7¢) per pound, and Silver at Sixty-five cents (65¢) per ounces.

<u>Pb.</u>		<u>Zn.</u>		<u>Ag.</u>	<u>Gross Value per ton</u>
6.0	%	3.0	%	4 Oz.	\$ 23.44
42.0		10.5		32 "	102.70
35.0		8.0		29 "	86.05
1.5		32.0		2 "	48.50
3.0		4.0		3 "	10.95
4.5		23.0		4 "	42.00
1.5		12.0		1.5	20.17
2.5		6.6		2 "	14.50
25.0		8.0		20 "	64.24
7.0		6.0		4 "	22.20
6.0		6.0		3.5	20.25
4.0		2.0		3.0	11.15
2.5		17.0		2 "	31.10
17.0		10.0		12 "	49.00
38.0		10.5		30 "	95.00
8.0		11.0		6 "	32.10
2.0		8.0		2 "	15.70
6.0		3.0		9 "	19.65
1.5		10.0		1 "	17.05
5.0		21.5		4 "	40.70
2.0		6.0		2 "	12.90
1.5		13.0		1 "	21.25
1.0		5.0		1 "	9.25
9.0		9.0		6 "	39.90
3.0		16.0		3 "	29.15
3.0		12.0		2 "	22.90
25.0		8.0		17 "	62.25
2.0		9.0		1 "	26.45
1.0		13.0		1 "	20.45

April 15, 1926.

SUMMATION by Walker

The Parker report covers all essentials in connection with the status of this property, except that the main tunnel has five or six caves, which will have to be removed and timbers caught up before it can be utilized for any important operation. While accessible yet for preliminary inspection, it would not be wise to place a sampling crew in the mine prior to rehabilitating this tunnel.

The potential value of this property is predicated upon the reliability of the Parker report, especially as to values. While the sample values reported therein are based upon prices in excess of present market, it is possible to break them down to current prices, which results in the conclusion that values at present prices would average about 50% of the figures quoted by Parker. Type and zone samples taken from the 300 level, (main tunnel) within the last two weeks, indicate values on the average in accordance with those of Parker. Recent shipments by leasors indicate that there is no reason to discredit his sampling.

If the average values as indicated in the Parker report can be substantiated by a re-sampling, then the results of flotation tests now under way indicate the following probable economy:-

Probable average values, -

Silver, 6.8 oz., Lead, 8.8%, Zinc, 9.0 %

Newly mined silver is being paid for at the rate of 77¢ per oz. Lead at 4.5¢ returns 3¢ net, (60¢ per unit) zinc, about 1½¢ net, (30¢ per unit). These figures are being used in present calculations. The above average ore would then show a per ton ore value as follows:-

Silver, \$5.23, - Lead, \$5.28, Zinc, \$ 2.70, - \$13.21,

If 20% is deducted for extraction losses and certain smelter deductions, the average would appear to be in excess of \$10.00 anyway.

Concentration ration, about 8 - 1. This means that 100 tons daily would produce 12 tons daily of lead concentrate carrying the silver values with it. This concentrate would be worth about \$65.00 and would cost not in excess of \$35.00 to make, mining and milling included, a profit of \$30.00 per ton of concentrate. 12 tons daily @ \$30.00 per ton - \$360.00 per day, or about \$10,000 monthly operating profit. On tonnage said to be developed, this means about \$500,000 operating profit over five years at 100 tons daily or at least \$250,000 final net after retiring cost of equipment, purchase price of the property and all operating expense.

The location of this property is ideal, and selective flotation is the solution to recovery problems.

H. G. Walker,

Reno, Nev., March, 1936.

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A.A. Gadd

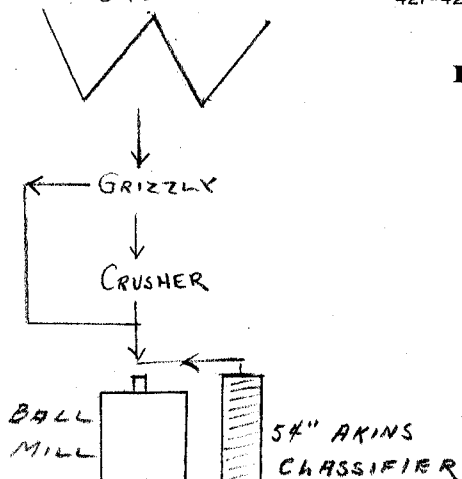
MINES AND MINING

421-422 CLAY PETERS BUILDING
P.O. BOX 5021

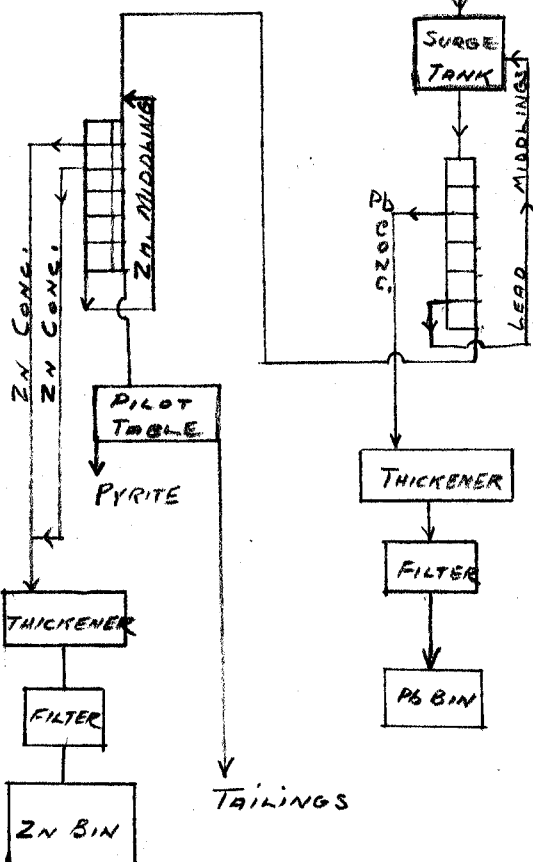
RENO, NEVADA

PUBLISHER OFFICIAL DIVIDE MAP

CONSULTING ENGINEER
ORE BIN



BALL MILL
54" AKINS CLASSIFIER



EQUIPMENT

- 1- 5'x10' A.C. BALL MILL
- 1- 54" AKINS CLASSIFIER
- 1- 6 CELL M.S. FLOT. MACHINES (Pb)
- 1- 6 CELL M.S. FLOT. MACHINES (ZN)
- 2- DORR THICKENER TANKS
- 2- AMERICAN FILTERS
- 1- SURGE TANK
- 1- PRIMARY CRUSHER
- 1- SECONDARY CRUSHER
- 1- 2" GRIZZLY
- 1- 250 TON ORE BIN
- 1- ORE FEEDER (FOR BALL MILL)

*Flow sheet based on Midvale idea
to 100 tons capacity
H.T.W.*

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PYRITES
SULPHURIC ACIDCOPPER ORES
COPPER SULPHATECOPPER PRECIPITATES
COPPER CARBONATEIRON OXIDE
SUPERPHOSPHATEPHOSPHATE ROCK
MIXED FERTILIZERS

312

item 4

THE MOUNTAIN COPPER COMPANY

LIMITED

351 CALIFORNIA STREET

TELEPHONE EXBROOK 3928



SAN FRANCISCO, CAL.

May 1, 1936.

H. C. Walker, Esq.,
233 E. Plaza St.,
Reno, Nevada.

Dear Mr. Walker:-

GALENA OR COMMONWEALTH MINE

Referring to the option which accompanied your letter of April 13th on the above mentioned property, I am in receipt of a cablegram this morning from my Board of Directors in London instructing me not to proceed with the sampling of this property.

Under the circumstances, I desire to cancel the agreement and advise you that The Mountain Copper Co., Ltd. hereby waives all further rights covered by the memorandum agreement.

I want to thank you for the trouble you went to in this matter, and to assure you that I appreciate the courtesies which you extended to Mr. Burch and me. Also please thank Mr. Brockbank on my behalf.

Sincerely yours,

Wm. J. Kett General Manager

1920 0004
PYRITES
SULPHURIC ACID

COPPER ORES
COPPER SULPHATE

COPPER PRECIPITATES
COPPER CARBONATE

IRON OXIDE
SUPERPHOSPHATE

PHOSPHATE ROCK
MIXED FERTILIZERS

312

item 4

THE MOUNTAIN COPPER COMPANY

LIMITED

351 CALIFORNIA STREET

TELEPHONE EXBROOK 3928



SAN FRANCISCO, CAL.

April 14, 1936.

H. G. Walker, Esq.,
233 East Plaza Street,
Reno, Nevada.

Dear Mr. Walker:-

Thanks very much for your letter of April 13th, with enclosures as stated, all with relation to what I have been calling the "Galena " mine, but which I notice you designate as "Commonwealth" on the assay sheet. I will be glad to have you say what is the correct name.

The assays of the "comparatively recent" sampling seem to indicate something better than average grade. I will be glad to have some indication as to the points from which these samples came. Also can you say as to whether these particular samples carried zinc and, if so, about how much ?

I would like to have from you a copy of your Power of Attorney under which you are acting for Messrs. Brockbank and Moore, and also a statement as to whether you are willing to include in the agreement a clause to the effect that in the event the title is found lacking in any particular, it will be cleared by the sellers.

I have written to my Board of Directors in London to-day, enclosing copies of the papers which accompanied your letter of the 13th. I have asked for authority to go ahead with the sampling program and rather hope to receive a cabled reply before the end of the month, or at any rate early in May.

Yours faithfully,

Wm. J. Kett

SPECIAL NOTICE—Quotations are all for immediate acceptance, and are subject to change without notice. All agreements are contingent upon strikes, accidents, fires and other delays unavoidable or beyond our control.

1920 0004

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item 4

H. G. Walker
CONSULTING MINING ENGINEER
233 EAST PLAZA
RENO, NEVADA

30 assays taken from Parker report show average contents as follows:-

Lead	Zinc	Silver
8.8 %	10.0 %	2.8 oz.

Calculated concentration ratio about 5-1 combined, or

Lead	Zinc	Silver
about 8 - 1	5 - 1	8 - 1 (with lead)

Therefore,

100,000 tons of ore should produce

Lead concentrate, 12,000 tons, content about 50% Lead
50 oz Silver

Zinc concentrate, 8,000 tons, content about 50% Zinc.

Value lead concentrate, \$36.00 lead
25.00 silver
\$60.00 total.
Value zinc concentrate, ?

Estimated cost mining and milling - - - \$ 2.00 ton ore.
Equivalent to \$24.00 ton concentrates -
Shipping and treatment, \$ 6.00 ton. 30.00 ton conc.
Net value concentrates, - - - - - \$50.00 ton.

12 tons daily, x \$50.00 - - - \$600.00 daily,
25 days monthly, - - - - - \$15,000.00 monthly, net op.pr.

Total net operating profit,
120,000 tons @ \$50.00 ton, - - - \$ 600,000.00

Equip. and operating capital - - 60,000.00 est.
\$ 300,000.00
Royalty not over 50,000.00
Final net, \$ 250,000.00

Life of operation, exclusive of future development, 100
tons daily, 300 days annually, 30,000 tons, - 5 years.
Average net profit, \$50,000 year.

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

MEMORANDUM REPORT

on

Brockbank Lead - Zinc
Property

near Reno, Nevada.

Data taken from report of H.L. Parker, of Treadwell
Yukon M. Co., dated April 18, 1926.

18 miles south of Reno, Nev. 9 claims, 1 patented.
10 acres of millsite. On V. & N. Railroad, 1 mile from
paved highway. Upwards of 500 miners inches of water
available. Power line 4 miles. Native timber 2 miles.

Formation slate, intruded by andesite and cross
fractured and faulted. Ore in vein from 8 feet to 25
feet wide.

Opened by tunnel from point near railroad 700 feet
to intersection of vein, plus 700 feet on the vein. This
is called the 200 ft. level, as it is 200 feet below the
surface where vein is intersected. Two levels above one
at 80 feet, one at 180 feet below surface connected with
the 200 by 2 raises. 2 winzes to 100 feet below the main
tunnel or 300 feet level. All workings except 700 ft.
crosscut on the 300 from portal to intersection are in
ore. This report estimates ore above tunnel level at from
150,000 to 180,000 tons in addition to the ore below,
which is limited only by future development.

Average grade not shipping but entirely suitable to
differential flotation so as to produce two concentrates,
one high grade lead-silver, one zinc, both marketable.

Problem is to equip property with differential flota-
tion plant, mine, mill and market the lead and zinc sepa-
rately. 100 ton daily capacity recommended for plant. Es-
timate of cost of such equipment, plus timber for mine and
suitable mining equipment, is in preparation.

Thorough sampling of all exposed workings and prepara-
tion of accurate assay map is recommended. Cost of same,
including surveying, mapping and assaying, about \$2,500.

Property can be acquired on terms which provide for
equipment and operation and royalty payments out of pro-
duction.

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

Jan. 15, 1936.

Dear Regis:-

I had Brockbank in yesterday, the fellow that has that lead-zinc property on the road to Carson and he provided me with a report on the property by H.L. Parker of the Treadwell Ticon Co., dated April, 1926, and a blue print of the workings. I am having a copy of the report made for you, but have condensed it into a memorandum, which is enclosed herewith, embodying all the essential details of his report, plus an analysis of my own derived from his data, presumed to be correct. It would seem, presuming the data used to be correct, that this deal is one which fully justifies immediate and thorough examination, surveying, sampling, and investigation of economic conditions, as if the average grade will hold up to predictions, a 300 ton flotation plant could be put on the property, and a nice operation started immediately. There is an attractive future for lead and zinc, and both can be marketed to some advantage in the form of concentrates at the present time.

Have not made a definite deal with Brockbank, but from our conversations I understand he would consent to a proposal involving the equipment of the property and operation of same by us, he to receive either a royalty or some proportional interest in the deal. A small amount of cash and a job would make him exceedingly amenable to doing business.

I think enough of it from the data I have to go and make a preliminary this afternoon or tomorrow. A thorough examination would cost from \$2,000 to \$2,500 as there are approximately 2000 linear feet of workings in ore, so that if sampled at 10 foot intervals, it would entail at least 200 samples. In view of the size of the vein they would be large samples. If run for lead, zinc and gold and silver, the assay costs would be around \$700 even at reduced rates.

This looks like a good one and I think Mr. Wheeler, with whom I talked about it when he was here may yet hold some interest. Anyway it is a good one for some one who wants to get into production quickly.

You might insert this data in your project file with the Brockban memo.

H.G. Walker

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

NOTES.

Present holders of this property shipped a trial car consisting of 45,600 lbs., (22.8 tons.) of lead sulphide ore from this property on the 11th of November, 1935, to the American Smelting & Refining Company, Selby works, Sa Selby, California. Returns described as Selby lot #8062, dated November 27th, 1935, showed

		Value
<u>Credits.</u>		
Moisture	2.0 %	
Silver,	16.7 oz. per ton.	\$ 12.09 ton.
Lead,	1.0 %	7.02
Iron,	11.5 %	.68
	Total credit value per ton -	\$ 19.79

<u>Penalties.</u>		
Insoluble,	42.6 %	- \$4.26
Arsenic & ant.	2.95 %	.98
Sulphur,	9.0 %	1.75
Deficiency of lead below 30%	17.0 %	1.70
		\$ 8.69

Penalties,	\$ 8.69 per ton
Treatment,	3.00 per ton
Freight,	3.50 per ton.
	\$ 14.19 per ton. \$ 14.19

Net per ton \$ 5.60

Total net proceeds, \$ ~~222.22~~ \$ 127.68

In connection with the product from differential flotation, probably all of the penalties above indicated would be eliminated along with the iron credit, but the net payment for credit ingredients would be vastly improved.

Another car of 59,920 lbs., (29.96 tons) was shipped to U.S.Smelling Ref. & Min. Co. at Salt Lake, for which settlement sheet 2667-A dated December 13th, 1935, shows,-

Gold,	0.06 oz.	value	\$ 1.91	per ton
Silver,	25.0 oz.		19.25	per ton
Lead,	3.80 %		5.25	per ton
	Total metal value		\$ 26.41	per ton
	Total charges		12.09	
	Net proceeds		\$ 14.32	per ton

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

The foregoing shows clearly that the penalties for insoluble, etc., plus \$3.00 to \$4.10 freight charges make shipment as ore prohibitive and clearly indicates the economical advantage of concentration on the ground. While the grade of ore covered by the two shipments above described is probably above the general average of mine run value, the latter is apparently good enough to provide an excellent milling grade.

There are many thousands of tons of ore of a suitable grade for milling purposes on dumps, and a considerable tonnage is obviously available below the tunnel level.

312

item 4

THE MOUNTAIN COPPER CO., LIMITED
351 CALIFORNIA STREET
~~112 MARKET STREET~~  SAN FRANCISCO, CAL.
TELEPHONE EXBROOK 3928

March 26, 1936.

Mr. H. G. Walker,
233 East Plaza,
Reno, Nevada.

Dear Sir:-

We received this morning a letter from Mr. Albert Burch with regard to the Galena Mine and, provided this property can stand a rigid examination, there is a possibility the Directors of the Company might be interested, that is, of course, if the price and terms are such as to warrant giving it consideration. I may say, however, the Mountain Copper Company is an English concern, with headquarters in London, and to present the proposition to them will necessarily take a little time. Further, in dealing at such long range, it is most difficult to do anything in the nature of "dickering". Therefore, we suggest that you submit the very best price and terms in the first instance. Assuming the property is all you claim for it, the price will have to be even better than reasonable, considering the current prices of Lead and Zinc, and the probability that these prices are at present somewhere near the top of anything that can be expected in the next few years.

We will be glad to have you write us outlining the basis on which the property can be optioned, and the longest time that could be obtained without payments for making an examination.

Yours faithfully,

THE MOUNTAIN COPPER CO., LTD.

By *Wm. F. Kett* Gen. Mgr.

Wm. F. Kett

THIS AGREEMENT, made by and between the WHITSON-SOMERS MINING COMPANY, party of the first part, and HOWARD STEINER and J. BENJ. PARKER, parties of the second part, on the 17th day of March, 1938,

W I T N E S S E T H

That whereas the above parties entered into a certain contract dated the 28th day of February, 1938, and

Whereas the said contract is in full force and effect, but due to changed conditions the parties thereto desire to have the said contract modified and amended to meet the said changed conditions, now therefore,

In consideration of the above and foregoing, and in further consideration of Ten (\$10) Dollars in hand paid by each party to the other, it is stipulated and agreed as follows;

That the said contract be amended by inserting a new paragraph therein beginning on Line 18 of page 3 of said agreement to read as follows:

" The party of the first part further promises that the said ore agreed to be furnished and delivered to the mill ore bins for the operation of the first above described fifty (50) ton per day unit shall have an average assay value of not less than 10% lead and 9 ounces of silver per ton of ore as determined by sample taken from each mine car of ore delivered to the said ore bins, the said average to be taken over ten-day periods, the first ten-day period to begin on the day milling operations are commenced. The party of the first part further agrees to furnish the ore of the grade as above specified only for such time as the mill is operating at a capacity of 50 tons per day or until such time as the parties of the second part shall have received the full amount due them under the provisions as hereinbefore set forth, it specifically being the understanding that the party of the first part shall furnish ore of the grade as set forth above until the parties of the second part have been paid in full for the first 50 ton unit under the conditions described above or until the second parties have increased the units of the mill beyond the fifty ton capacity, and in the event of the fulfillment of either condition the duty of the party of the first part to furnish the ore of the grade hereinabove set forth shall cease."

This amendment has been executed by the parties hereto in duplicate, and each party acknowledges the receipt of one original duplicate thereof.

In witness thereof, etc.

It is further understood and agreed that the party of the first part shall stock mill quantities and keep same in good condition at least 90% of the possible milling capacity of the mill and shall sell same to the party of the second part at the prevailing market price.

1930 0004

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item 4

H. G. Walker
CONSULTING MINING ENGINEER
233 EAST PLAZA
RENO, NEVADA

April 17, 1936.

Mr. Wm. F. Kett,
The Mountain Copper Co.,
351 California St.,
San Francisco, California.

Dear Mr. Kett:-

Your letter of April 14th is under reply. The property which we have been discussing has been known over a period of years by various names. I believe it was early known as the "Galena", which is the name it was referred to in the Parker report. It was later under the control of a company known as the "Commonwealth" and was called the "Commonwealth" Mine for many years, by which it is best known locally. It was later acquired by another company, the "Washoe Consolidated Mining & Milling Company", which still owns the "Union Lode" Claim, and it has sometimes been referred to as the "Washoe". It is also occasionally referred to as the "Union" doubtless from the name of the one patented claim. The "Commonwealth" is probably the best known name.

As to the samples which I designated as comparatively recent, these were copied from my laboratory records of samples brought in for assay by Messrs. Brockbank and Moore, most of which came from the surface area where they have been procuring ore for shipment, and that portion of samples are obviously either higher than average grade or so low as to be doubtful. A few of their samples are from the tunnel taken at the time when they hoped to ship from there. Others, some five or ten are character samples taken by me to guide me in a rough appraisal of the probable average value. You will realize that no such thing as an average could be struck without a larger number of samples than I have so far been able to take. I can now see that my list to you was faulty in respect of identification and within the next few days I will attempt to rewrite this list with proper location marks. Incidentally the boys on the hill opened a streak about 18" wide a few days ago which runs 68 % lead, 155 oz. silver and a very little zinc, \$2.45 in gold and a fraction of 1% of copper. The County has built a good road to the dump, and shipping will start within a few days.

I enclose herewith a signed copy of my authority from Messrs. Brockbank & Moore, under

H. G. Walker

CONSULTING MINING ENGINEER

233 EAST PLAZA

RENO, NEVADA

(2)

which I am operating. You will probably note that it is somewhat unusual in form, but I think nevertheless effective.

In connection with your suggestion to include in the agreement a clause obligating the sellers to clear any particular flaw in the title, this is entirely in order and agreeable to us. I indicated in my agreement to you that the title as it appears from the record will have to meet with your approval, and I expect, during the interval prior to receipt of your advice from London, to investigate this matter through the Washoe Title and Guarantee Company, of Reno, and to secure an abstract covering the matter.

If there is anything further I can do to complete the picture, or to serve you in connection with your program in advance, please command me.

Yours very truly,

H. G. Walker.

C.C.to Mr. Burch.

NOTES FROM CONCENTRATION REPORT

ON

COMMONWEALTH MINE ORE.

International Smelting & Refining Co.

Tooele, Utah.

	Copper	Lead	Silver	Gold	Insol.	Iron	Sulphur	Lime	Zinc	Arsenic
Heads:	0.40	8.3	8.9	.01	42.8	14.1	12.6	0.5	7.5	4.3
		.35 oxide								.45% oxide
Lead Concentrate:	1.20	59.0	53.9	.02	4.2	6.3			7.1	
Recovery:	29.6	68.8	62.3	22.2					9.2	
Lead Concentrate #2:	1.2	55.0	49.8	.02	4.0	9.2			5.0	
Recovery:	31.7	69.1	58.8	16.7					6.9	
Zinc Concentrate:	5.0	8.1	11.09	.02	8.2	13.6			33.4	
Recovery:	19.0	14.4	18.6	24.4					65.8	

Sodium cyanide, Zinc sulphate, Soda ash, Thio, Ethyl xanthate, Yarmor oil,
Copper sulphate, Aerofloat

February 1930.

Flotation Test on Zinc Ore Sample from Al McCoy

	Weight oz	%	Au	Ag	Cu	Pb	Ins	Fe	Zn	S	CaO
Calculated Head			No	0.4	0.21	0.43	41.4	11.6	18.7	15.6	0.24
Assayed Head			No	0.4	0.1	0.2	40.6	12.0	18.2	14.6	0.4
Lead Concentrate	4.8	5.8	Tr	1.8	1.15	1.1	14.6	27.5	12.4	34.0	No
Zinc Concentrate	27.8	33.9	No	0.4	0.25	0.4	2.6	10.0	50.0	32.2	No
Tailing	49.3	60.3	No	0.3	0.10	0.4	65.8	10.9	1.7	4.4	0.4

Distribution

In Lead Concentrate
In Zinc Concentrate
In Tailing

24.4
31.7
43.9

3.7
91.0
5.3

TEST DATA

Reagents per ton ore

Time

To Grinding Section:	1.0 lb	Sodium Sulphite	1.0 lb	Zinc Sulphate	8. Min
	0.5 lb	#1 Oil Mixture			
To Lead Section:	0.04 lb	Xanthate			5 Min
To Zinc Section:	1.0 lb	Sodium Sulphite	2.0 lb	Copper Sulphate	10 Min
	9.1 lb	Xanthate			

Remarks

The Zinc mineral is marmatite.

CEB 12-17-29

1720-0004

NEVADA MINERAL LABORATORIES

312

item 4

NEVADA TESTING LABORATORY

233 EAST PLAZA STREET

PHONE RENO 21001

RENO, NEVADA

ASSAY CERTIFICATE

August 8, 1938

M Dobson

SAMPLE No.	OWNERS'S MARK ON SAMPLE	GOLD		SILVER		TOTAL VALUE	Pb.	Zn.
		Ozs per Ton	Value per Ton	Ozs per Ton	Value per Ton			
20317	#1036	.13		5.2			5.3	4.6
318	1037	.12		5.0			5.3	3.8
319	1038	.07		.6			0.7	2.3
320	1039	.08		22.2			1.9	3.0
321	1040	.06		6.0			6.2	4.7
322	1041	.05		5.6			6.2	7.9
323	1042	.05		4.6			3.4	3.2
324	1043	.04		3.0			2.8	3.2
325	1044	.05		2.4			2.3	4.3
326	1045	.10		4.6			4.0	3.6
327	1046 1046	.05		3.4			4.0	2.1
328	1047	.07		2.1			1.3	2.3
329	1048	.07		2.6			2.1	2.7
330	1049	.06		2.7			0.3	5.9
331	1050	.08		2.5			0.5	3.6
332	1051	.02		.6			0.3	3.6
333	1052	.04		tr.			0.5	10.2
334	1053	tr.		tr.			0.3	8.4
335	1054	.02		none			0.8	7.5
336	1055	.02		.2			0.5	2.4
337	1056	.03		1.00			0.7	2.3
338	1057	.03		1.2			1.5	2.0
339	1058	.03		.6			0.8	1.5
340	1059	.04		2.8			4.8	4.5
341	1060	.04		2.8			3.4	10.4

Gold at \$35. per oz. Charges.....

Silver at 64¢ per oz.

NEVADA MINERAL LABORATORIES
NEVADA TESTING LABORATORY

RENO, NEVADA

By

Milton B. Parker
J. Benj. Parker, Mgr.

233 EAST PLAZA STREET
RENO, NEVADA

August 5, 1938

M Dobson

BY

1920 0004

UNITED STATES SMELTING REFINING AND MINING COMPANY

NINTH FLOOR NEWHOUSE BUILDING

FINAL SETTLEMENT

2667-A

Salt Lake City, Utah, December 13, 1935

Pay J.W. Moore, c/o L.T. Brookbank, P.O. Box 524, Reno, Nevada SP: Galena, Nev.

Ore Crude Lot No. 1 Class _____
 Sampled by _____ Received 12/5 Sampled 12/9 Assayed 12/10
 Metal Quotations—Silver .77 Gold: 34.9125 Copper, N. Y. _____ Lead, N. Y. 4.50 Zinc _____

ASSAYS	GOLD OZS. PER TON	SILVER OZS. PER TON	PER CENT COPPER WET	PER CENT LEAD	PER CENT INSOLUBLE	PER CENT IRON	PER CENT ZINC	PER CENT SULPHUR	PER CENT LIME	PER CENT
U. S. S. Co.						6.40				
Umpire										
Settlement Assay	.06	25.0	.05	9.80	41.6	17.0		3.3		

CAR NOS.	WET WEIGHT	METAL VALUE	WORKING CHARGE
U.I.C. 1086		Gold 100% @ <u>31.8185</u> <u>1.91</u>	Treatment <u>4.50</u>
		Silver 100% @ <u>.77</u> <u>19.25</u>	Insoluble <u>4.16</u>
		Copper _____	Zinc _____
		Lead <u>5.25</u>	Sulphur <u>55</u>
		Zinc _____	Speiss _____
		Total Metal Value <u>26.41</u>	
		Less <u>5</u> % of value of silver <u>96</u>	
Total Wet Weight			
Sacks			
Net Weight <u>59920</u>		Gross Value <u>25.45</u>	Total Debit <u>9.01</u>
Less H ₂ O <u>9.9</u> % <u>5932</u>		Less Working Charge <u>7.99</u>	Iron <u>1.02</u>
			Net Working Charge <u>7.99</u>

Dry Weight, lbs. <u>53988</u>	Payment for <u>26.994</u> tons @ <u>17.46</u> per ton <u>471.32</u>	
Freight advanced @ <u>410</u> per ton <u>40 ton minimum</u>	<u>164.00</u>	
X <u>San Francisco Surtax 7%</u>	<u>11.48</u>	
<u>San Francisco Royalty 10%</u>	<u>29.58</u>	
Royalty paid:	<u>21.08</u>	
Additional royalty, Washoe Consolidated Mining and Milling Co., c/o C.N. Miller, 58 Sutter Street, San Francisco, California	<u>8.50</u>	
	Former Pay: <u>1.81.71</u>	
Checked by _____		
Approved by _____	Net Payment <u>12.34</u>	

1970 0004

RETURNS OF

RECEIVED OF

San Francisco, Calif.
J. J. Moore
101 Main Drive
Reno, Nevada

By

AMERICAN SMELTING & REFINING CO.

SELBY SMELTING WORKS
405 MONTGOMERY ST.

SELBY LOT 8063

312
Item 4

Mark Commonwealth Mine

Bulk Sacks weighing gross 45600 lbs.
Tare lbs.
Moisture 2.0 % 912 lbs.
Samples lbs.
NET DRY WEIGHT 44688 lbs.

A. P. 46471

Arrived 11/11/70

ASSAYS and ANALYSIS		PERCENTAGES and PRICES		DEBITS	CREDITS
Gold	ozs. per ton	Less % @			
Silver 10.70	ozs. per ton	Less 1 % @ .77			18.00
Lead 15.0	%	Less 10 % @ 4.50 per lb. Less 1.50	3.00		7.20
Copper (wet)	%	Less units @ per lb. Less		4 26	
Insol. 45.5	%	Charge @ .10		1 70	
Iron 11.5	%	Credit @ .06		1 75	
Zinc	%	Under 30% Lead 17.0 @ .10		98	
Sulphur 0.0	%	Sulphur over 2.0 7.0 @ .25			
Arsenic 2.45	%	As & Sb over 1.0 1.95 @ .50			
Antimony .90	%				
		Base Charge		2 00	
		Totals 10.07		10 69	19.00
		Value per Ton			9.00
		Value of 44688 lbs. @ 9.10 per ton			205.00
		Sampling and Assaying			
		Reducing			
		Burning, Grinding and Sifting			
		Freight @ 3.50	.80		
		Prepaid	.14		
		Over Paid	3.34		
		Totals			
		NET PROCEEDS			205.00

IMPORTANT!

If not advised to the contrary within 7 days from date we will assume that returns are satisfactory and the product covered by this agreement will be placed in process.

Smelting & Refining Co.

TO BE PAID UPON RECEIPT BY US OF PROPERLY EXECUTED AFFIDAVIT WHICH WILL QUALIFY THE SILVER CONTENT OF THIS SHIPMENT FOR SALE TO THE U. S. GOVERNMENT

REPORT
ON
PROPERTY OF GALENA MINING COMPANY.

AT
GALENA, - WASHOE COUNTY, - NEVADA.

The property is situated fifteen miles southerly from Reno and sixteen miles northerly from Carson City and one-half mile westerly from the paved highway joining Reno and Carson City.

THE PROPERTY.

The property consists of one patented mining claim, the Union, Patent No. 37 granted in 1874, and ⁸seven claims, the Protector, Protector No. 2, Why Not, Galena, Franklin, Furnace, and Fulton, held by location, - and a mill-site of about ten acres.

TRANSPORTATION.

Galena Creek Station, on the Virginia & Truckee R.R., is situated about 55 feet westerly from the east side line of the mill-site, and a good wagon road about one-half mile long connects the mine with the Reno - Carson City highway.

WATER AND POWER.

Galena Creek, with a minimum flow of three hundred (300) miner's inches of water during the low season, passes through the Union and Protector claims of the property. This water can be utilized, under a 250-ft. head, to generate 300 H/P by the construction of a pipe line

one-and-a-half to two miles long.

The transmission line of the Sierra Light & Power Co. from its Truckee River power plant to Virginia City passes within four miles of the property.

TIMBER.

Good mine timber and lagging can be obtained in the foothills of the Sierra Nevada mountains about three miles westerly from the property, and delivered at the mine at reasonable cost.

The lumber companies of Reno also sell mine timbers.

GEOLOGY.

The mine lies in the foothills between the Sierra Nevada Mountains and the Virginia Range, (a northeasterly off-shoot from the Sierra Nevadas)- and about eight miles in an air line from Virginia City and the Comstock Lode, which is located just over the summit of the Virginia Range on its eastern slope.

The early slates were crushed and shattered by an intruding eruptive hornblende andesite, the contact of which with the slate strikes about South 50 degrees West.

The ore body lies in the slate and parallels the andesite slate contact, at no great distance, and is conformable with the stratification of the slate except insofar as it has been slightly displaced horizontally by a series of North-South faults which cross the ore zone at right angles at intervals fifty to seventy-five feet apart. These North-South faults parallel the main North-South faulting zone of the eastern side of the Sierra Nevada Mountains, and probably occurred during the same period, and are closely related to it. These faults are also responsible for the ore deposition,

because at the intersections the richest ore is found. The mineral-bearing solutions, ascending along these North-South fault planes, penetrated the slate and deposited their mineral-bearing content along the slates stratas, -- the deposition being heaviest close to the contact and gradually decreasing at greater distances from it.

DEVELOPMENT.

The main tunnel starts at a point about two hundred feet westerly from the spur track of the Virginia & Truckee Railroad, and about thirty feet above it in elevation, continues in a southwesterly direction for 700 ft., at which point it cuts the ore body at a depth of 300 ft.

Then, turning slightly to the south, it continues on the vein for 700 ft., showing pay ore to be continuous for the entire distance and with the face of the drift still in good ore.

Various cross-cuts show the ore body on the tunnel level to be from 8 to 35 ft. wide. The lead-silver-zinc ore shoots predominate on the footwall side, and the zinc ore bodies with a small lead-and-silver content are found on the hanging wall side of the vein.

Eight separate stopes showing faces of ore from 6 to 35 ft. wide, with ore chutes in and in good shape, are ready to start production from this level, - as soon as the compressor and air drills are installed.

Two winzes, one vertical and the other an incline, have been sunk below the tunnel level, showing good ore 100 ft. deeper than the level, with the vein increasing in size as depth is gained.

The No. 1 raise continues on the vein from the tunnel

level to the 80-ft. level, a distance of 220 ft., and cuts through pay ore for the entire distance. From the top of the raise a drift extends southwesterly on the vein for 200 ft., showing a continuous ore shoot of good grade from 4 to 15 feet wide.

At a distance of 600 ft. from No. 1 raise, another raise showing on the map continues up along the foot wall of the vein for a distance of 200 ft. This raise continues through good ore for the entire distance. At a point 120 ft. above the main level from this raise, a drift extends northwesterly for 400 ft., showing good ore the entire distance. A new raise recently started at a point 50 ft. in this drift and now up about 12 ft. above this level, with about 180 ft. of backs above, shows 5 ft. of shipping ore with good mill ore still in the hanging wall side. The ore indicated by development above the main tunnel will supply a mill of 100 tons daily capacity with a sufficient tonnage for continuous operation for five years.

By developing and opening up new levels below, great reserves of ore can be blocked out.

HISTORY OF THE PROPERTY.

The mine was prospected by early-day miners in search of silver ore of high grade, but the result of their work

and silver.

When shipments of this ore were made to the smelters, heavy deductions were made because of the presence of zinc. The development during recent years of the Froth Differential

and Selective Flotation Process has disclosed that a high-grade lead-silver concentrate and a high-grade zinc concentrate can be separated out from this class of ore. This development has been responsible for the great revival in mining in the West during the last two years, especially in Utah and Colorado, where many ore bodies of this character are found. Aspin, Leadville, and Rico in Colorado have again become very active mining camps, and the mines at Park City, Bingham, and Eureka, in Utah, have paid larger dividends than ever before.

The great industrial development in the United States and Europe since the close of the World War has resulted in such an increased demand for lead and zinc that the prices of both metals have greatly increased.

Dated April 15, 1926.

(Signed)

H.L. PARKER.

Fredwell Spoken

ASSAYS

SARNA MINING COMPANY.

In the following assays, Lead is figured at the present market price of eight cents (8¢) per pound; Zinc at seven cents (7¢) per pound, and Silver at Sixty-five cents (65¢) per ounce.

Pb.	Zn.	Ag.	Gross Value per Ton	
9.60	11.20	2.70		X - 1.9
6.0	8.0	4.05	\$ 23.44	Today, Net
42.0	10.5	22	102.70	\$ 5.76
38.0	8.0	29	86.03	53.49
1.5	35.0	8	43.50	
3.0	4.0	3	10.35	5.15
4.5	23.0	4	42.00	
1.5	12.0	1.5	20.17	
2.5	6.5	2	14.50	
25.0	8.0	20	64.24	
7.0	6.0	4	22.20	
6.0	6.0	5.5	20.25	
4.0	2.0	3.0	11.15	
2.5	17.0	2	31.10	
17.0	10.0	12	49.00	
38.0	10.5	30	95.00	
8.0	11.0	6	32.10	
2.0	8.0	2	15.70	
6.0	3.0	9	18.65	
1.5	10.0	1	17.05	
5.0	21.5	4	40.70	
2.0	4.0	2	12.90	
1.5	15.0	1	21.25	
1.0	5.0	1	9.25	2.47
9.0	9.0	6	22.90	
5.0	14.0	3	29.15	
3.0	12.0	2	22.90	
25.0	2.0	17	62.25	
2.0	9.0	1	25.45	
1.0	15.0	1	20.45	5.25

3 | 264.5
Av. 8.8% Pb.
Ratio 12-1

308.1
10.27%
3 | 203
6.8% Ag.
April 15, 1925.

Comb. 5-1 - 45% ± 50 zinc 35% Ag.

1 THIS AGREEMENT made and entered into this 24th day
2 of February, 1938, between the WHITSON-SOMERS MINING COMPANY,
3 a corporation organized and existing under the laws of the
4 state of Nevada, party of the first part, and J. BENJAMIN PARKER,
5 party of the second part,

6 W I T N E S S E T H:

7 That the party of the first part for and in consider-
8 ation of the covenants on the part of the party of the second
9 part hereinafter contained, agrees to and with the said party
10 of the second part that the said party of the first part will
11 pay to the said party of the second part the sum of Two Hundred
12 Fifty (\$250.00) Dollars, and the party of the second part
13 agrees to make a full chemical and flotation test of the ore
14 of the mine known and described as the Union Lode, Number
15 Thirty-seven (37) now under lease to the party of the first
16 part ~~and~~ to determine the type of milling process necessary
17 for the proper working of the said mine; and it is further
18 agreed by the party of the second part that the said party
19 will begin the aforementioned tests at the time of the signing
20 of this agreement by the parties hereto, and that the said
21 tests will be complete within fifteen days from the time of
22 signing this agreement.

23 It is further agreed by and between the parties
24 hereto that if and when it can be shown from the results of
25 the aforementioned tests that an economical saving and a
26 marketable product can be made from the ore of the said mine,
27 that within thirty (30) days of the completion of the said tests
28 the party of the second part will have completed and in operation
29 a fifty ton per day mill as described in a separate agreement
30 executed by the parties hereto.

31 The party of the first part further promises and
32 agrees to pay to the party of the second part as compensation

J.B.P.
J.H.S.

1 for his services as a consulting metallurgist in charge of
2 milling operations the following salary, to-wit:

3 First: The sum of Three Hundred (\$300.00) Dollars
4 per month, which sum shall become payable at such time as the
5 mill is in successful operation;

6 Second: The additional sum of ten cents (10¢) per
7 ton on all ore milled above fifty tons per day and up to and
8 including one hundred (100) tons per day;

9 Third: An additional sum of five cents (5¢) per
10 ton on all ore milled over and above one hundred (100) tons
11 per day.

12
13 The party of the second part agrees to make a con-
14 centrate and saving of values of not less than _____percentage
15 on lead, zinc, gold, and silver as may be determined by
16 laboratory tests.

17 IN WITNESS WHEREOF, the said parties hereto have
18 hereunto set their hands and seals in duplicate, each party
19 receiving one original duplicate hereof, the day and year first
20 above written.

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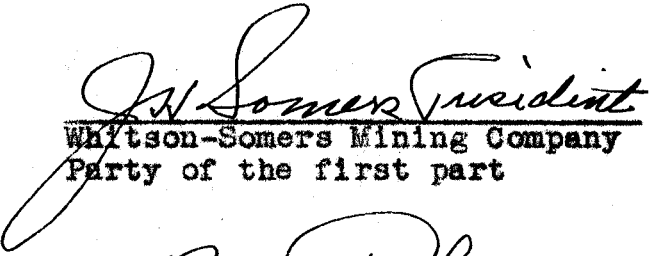
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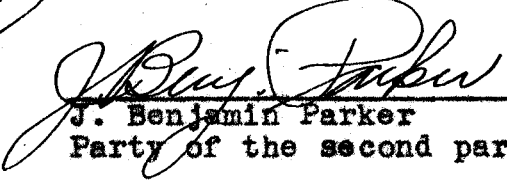
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Whitson-Somers Mining Company
Party of the first part


J. Benjamin Parker
Party of the second part

1 THIS AGREEMENT made and entered into this 28 day
2 of February, 1938, between WHITSON-SOMERS MINING COMPANY, a
3 corporation organized and existing under the laws of the state
4 of Nevada, party of the first part, and HOWARD STEINER and J.
5 BENJ. PARKER, parties of the second part,

6 W I T N E S S E T H:

7 That the parties of the second part, for and in
8 consideration of the compensation and payments hereinafter
9 promised and agreed to be made by said party of the first part,
10 hereby covenant, promise and agree to erect and install on the
11 property known and described as the Union Lode (Number 37) now
12 under lease to the party of the first part certain "Parker
13 System" flotation machines of 50 ton per day capacity of a
14 similar type of that certain machine installed by J. Benj. Parker
15 for and used by the Bunker Hill and Sullivan Mining and Concen-
16 trating Company, the said flotation machines to be used for the
17 purposes of making and preparing lead, silver, and gold concen-
18 trates; and,

19 The said party of the second part further agrees
20 to so install and regulate the said flotation machines for the
21 purpose of making zinc concentrates, if and when the same is
22 deemed and shown to be profitable, by agreement of the parties
23 hereto.

24 It is further agreed between the parties hereto
25 that the said parties of the second part shall have the right
26 to use the mill buildings, laboratory and other machinery and
27 equipment now belonging to, and situated on, the property under
28 lease to the said party of the first part, which may prove suit-
29 able for the installation and development of said machines.

30 The said 50 ton per day flotation machines are to
31 cost, when installed and ready for operation, not more than
32 \$4,000.00, and the said parties of the second part are to bear

1 the expenses and costs of installation of said mill, and are
2 to be reimbursed by the party of the first part at the rate of
3 \$2.00 per ton from the concentrates shipped to the smelter from
4 the said mill; the said \$2.00 per ton to be paid until such
5 time as the said parties of the second part receive a sum
6 equal to two times the cost of building and installing the
7 said 50 ton machines, which cost shall not exceed \$4,000.00.

8 It is further agreed by and between the parties
9 hereto that when the said 50 ton machines have been in success-
10 ful operation for a period of thirty days that the parties of
11 the second part shall have the right to build additional units
12 to the said machines for increasing the capacity of the said
13 flotation plant and units by the installation of additional
14 equipment until such time as the capacity of the plant has
15 reached 300 tons per day, the cost and expenses of erecting
16 the said plant to be paid for on the same terms and conditions
17 as aforementioned, to-wit: Costs of installation to be borne
18 by the parties of the second part, which amount is to be re-
19 paid at the rate of \$2.00 per ton from the concentrates
20 shipped to the smelter until such time as twice the cost of
21 the additional plant or units have been repaid to the parties
22 of the second part.

23 It is further agreed by and between the parties
24 that if the parties of the second part deem it necessary that
25 a ballmill unit, or a different type of crusher or grinder
26 is necessary for the successful operation of the said plant
27 that the parties of the second part have the right and power
28 to install the same upon the same terms and conditions as
29 aforementioned, to-wit: The cost of installation of the
30 said crusher or grinder to be borne by the parties of the
31 second part, which amount is to be repaid at the rate of \$2.00
32 per ton from concentrates shipped to the smelter until such

1 time as twice the cost of the said crusher or grinder and its
2 installation has been repaid to the parties of the second part.

3 The party of the first part agrees and promises to
4 pay to the parties of the second part as a royalty and as com-
5 pensation for the use of Parker flotation machines the sum of
6 10¢ per ton on each and every ton of ore treated by the said
7 machines the said 10¢ per ton is intended to be and is a
8 royalty for the use of the said Parker System.

X 9 The party of the first part agrees and promises
10 to furnish and deliver to the mill ore bins for milling pur-
11 poses not less than 50 tons of ore per day for the first above
12 described unit, and to increase the tonnage when and if de-
13 manded by the party of the second part upon twenty days
14 written notice to the party of the first part that the said
15 plant is ready to receive and treat the said ore.

16 The party of the first part agrees to furnish and
17 give a performance bond or other satisfactory assurance that
18 the party of the first part will deliver the said tonnage
19 into the mill ore bin for milling purposes, when and if de-
20 manded in writing to the party of the second part.

21 J. Benj. Parker agrees to make a full chemical and
22 flotation test of the ore of the mine known and described as
23 the Union Lode, Number Thirty-seven (37), now under lease to
24 to the party of the first part to determine the type of mill-
25 ing process necessary for the proper working of the said mine;
26 and J. Benj. Parker further agrees that he will begin the
27 aforementioned tests at the time of the signing of this agree-
28 ment by the parties hereto, and that the said tests will be
29 complete within fifteen days from the time of signing this
30 agreement.

31 It is further agreed by and between the parties
32 hereto that if and when it can be shown from the results of

1 the aforementioned tests that an economical saving and a
2 marketable product can be made from the ore of the said mine,
3 that within thirty (30) days of the completion of the said
4 tests the party of the second part will have completed and in
5 operation a fifty ton per day mill as described above.

6 IN WITNESS WHEREOF, the parties hereto have hereunto
7 set their hands and seals in duplicate, each party receiving
8 one original duplicate hereof, the day and year first above
9 written.

WHITSON-SOMERS MINING COMPANY,

By John H. Somers President
Party of First Part

J. Bay Parker
Howard D. Steiner
Parties of the Second Part

Memorandum Agreement

This Agreement, made and executed this 6 day of April, 1936., by and between H. G. Walker, of Reno, Nevada, hereinafter known as party of first part, and the Mountain Copper Company, of San Francisco, California, hereinafter known as party of second part,

Revised title

WITNESSETH:-

That for and in consideration of the sum of Ten (\$10.00) Dollars, in hand paid by party of second part to party of first part, receipt of which is hereby acknowledged, party of first part grants unto party of second part these certain optional privileges enumerated hereinafter under the conditions as specified in the following paragraphs, to wit:-

(1) Party of first part first deposes that he is the legal agent, acting under power of attorney from L.T. Brockbank and E.W. Moore, of Reno, with exclusive powers to negotiate for the sale of certain mining property owned by them as well as of certain mining property held by them under valid option from Washoe Consolidated Mining & Milling Company, a Nevada Corporation, all of which mining property is specifically described hereinafter, as follows:-

Book 2 page 6 of record

" Nine full mining claims, situated in Washoe County, Nevada, 15 miles south of Reno, Nevada, about one half mile west of the Reno-Carson highway, and covering an area of about 180 acres in all, and named "Union Lode", "No you dont", No You Dont #1, #2, #3, #4, #5, #6 & #7. The "Union Lode" is a patented claim, U.S. Survey 37. The other 8 claims are held by location. Over half of this acreage, including all of the "Union Lode" is in Section 12, and the balance in Sections 11, 13 & 14, T.17 N. R. 19 E., M.D.B.M. "

(2) Party of first part agrees to sell to party of the second part all the right title and interest in and to the above mentioned mining claims and to all the ores contained therein, subject to approval of the title thereto as held by the Washoe Consolidated Mining & Milling Company, L. T. Brockbank, J. W. Moore, and H.G. Walker as agent and to provide and put in escrow a good and sufficient deed to same, as said title may appear from the official records, upon the following terms and conditions, to wit:-

Party of first part grants unto party of second part a period of thirty (30) days from the date hereof in which to submit to its officials this proposal for their consideration, and agrees to render to party of first part at that time a decision indicating their further interest in the matter, and plans for future procedure. In the event it is decided by party of second part to proceed with the rehabilitation of the mine workings, making a surveying, sampling, unwatering and otherwise thorough

examination of the mine, party of the first part will grant to party of second part a period of not less than ninety (90) days in which to complete such examination, and to determine whether or no the party of second part wishes to purchase the property. (It is hereby understood that if a slightly longer time is found to be absolutely essential to complete the examination and reach a decision party of first part will be found agreeable to such reasonable extension as may be required, it being the purpose of this condition that party of second part exercise all diligence in effecting prompt and efficient completion of the proposed investigation.)

Party of the second part agrees, upon completion of the examination at the end of the ninety day period just above referred to, and indicated as on or about August 15, 1936, to either relinquish in writing all claim to optional privileges with reference to this property, or to enter into a purchase agreement with party of the first part to become effective immediately with the following purchase price and terms as the basis thereof, subject only to modification downward by consent of party of first part, as a result of possible effects of the results of proposed examination:

Purchase Price,	\$ 125,000.00
Cash down payment,	12,500.00
Additional payments at intervals of six months of not less than \$12,500 each, for 3 1/2 years, with a final payment of \$25,000 six months later or a total period of four years from date of first payment,	87,500.00 25,000.00

Party of first part agrees to cooperate in every way possible with party of second part toward bringing about a satisfactory culmination of this proposal, and agrees that, in the event party of second part withdraws from the property following completion of the proposed examination, they may remove all equipment and tools which have been provided and placed thereon by them, excepting only such permanent timbering, ladders and fixed accessories as are properly considered to be requisite to the keeping of the mine in order for further operation or examination.

APPROVED