

Nevada State Bureau of Mines

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Emeralda County

Goldfield District

A Concise History

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of the

Acquirement of the Property of the

Pittsburgh-Goldfield Mining Company

and its Development to date.



The following statement represents a concise history of the acquirement of the property of the PITTSBURGH-GOLDFIELD MINING COMPANY, its development to date and its future prospects, based upon what has been discovered in the work to date and the opinion of the best mining men of the country.

The first four claims comprising this property were acquired in 1906 by Mr. Alvin C. Spindler, who had been summoned to Goldfield by Mr. John Y. McKean, President of the Tonopah Extension Mining Company.

During the next four years he acquired the Frances Group, the Dixie, the Rialto and the Coliseum. The original shaft was started in 1908 on the Mayflower and sunk to a depth of 412 feet, and crosscutting proceeded to the North 52 feet, which showed values of from \$18 to \$85 per ton.

About this time Mr. Spindler, who was on the ground, became acquainted with the Government geologist, who was then making a detailed report of the Goldfield District. At the suggestion of Mr. Lawson the geologist, a visit was made to our property and the shaft and development examined. This resulted in Mr. Lawson advising us to close down the work, as our shaft was in the wrong location; he advised moving it over some 1200 feet West for the reason that the great uplift in that neighborhood was the proper place to sink the shaft. Unfortunately we did not own the two claims which projected down into our property at the point which he selected which belonged to the Monarch Group. We then started out to acquire this group of claims, but a deal could not be consummated until 1928, when we acquired not only the legal but the tax title.

During this long period of time the taxes on these various claims were paid by C. A. Cooper and Mr. Spindler, amounting to \$12,288.45.

Shortly after this title had been secured, Mr. Spindler raised the sum of \$160,000 to proceed with the work of developing the property. After this was done he communicated with Mr. Corrin Barnes, a distinguished mining engineer, who had been continuously on the ground for over 25 years and asked him to come to Pittsburgh to consider a proposition to take charge of our development work. The visit resulted in Mr. Barnes employment upon a contract whereby he is to receive 50,000 shares of our stock when he develops a paying mine.

The first thing to be done was to locate the shaft, which required careful examination of the dikes and the great uplift which passes through our property. This location is almost identical with Mr. Lawson's advice.

Next was the grading and construction of a road to the location, which cost approximately \$3,000.

During this time Mr. Barnes ordered the mining machinery which had to be made up specially, and it represents the last word in mining machinery. So we were not able to start the actual sinking of the shaft until June, 1930. The work was pushed vigorously, and in December, 1930 we cut the first station at a depth of 500 feet, and then proceeded to drift Northeast and Southwest, a total distance of approximately 1000 feet. This drifting was all in oxidized quartz, which as a rule carries very little gold values, yet we had assays on this level on the South up to \$16 a ton, and on the North the assays reached \$22 a ton and at one point much higher.

On June 25, 1931 Mr. Barnes advised us that we would have to go deeper to get into the sulphide zone, which we reached in October at a depth of 800 feet, and to our surprise we found the sulphides carrying values, although in the Goldfield mines they did not get any values until they were 140 feet in the sulphides, and therefore he assures us that we have a mine, and all that is required is a little more work which will develop its richness.

While waiting for the necessary supplies to continue this work, and on account of the extremely severe weather, Mr. Barnes determined to close down, and we will not proceed with the work until perhaps April first.

The Company has no debts and will have more than sufficient money in the treasury to completely develop the mine, when the 200,000 shares of treasury stock is disposed of at 25 cents a share.

It has been frequently stated by mining men who are familiar with the district that our big crossdike or uplift is much greater than the one through the Consolidated Mines, as well as the fact that the Northeast and Southwest dikes, which cross the uplift, are many times as numerous as those that cross the uplift in the Consolidated. To make this clear to you, wherever these Northeast and Southwest dikes are cut and shattered by the crossdike they are strongly mineralized for hundreds of feet on either side. Therefore, the life of our property will be indefinite.

During the latter part of July of this year the Government sent the most expert mining engineer and geologist in this country to Goldfield and other sections, to stimulate the production of gold. On going over our property he approved Mr. Barnes' statement which he made to the Board, which is as follows:

That we now own the most extensive and complete group of mining claims that has ever been put together in an ore-bearing district.

That we have the finest mining machinery that could be made—not exploration machinery, and a power line extending from Goldfield which furnishes electric power at a very low price.

That we are only 23 miles from a customs mill to which we have a graded road over which you can haul either ore or supplies, and in his judgment 75% of all mining cost is due to transportation from the mine to the mill, and the mill itself. So you can readily understand what a wonderful advantage that is to the property.

That the construction of the shaft and its timbering are of the highest quality.

He further said that if we discover ore that will run only \$100. to the ton the property will pay a dividend of 200% and be worth \$35,000,000. We now know that on either side of the crossdike, within a few hundred feet of our present shaft, the assays have run from \$85 to \$100 per ton.

In the Goldfield area comprising the five big mines which produced over \$100,000,000 it was discovered that the richness of the ore was due to volcanic eruption, which created chimneys in which ore was deposited which reached a value of \$12,000 per ton.

In the minds of the best mining men we are sinking our shaft on an exactly similar geological structure and are in the immediate neighborhood of another volcanic eruption, which has produced the same condition as that around the five big mines, where the surface is covered with a dacite formation considerably deeper than was found in the five big mines, and covering a greater area, which would indicate it had to be produced by a similar volcanic action. And thus it is the belief of the most competent mining men of the country that our ground will produce the greatest mining property ever found in the United States.

You will also notice that the original company was incorporated in Arizona under the name of the Pittsburgh-Nevada Mining Company of Goldfield, but when the value of the property became self-evident, it was deemed best to change it to the Eastern District, and accordingly a new charter was obtained and the name of the Company changed to PITTSBURGH-GOLDFIELD MINING COMPANY, and all its assets transferred to the said new company.

The maps attached hereto will give you a comprehensive view of the district and the claims comprising our property.

It is a well-known fact that the depression of 1892 was ended by the discovery of a method of handling the enormous gold deposits in the Rand, in South Africa, which liquidated an entire school of political finance. Almost a similar situation confronts the country now, and the development of a rich gold-bearing property by by our company, which the best informed mining men declare will happen, will have the same effect as to the stability of the gold standard and the beginning of prosperity in this country as it did in 1892.

THE BOARD OF DIRECTORS,

By C. A. COOPER, President,

ALVIN C. SPINDLER, Sec'y-Treas.

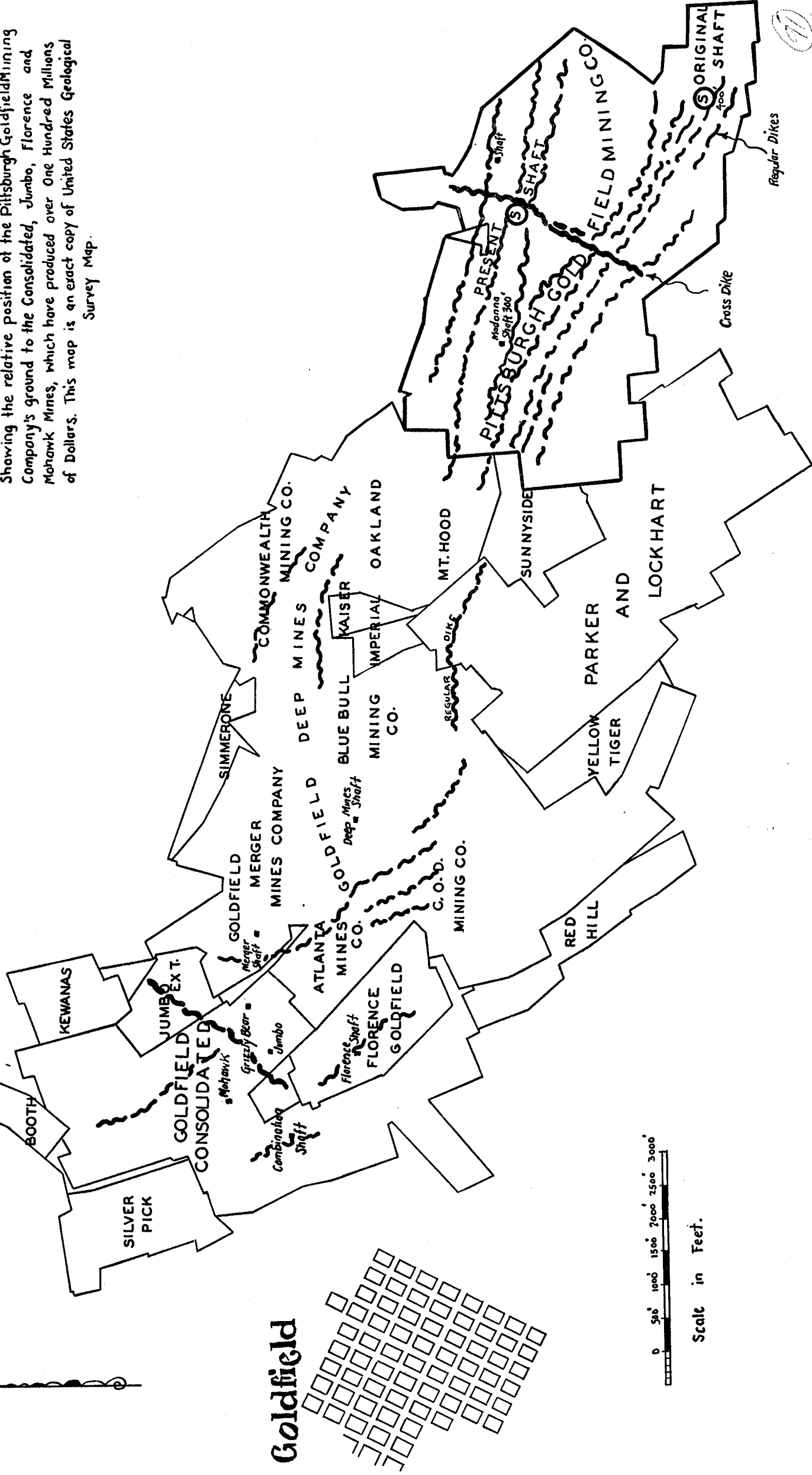


MAP

of the

GOLDFIELD MINING DISTRICT

Showing the relative position of the Pittsburgh Goldfield Mining Company's ground to the Consolidated, Jumbo, Florence and Mahawk Mines, which have produced over One Hundred Millions of Dollars. This map is an exact copy of United States Geological Survey Map.

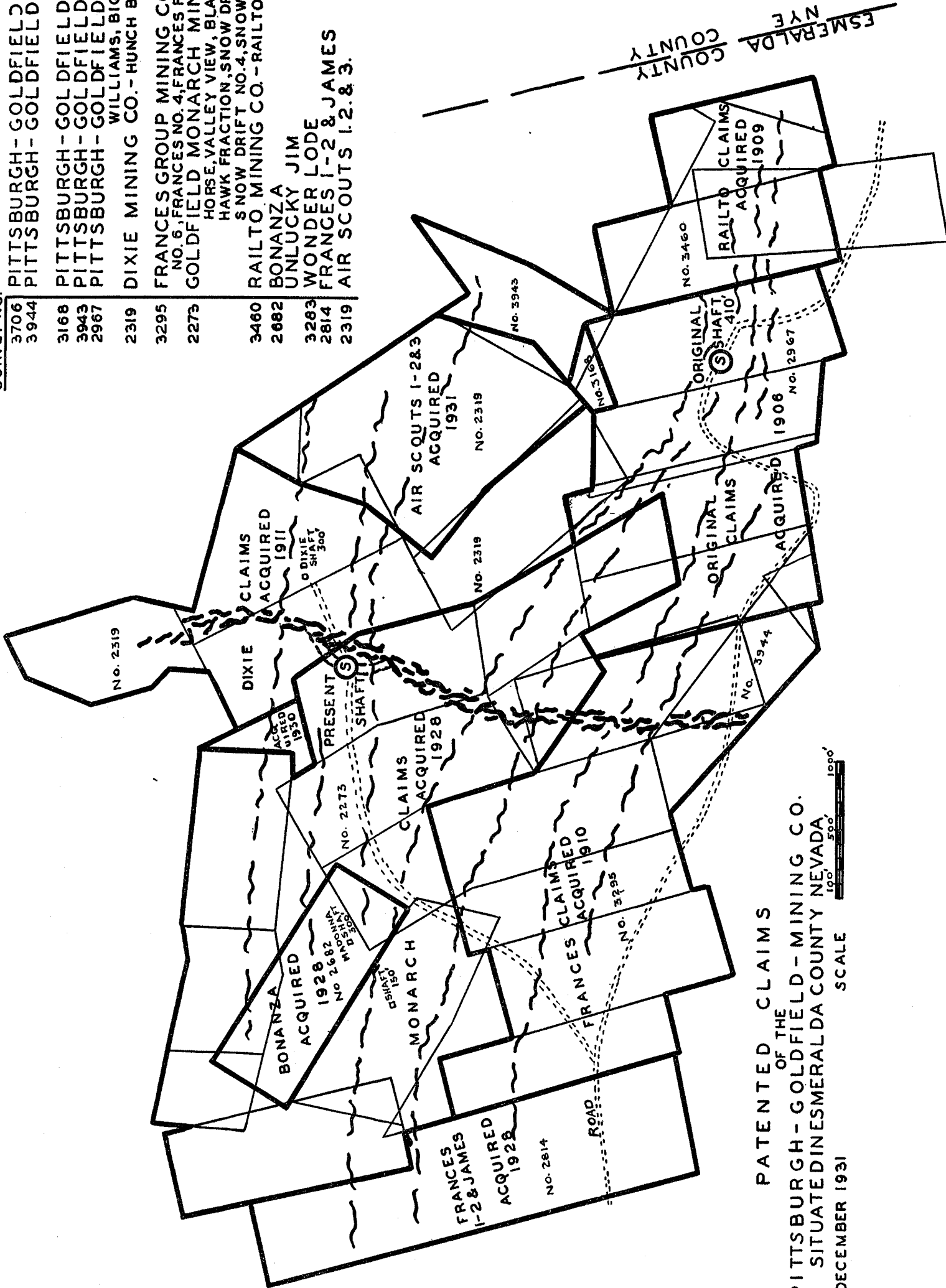


ESMERALDA COUNTY
NYE COUNTY

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SURVEY NO.	AREA
3706	10.01
3944	8.625
3168	1.716
3943	10.758
2967	64.153
2319	63.299
3295	84.867
2273	135.832
3460	15.639
2682	20.1
3283	2.1
2814	9.5
2319	136.1
	70.

PITTSBURGH-GOLDFIELD MINING CO.-RUBY NO. 4
 PITTSBURGH-GOLDFIELD MINING CO.-CROWN POINT FRACTION
 PITTSBURGH-GOLDFIELD MINING CO.-BIRDIE-BELLE
 PITTSBURGH-GOLDFIELD MINING CO.-COLISEUM
 PITTSBURGH-GOLDFIELD MINING CO.-MAYFLOWER
 WILLIAMS, BIG JACK NO.1 & BIG JACK NO.2
 DIXIE MINING CO.-HUNCH BELL NO.7 TIN HORN MINTY
 MINTY NO.3 MINTY NO.4
 FRANCES GROUP MINING CO. FRANCES NO.3, FRANCES
 NO.6, FRANCES NO.4, FRANCES FRACTION, FRANCES NO.5.
 GOLDFIELD MONARCH MINING CO.-MONARCH, WILD
 HORSE, VALLEY VIEW, BLACK LION, BLACK HAWK, BLACK
 HAWK FRACTION, SNOW DRIFT, SNOW DRIFT NO.2, SNOW
 SNOW DRIFT NO.4, SNOW DRIFT FRACTION, RATTLER
 RAILTO MINING CO.-RAILTO & FRONTENAC
 BONANZA
 UNLUCKY JIM
 WONDER LODE
 FRANCES 1-2 & JAMES
 AIR SCOUTS 1,2 & 3.



PATENTED CLAIMS
 OF THE
 PITTSBURGH-GOLDFIELD-MINING CO.
 SITUATED IN ESMERALDA COUNTY, NEVADA,
 DECEMBER 1931

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 11/11/31