

MINE MANAGEMENT
OPERATIONAL CONSULTING

MINE EXAMINATIONS
MINING ENGINEERING

196
INVESTOR'S REPORTS
EFFICIENCY STUDIES

2640 0004

Item 10

J. H. WREN & CO.

CONSULTING MINING ENGINEERS

CABLE ADDRESS
WRENCO

PHONE GLADSTONE 6-0922
4297 D STREET
SACRAMENTO, CALIF.

CONTENTS

INVENTORY REPORT

U. S. MINING EXPLORATION CO., INC.

SECTION NO.

U. S. MINING EXPLORATION CO., INC.	1
SILVER CROWN PROPERTY	2
SILVER BULLION PROPERTY	3
UTAH-VISTA PROPERTIES	4
REFERENCE	6
MAPS IN POUCH	7

A). VISTA WORKINGS PLAN	PLATE 1
B). U.S.G.S. UTAH-VISTA AREA	PLATE 2
C). U.S.G.S. SILVER CROWN AREA	PLATE 3
D). AREA MAP OF KING DISTRICT	PLATE 4
E). SILVER BULLION X-CUT PLAN	PLATE 5

J. H. WREN & CO.

CONSULTING MINING ENGINEERS

CABLE ADDRESS
WRENCO

PHONE GLADSTONE 6-0922
4297 D STREET
SACRAMENTO, CALIF.

FEBRUARY 21, 1963
40 West First Street, Reno, Nevada
U. S. MINING EXPLORATION CO., INC.

The U. S. Mining Exploration Co., Inc., was organized under the laws of the State of Nevada in 1945, and has been in good standing at all times concerning the regulations governing its operation.

The U. S. Mining Exploration Corp. is capitalized for two and one-half million, non-assessible shares with a par value of \$1 per share. Approximately three quarters of the total two and one-half million shares are unissued. The shareholders of the corporation are composed of professional engineers, businessmen, and retired individuals. No shares have been placed or given by the corporation for promotional purposes. All present members contributed either cash, property assets and/or services for their share ownership.

From 1945 to February 1963 limited activity was conducted by the corporation. It explored one gold property North of Winnemucca, Nevada and acquired a lease with option to purchase a group of eleven lode mining claims known as the Utah Mine in Lander County, Nevada. It also acquired the ownership of two lode mining claims, known as the Vista Claims, in Lander County, Nevada. The corporation abandoned the gold holdings north of Winnemucca after doing some rehabilitation and exploration work. The Utah Claims and the Vista Claims were examined, geologic, geophysical and metallurgical work was accomplished. Professional reports were made and the holdings were evaluated as economic mining properties. For the past several years the company's funds were inadequate to carry on any other work than completing the necessary assessment work to keep the claims in good standing under U. S. Federal Mining Regulations.

Mine operators Otto Brink, Ed Cleve and Consulting Mining Engineer, James H. Wren, all of Sacramento, California, through a mutually equitable arrangement with Mr. Lester Walbridge, President U. S. Mining Exploration Co., Inc., added valuable lode mining properties to the corporation's inventory in February 1963.

The U. S. Mining Exploration Co., Inc., inventory as of February 21, 1963, is as follows:

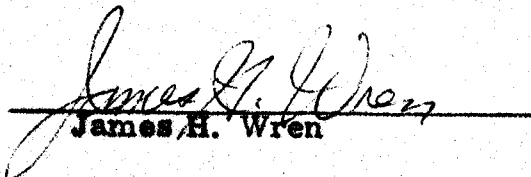
1. Lease with option to purchase Utah Lode Claim Group.
See professional reports herein.

U. S. MINING EXPLORATION CO., INC.

2. Ownership of the Vista Lode Claims. See professional reports herewith.
3. Ownership of the Silver King Lode Claim Group consisting of seven full lode claims, in Douglas County, Nevada. See exhibits.
4. Ownership of the Silver Bullion Claim Group consisting of nine full lode claims in Mineral County, Nevada. See exhibits.

IMMEDIATE CORPORATION OBJECTIVES:

1. A joint venture agreement is being negotiated with J. Hitt of Sonoma, California to operate the Vista and Utah Claim groups. They are to drill out the indicated ore resulting from the Vista geophysical survey, evaluate and set up to beneficiate the 50,000 tons of dumpage for production income, rehabilitate and commence production of known ore in the Utah group.
2. Alignment is being made to complete the x-cut across some 300' of highly mineralized Rhyolite and the cutting of six mineral bearing veins on the Silver Bullion Nos. 2 and 5 claims. The data gained will also allow evaluation of open pit possibilities of gold-silver ore. During the course of driving the x-cut already in some 700' a very definite probability exists whereby direct crude ore shipments will be produced for market.
3. As soon as weather conditions permit -- in about one month or less -- the Silver King Claim Group will be reactivated and selective shipments of good grade gold, silver, lead ore produced.
4. The above objectives have been formally authorized by the shareholders and board of directors of the U. S. Mining Exploration Co., Inc.


James H. Wren

2. Utah And Vista Mines, Continuation :

- e). Negotiations are now underway with regard to a joint venture agreement now being let to an adequately financed group who will be obligated to : a). Rehabilitate Utah Mine workings where available economic grade ore is developed. b). Evaluate 50,000 tons of silver bearing dumpage with object of beneficiation and production income. c). Diamond drilling of the area on the Vista No. 1 Lode Mining Claim as a follow up on the extensive geophysical study made of a particular zone which concluded in the exact locating of a highly favorable zone in which it is very probable that a major economic grade ore occurrence exists. d). Sample, drill and evaluate the silver bearing zone which holds some considerable merit with regard to the opening of a high-volume open pit operation.

3. King Mine :

- a). Location : Nine full Lode Mining Claims in the King Mining District, of Mineral County, Nevada.
- b). Ownership: U. S. Mining Exploration Co., Inc. is the owner and the property is free and clear of obligation.
- c). Geology : The mineralized zone, some 350' in width by over 3/4 mile in length is a highly mineralized, altered Rhyolite. This mineralized zone, on the S.W. contacts Andesite which holds some mineralized veins. On the N.E. side, it is bound by unaltered Rhyolite. The chief values in the veins, stringer zones and disseminated mineral over extensive widths are in the form of gold and silver. Due to the absence of lower level exploration, it is suspected that the silver values will increase with depth as the surface shows evidence of high leaching.
- d). Production: Some selectively mined tonnage from this property was accomplished during the 1920s at a low silver price and under primitive mining conditions. However, hundreds of shallow shafts, short x-cuts, drifts and surface channels exist. Some mineral is present at each prospect. This will enable an economic evaluation and sampling program whose results will enable the compiling of an accurate reserve estimate.
- e). A seven hundred foot x-cut in good condition has been driven in the Andesite near the center of the ore deposit. This entry is only some 20' from a connection with the mineralized zone. Schedule calls for driving this adit across the proven mineralization, some 350'. During the course of the drive advance at least six veins will be cut through. Vein backs above this x-cut and production haulage adit will be from 150' to 450'. Gravity loading of ore production in this entry can be produced cheaply. At the conclusion of the x-cut drive an evaluation will be possible to conclude positive factors with regard to the now apparent possibility of the establishment of a high volume open pit operation with dimensions 300'-350' wide and over 1/2 mile in length. While this x-cut is being finished on one shift, a second shift can be producing shipping grade ore from the known veins. A preliminary sampling program has been completed. Results are available.

U. S. Mining Exploration Co., Inc. Inventory of Jan. 30, 1963

3. The U. S. Mining Exploration Co., Inc. is a solvent company. Its officers and directors are either members of various professions or experienced mine operators and engineers.

The corporation is capitalized at 2,500,000 shares of \$1 per stock. Something less than 600,000 shares have been issued and over 1,800,00 are unissued. It is a Nevada Corporation, organized in 1945. It has at all times been in good corporate standing during its almost 18 years of life.

4. The corporation's schedule at this time is to commence the production of silver-gold ores at its three properties. Silver market at \$1.25-6/10 is higher now than at anytime since the 1800s. Mining equipment, methods, metallurgy and technical advancement creates a very attractive silver production outlook from economic properties under the present long range firm market outlook.
5. The U. S. M. E. Co., Inc. is now conducting an examination program concerning gold-silver properties' evaluations with object of increasing corporation assets.

Very truly yours,
J. H. Wren & Company,
Consulting Mining Engineers,

By James H. Wren
James H. Wren.

2640 0004

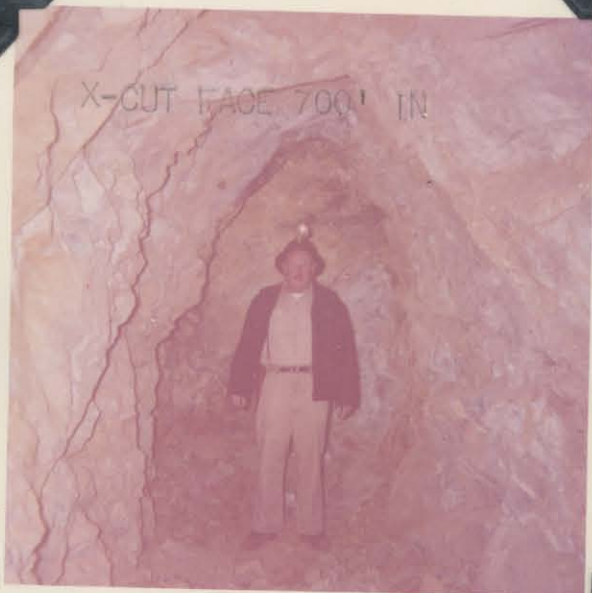
KING MINE MAIN X-CUT DUMP
JANUARY 1963



1963
Intern
SILVER MINERALIZATION
KING MINE X-CUT TUNNEL



X-CUT FACE 700' IN



KING MINE X-CUT PORTAL



KING MINE 700' X-CUT DUMP-JAN. 24, 1963



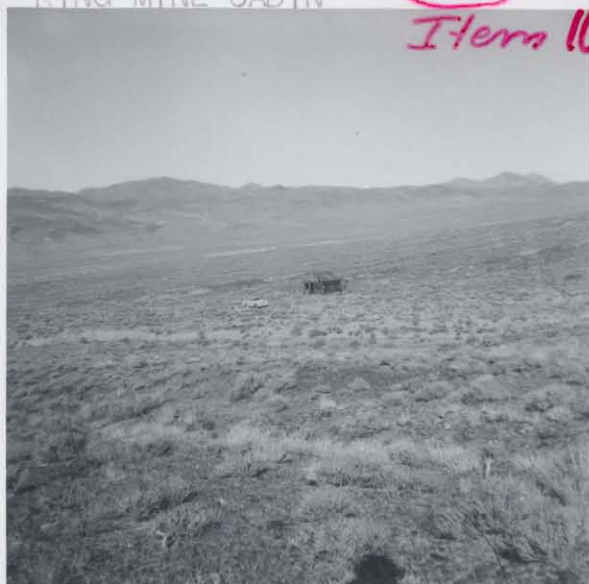
2640 0005

ROAD FROM HAWTHORNE, NEV.
CONNECTING WITH KING MINE
ROAD, JAN. 1963



KING MINE CABIN

(196)
Item 10



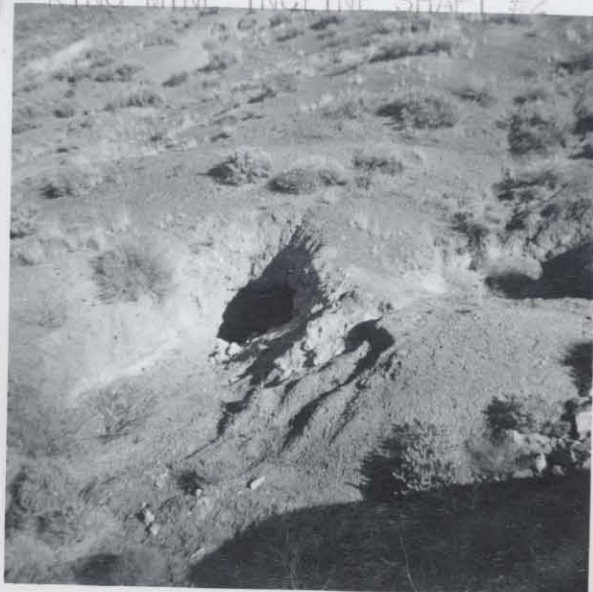
ROAD TO KING MINE JAN. '63



FLAT BELOW KING MINE



KING MINE INCLINE SHAFT #2



SLOPE BELOW KING MINE

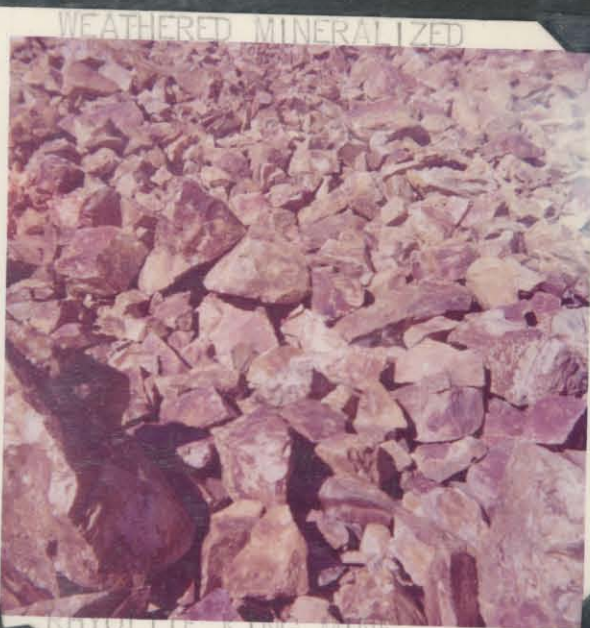




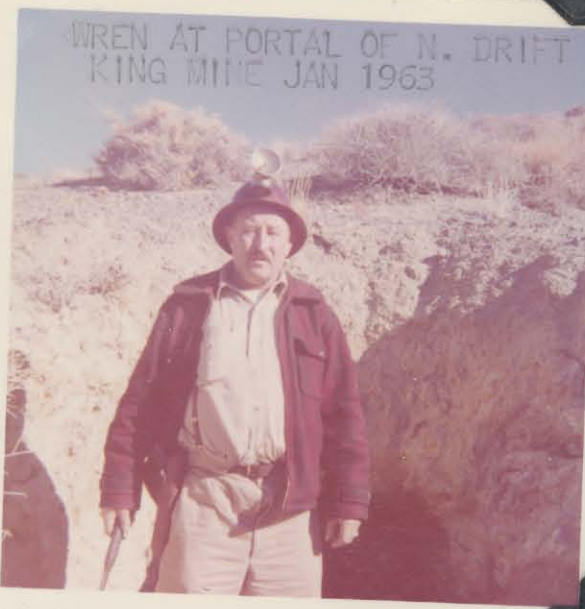
AT X-CUT SITE



OTTO BRINK IN CENTRAL
DRIFT KING MINE



INTOLITE KING MINE



WREN AT PORTAL OF N. DRIFT
KING MINE JAN 1963



S. DRIFTS KING MINE



KING MINE MINERALIZED
ZONE