

(144)

Item 40

2780 0014

THE SADDLE TUNGSTEN PROPERTY
Leonard Creek Mining District
Humboldt County, Nevada

Ralph J. Anctil
January 1973

THE SADDLE TUNGSTEN PROPERTY
HUMBOLDT COUNTY, NEVADA

TABLE OF CONTENTS

| | |
|---|----|
| SUMMARY | 1 |
| CONCLUSIONS AND RECOMMENDATIONS | 2 |
| INTRODUCTION | 3 |
| LOCATION | 5 |
| OWNERSHIP | 6 |
| HISTORY | 7 |
| PROPOSED EXPLORATION | 8 |
| GENERAL GEOLOGY | 9 |
| MINERALIZATION | 11 |
| BUDGET | 13 |

THE SADDLE TUNGSTEN PROPERTY

HUMBOLDT COUNTY, NEVADA

ILLUSTRATIONS

- FIGURE 1 - INDEX MAP, SADDLE PROSPECT
- FIGURE 2 - CLAIM MAP, SADDLE PROSPECT
- FIGURE 3 - REGIONAL GEOLOGY, PINE FOREST RANGE
- FIGURE 4 - PRELIMINARY GEOLOGIC MAP,
SADDLE PROSPECT

THE SADDLE TUNGSTEN PROPERTY
HUMBOLDT COUNTY, NEVADA

SUMMARY

The Saddle tungsten property is located in the southern portion of the Pine Forest Range, about 27 miles due south of Denio, Humboldt County, Nevada. The area of immediate interest is held by nine mining claim locations.

Previous work on the property consisted of trenching, a crosscut, and open cuts. This work exposed interesting tactite zones containing good tungsten mineralization with insignificant amounts of contaminants, such as molybdenum and copper. Additional work is warranted and is detailed further along in this report.

The Saddle property offers a good opportunity for the development of a large, open-pit operation.

CONCLUSIONS AND RECOMMENDATIONS

The Saddle property offers a potential for the development of a large, open-pit tungsten operation. This conclusion is based on preliminary work suggesting a vertical range of at least 350 feet, and a strike length of at least 750 feet and possibly another 1200 feet along strike. The width of the tactite zone is indeterminate at this time, but at least 65 feet can be viewed in the open cut area. It is hoped that trenching will increase the latter dimension. Insufficient sampling precludes any indications of an average grade, but the deposit apparently contains only minor amounts of contaminants such as molybdenum.

It is recommended that the minimum Phase I program, outlined below, be completed. This work will include detailed geologic mapping, sampling, trenching and drilling.

INTRODUCTION

This report presents the results of preliminary work completed to date on the Saddle prospect and includes recommendations for future exploration.

The prospect came to our attention through the efforts of a Reno consultant, Karl Kundert, acting on behalf of Jay Noviack, the owner. Initial examination was made on October 5 and 6, 1972 by the writer, accompanied by the owner. After this initial examination, acquisition of the property was recommended. Later in the month, the lease was signed.

Previous exploration on the property was done by the owner in 1955, utilizing a DMEA loan. A number of bulldozer trenches were completed, along with a small open cut and a 365-foot adit. Good scheelite shows were found in the cut, at the face of the adit, and in several trenches along the strike of the contact zone.

The initial exploration work will consist of a number of trenches and several drillholes, which will test the open-pit potential of the prospect.

LOCATION (Figure 1)

The Saddle property, in the unsurveyed portion of Township 43 North - Range 30 East, Humboldt County, is situated in the southeast section of the Pine Forest Range, between Leonard Creek on the west and the larger Quinn River Basin on the east. The maximum altitude in the area of interest is about 7,000 feet.

The topographic relief throughout the general area, but more particularly to the east, is moderately abrupt, affording a variety of locations suitable for waste disposal or tunnel development, should it be required. Water is available in both the Leonard Creek and Quinn River drainages.

Winnemucca, the nearest railroad shipping point, is some 90 miles southeast of the Saddle property over mostly paved roads. The small town of Denio is about 30 miles north. An alternate shipping point could be the siding at Sulphur, on the Western Pacific Railroad, some 60 miles due south of the property over unimproved roads.

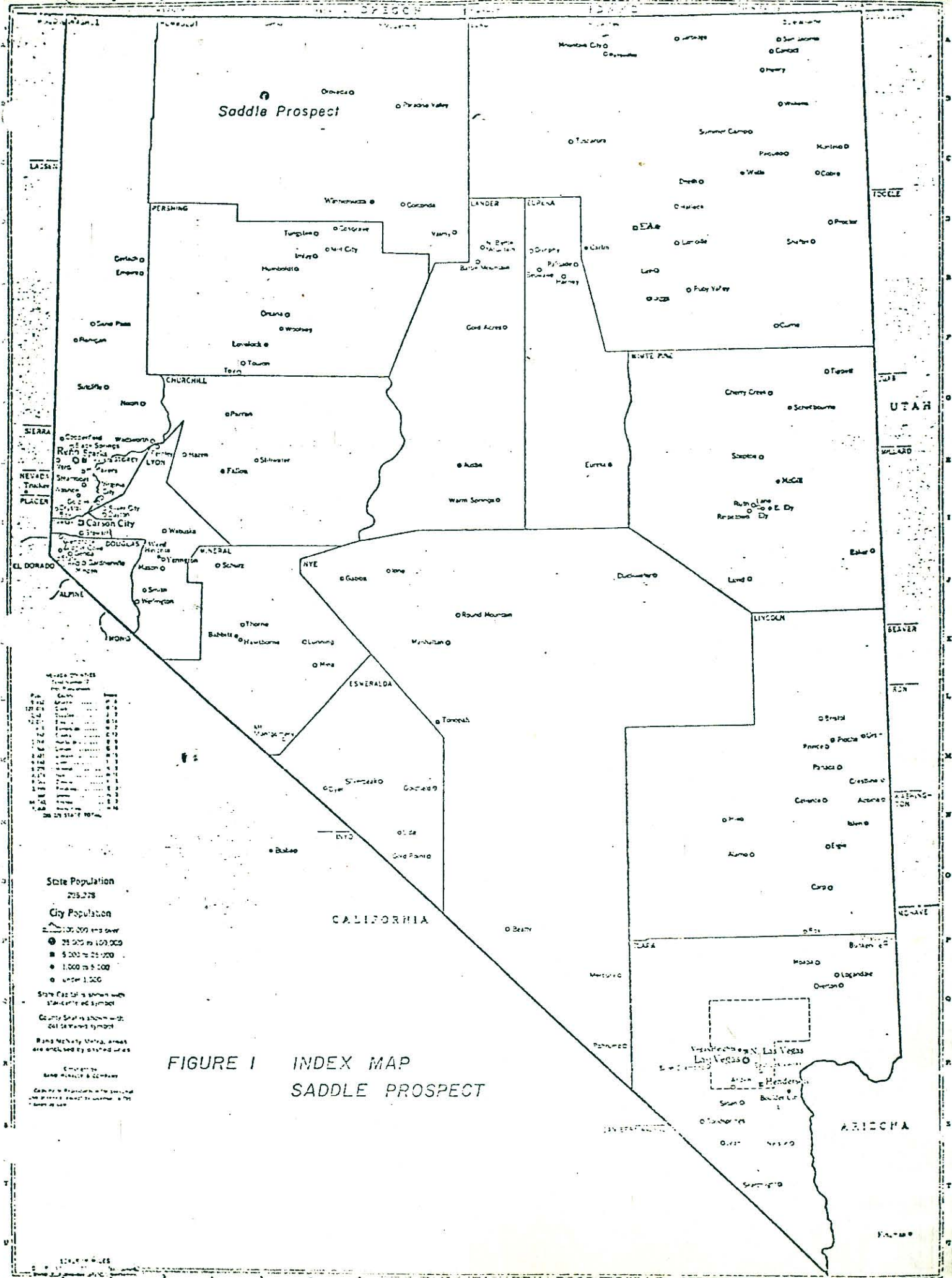


FIGURE 1 INDEX MAP
SADDLE PROSPECT

At the moment, road access is fair via Leonard Creek, but with minor road repairs, the current roads up Bishop Canyon or Cherry Creek would provide considerably shorter routes. Most of the precipitation falls as winter snow and is generally considered to be moderate.

OWNERSHIP (Figure 2)

The Saddle property consists of nine unpatented lode mining claims, located by Jay Noviack of Alturas, California, on June 8 and August 3, 1954.

The mining lease between Jay Noviack and Minerals Engineering is dated October 25, 1972. Affidavits of annual labor are current and recorded in the county courthouse in Winnemucca.

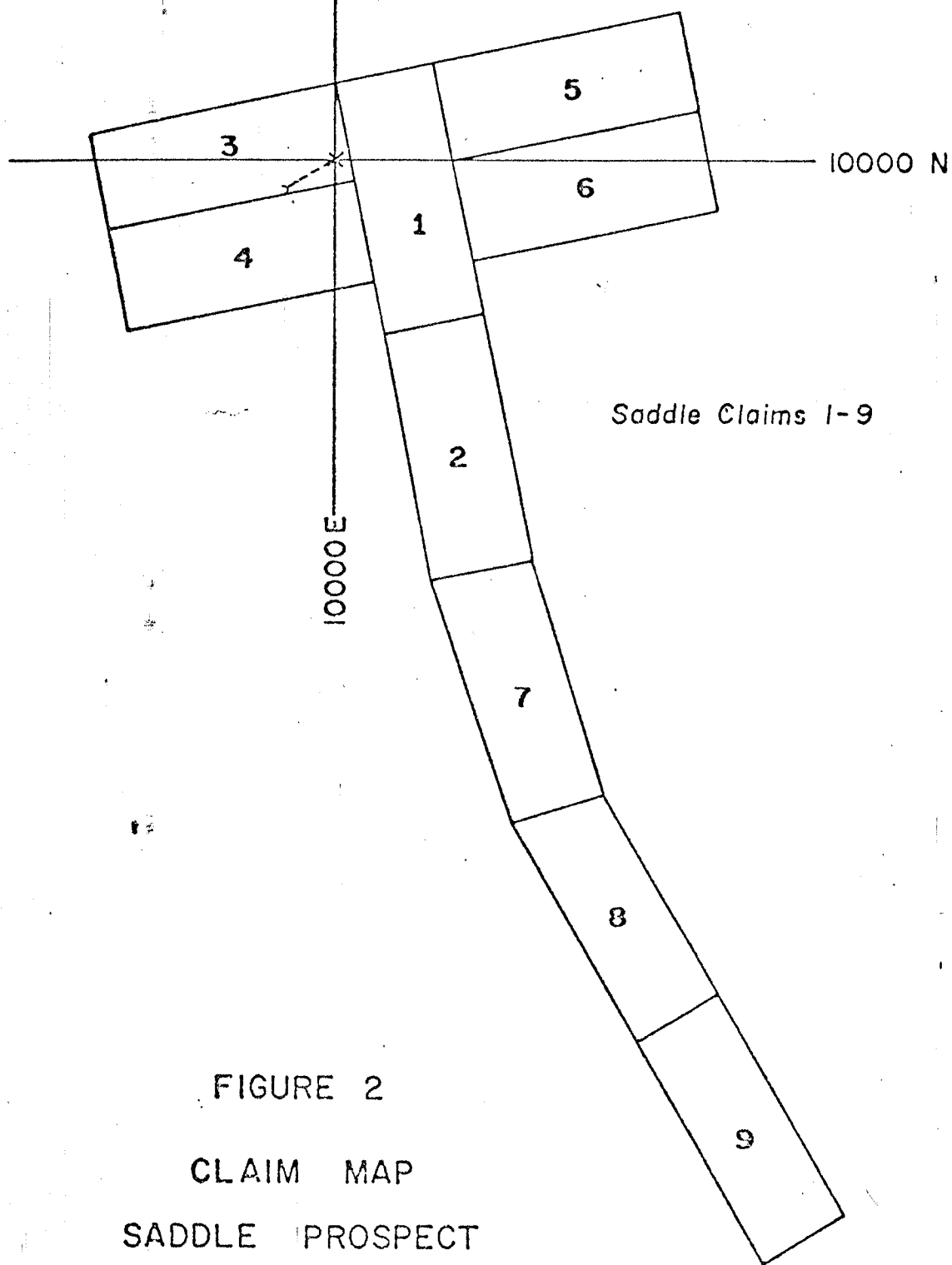


FIGURE 2
CLAIM MAP
SADDLE PROSPECT
HUMBOLDT COUNTY, NEVADA

1" = 1000'

HISTORY

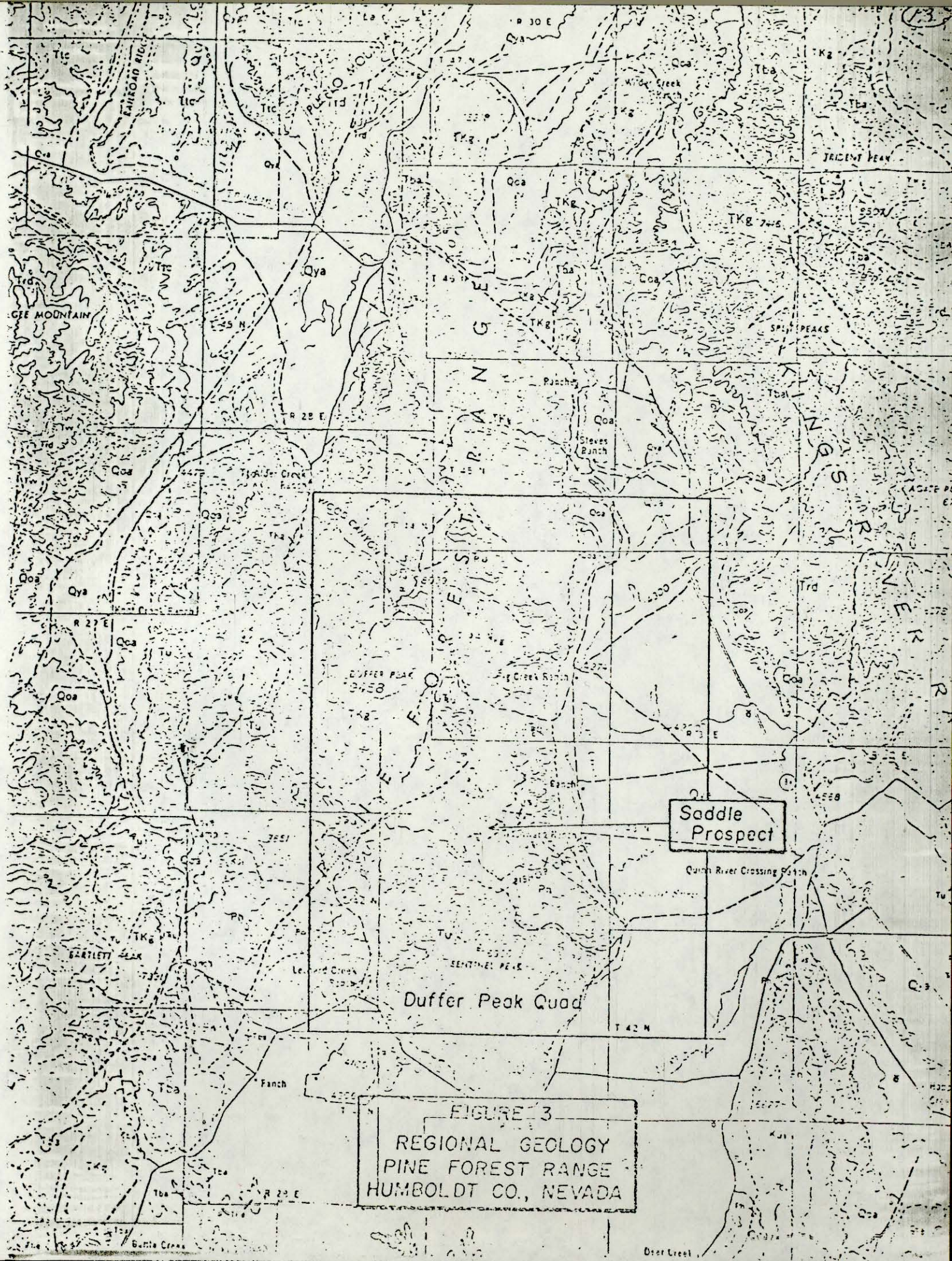
Previous work on the property was completed a number of years ago and consisted of several trenches across the supposed contact zone, a 350-foot crosscut, and one open cut. At the present time, much of this work has no value since the trenches are nearly completely filled in with loose soil and the crosscut has caved. Tungsten mineralization on the crosscut dump lumps quite well, and somewhat substantiates the "good mineralization" reported by the miners when they encountered the tactite zone.

There has been no production from the Saddle property and no discussion in the literature, so it may be regarded as a recent discovery.

PROPOSED EXPLORATION

At least five bulldozer trenches are indicated which will expose the contact zone from the open cut northeastward to the crest of the ridge (see Figure 4). Additional cuts will be required from this point onward to the northeast to expose the remaining contact zone. Although the sites for this work have not been selected, they will probably be equally spaced along the contact and normal to it. A detailed geologic map will be completed and the cuts lamped and sampled.













To complete the Phase I exploration program, at least five small-diameter core holes are suggested to test the tactite zone northeast of the open cut. Should the area northeast of the ridge prove encouraging, additional holes could then be scheduled. The holes will be inclined to the northwest and will test various depths.

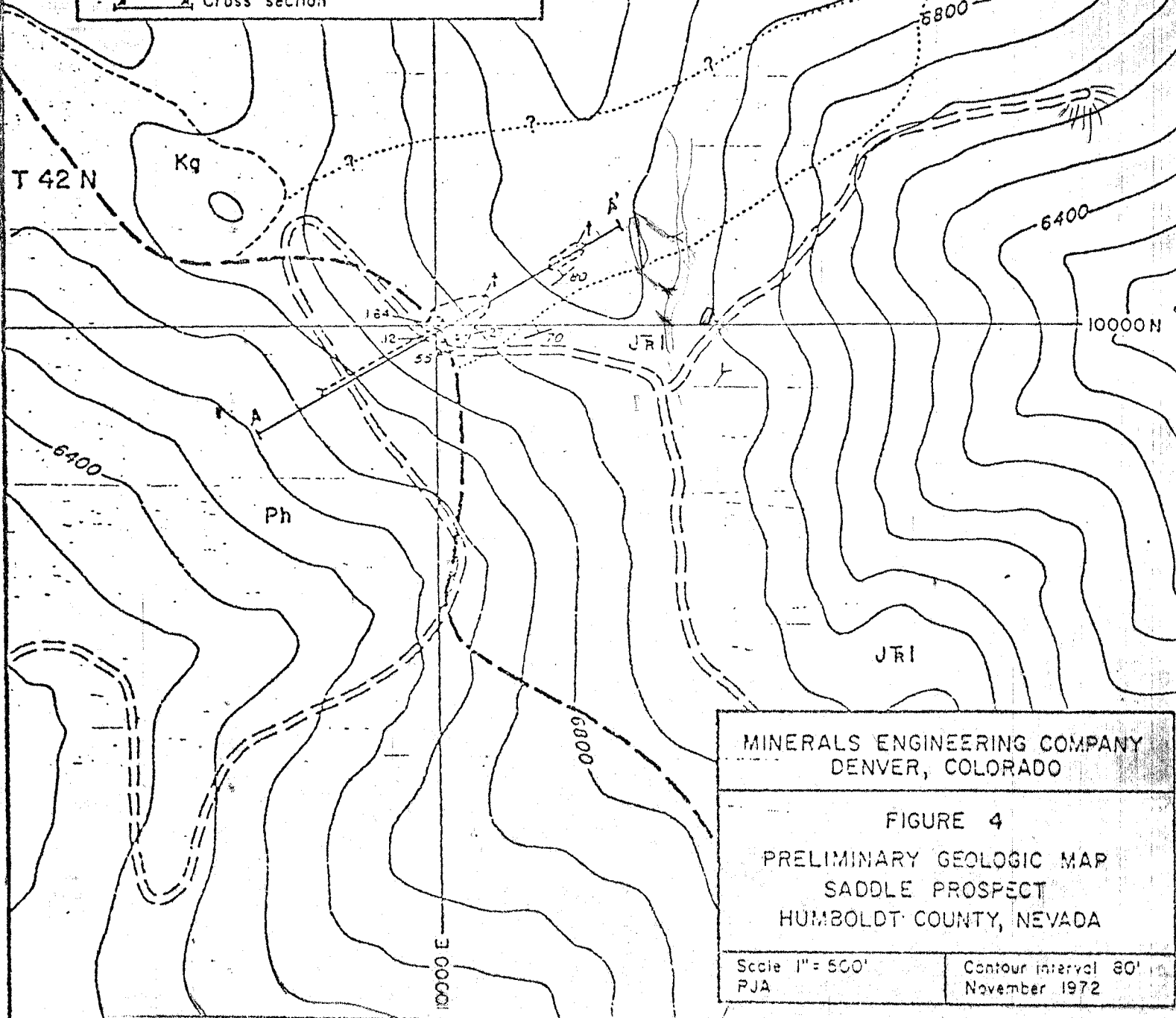
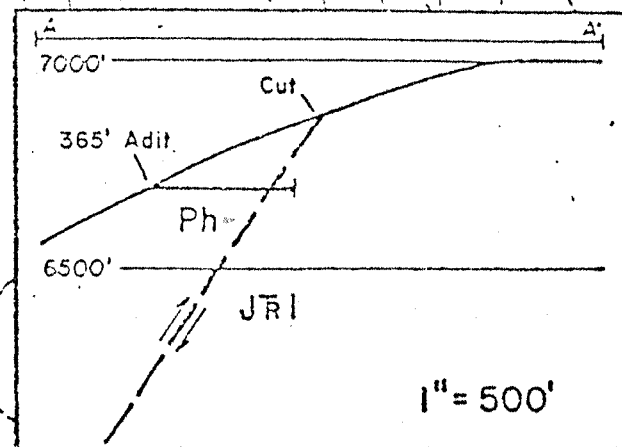


R 30 E

(11)

EXPLANATION

-  Granodiorite with some quartz diorite
 Limestone
 Happy Creek volcanics - mala sed.
 Tactite
 Strike and dip of beds
 Probable contact
 Contact
 Reverse fault with dip
 Prospect cut
 Adit
 Sample % WO_3
 Cross section



MINERALS ENGINEERING COMPANY
DENVER, COLORADO

FIGURE 4

PRELIMINARY GEOLOGIC MAP
SADDLE PROSPECT
HUMBOLDT COUNTY, NEVADA

Scale 1" = 500'
PJA

Contour interval 80'
November 1972

GENERAL GEOLOGY (Figure 3)

The Pine Forest Range was mapped by the U.S. Geological Survey in cooperation with the Nevada Bureau of Mines, as part of a general study of Humboldt County. The results of the study were published in 1964 in the Nevada Bureau of Mines Bulletin 59.

Practically all of the core of the range is underlain by pre-Tertiary metamorphic and plutonic rocks, although some prominent exposures of older volcanic (in part metamorphosed) and carbonate rocks are noted at the southern end of the range. Tertiary volcanics and Quaternary alluvium overlap the older rocks, particularly at the south, west and north limits of the mountain range.

In the area of interest, the Happy Creek volcanics are in fault contact with the younger Jura-Triassic limestones (Figure 4). Both were later intruded and altered by Cretaceous granodiorite. Much of the contact area is obscured by surficial deposits, and until some trenching is completed, the true

(14)

extent of the tactite zone will remain speculative. However, a good exposure, about 30 feet wide and well mineralized with scheelite, can be observed in the open cut. The now-caved adit penetrated the fault contact between the Happy Creek volcanics and younger limestones at about 300 feet from the portal and exposed well mineralized tactite for some 65 feet.

All the granitic rocks of Mesozoic age are grouped on the geologic map as "granodiorite" and include light-colored, equi-granular granodiorite and darker colored quartz diorite. Some aplite dikes are seen near the cut. Although small exposures of the darker intrusive rock can be observed in the open cut, their relationship to the main granodiorite mass and their true extent are obscured by alluvium.

MINERALIZATION

The tungsten deposits of the Saddle property are contact metamorphic deposits consisting of scheelite, which occurs locally in tactite. It is found distributed as grains ranging from a few millimeters to several millimeters across. Although some of the scheelite does not lamp in its typically blue-white fashion, assays reporting molybdenum content of samples from the open cut and adjacent areas show returns of 0.01% or less Mo, 0.01% Cu, and trace Au.

Scheelite is found at the adit level, in the open cut, and at the crest of the hill, a vertical range of about 350 feet and a horizontal range of some 750 feet. An additional strike length of 1200 feet is possible along the contact zone. As in most contact deposits, tungsten mineralization at the Saddle prospect is expected to be variable, but enough linear and vertical range along the contact is present to establish a significant open-pit potential for the property.

Three samples were taken to test for tungsten content of the deposit, as well as for possible impurities normally associated

16

with contact metamorphic deposits.

(1) A 15-foot selected chip sample was cut across the west portion of the face exposed in the open cut (see map for locations). The sample contained 1.64% WO_3 and 0.018% Mo. This sample, however, does not represent the average grade of the deposit, which might be closer to 0.50% to 0.75% WO_3 .

(2) A non-selective, 35-pound sample was taken of the dump at the above cut. The assay return showed 0.12% WO_3 ; less than .01% Mo; 0.01% Cu and trace Au.

(3) A 10-foot chip sample was cut about 30 feet east of the cut along a small exposure of tactite. This sample assayed 0.37% WO_3 , 0.01% Mo and 0.01% Cu.

BUDGET

The proposed exploration of the Saddle prospect will serve several purposes, all of which will be aimed at the delineation of higher grade zones of scheelite mineralization.

Surface trenching will expose the contact zone for some 1000 feet and at least five small-diameter core holes will explore the contact zone at depth. The advantage of this work will be that we can explore a large block of ground at a minimum cost.

(18)

BUDGET (Continued)

PHASE I PROGRAM

| | <u>First Month</u> | <u>Second Month</u> | <u>Third Month</u> | <u>Fourth Month</u> | <u>TOTAL</u> |
|--|------------------------|-------------------------|------------------------|-------------------------|------------------------|
| Property Payments | \$ 200 | 200 | 200 | 200 | \$ 800 |
| Trenching and Drillsite Preparation | \$1500 | 1500 | | | \$ 3,000 |
| Core Drilling: BXWL @ \$12.00/ft. incl. mobilization and other costs (2000 ft.) | \$6000 | 6000 | 6000 | 6000 | \$24,000 |
| Sampling (WO, Mo, Cu) | \$ 200 | 200 | 200 | 200 | \$ 800 |
| Supervision - Geologist | \$ | 1000 | 1000 | 1000 | \$ 3,000 |
| Regional Geologist | \$ | 300 | 300 | 300 | \$ 900 |
| Expenses | \$ 300 | 300 | 300 | 300 | \$ 1,200 |
| Truck Rental | \$ 200 | 200 | 200 | 200 | \$ 800 |
| Miscellaneous | \$ 150 | 150 | 150 | 150 | \$ 600 |
| Sub-total | | | | | \$35,100 |
| Overhead Charge at 10% | | | | | <u>3,510</u> |
| TOTAL - | | | | | <u><u>\$38,610</u></u> |

Respectfully submitted,

Ralph J. Anctil

(21)

MINERALS ENGINEERING COMPANY

P. O. BOX 431

DILLON, MONTANA 59725

October 30, 1972

Mr. Ralph J. Anichil
501 Urban Road
Reno, Nevada 89502

Dear Ralph:

The analysis of your last five samples is as follows:

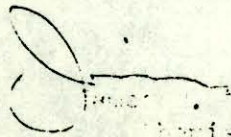
| Sample No. | Fe ₂ O ₃ , % | Mo, % | Cu, % | Pb, % |
|---------------|------------------------------------|-------|-------|-------|
| Saddle { 7529 | 0.12 | <.01 | 0.11 | Trace |
| 7530 | 0.27 | 0.01 | 0.11 | Trace |
| 7531 | <.01 | 0.05 | | |
| 7532 | <.01 | 0.01 | | |
| 7533 | <.01 | 0.02 | | |

The Bismuths will be reported later.

It is our understanding that your samples can be analyzed here, at least until the end of the year. I don't know what the situation will be after that.

Best wishes.

Very truly yours,


James L. Anderson
Geologist

(19)

MINERALS ENGINEERING COMPANY

P. O. BOX 431

DILLON, MONTANA 59725

November 27, 1972

Mr. Ralph J. Anettil
501 Urban Road
Reno, Nevada 89502

Dear Ralph:

Assays on your last three samples follow:

| Sample Description | FeO_2 | Wt% | |
|--------------------|----------------|------|------|
| 7535 | 0.10 | 0.22 | 0.02 |
| 7536 | 0.01 | 0.01 | |
| 7537 | 1.64 | 0.18 | 0.02 |

Very truly yours,


James W. Anderson
Chemist

404-835-2201



MIDVALE OFFICE

ROCKY MOUNTAIN GEOCHEMICAL CORP.

P. O. BOX 337 • 1323 W. 7900 SOUTH • MIDVALE, UTAH 84047 • PHONE: (801) 255-3558

Certificate of Analysis

Page 1 of 1

Date: May 21, 1973
Client: Minerals Engineering
501 Urban Road
Reno, Nevada 89503

RMGC Numbers:

Local Job No.: 73-47-31SL-C

Foreign Job No.: 73-9-26R

Invoice No.: M-1339

Client Order No.: None
Report On: 3 samples
Submitted by: Mr. Ralph Anctil
Date Received: May 14, 1973
Analysis: Tungsten
Analytical Methods: Determined colorimetrically.

Remarks:

cc: Enc.
File - Reno
File (2)

LRR:kmm

| <u>Sample No.</u> | <u>ppm Tungsten</u> |
|-------------------|-------------------------|
| 7574 | 275 |
| 7575 | 15 |
| 7576 | .700% |

By

Lawrence R. Reid
Lawrence R. Reid

All values are reported in parts per million unless specified otherwise. A minus sign (—) is to be read "less than" and a plus sign (+) "greater than." Values in parenthesis are estimates. This analytical report is the confidential property of the above mentioned client and for the protection of this client and ourselves we reserve the right to forbid publication or reproduction of this report or any part thereof without written permission.
ND = None Detected 1 ppm = 0.0001% 1 Troy oz./ton = 34.286 ppm 1 ppm = 0.0292 Troy oz./ton



RENO OFFICE

ROCKY MOUNTAIN GEOCHEMICAL CORP.

1491 E. 7TH STREET • RENO, NEVADA 89502 • PHONE: (702) 323-3610

Certificate of Analysis

Page 1 of 1

Date: May 9, 1973
Client: Minerals Engineering
501 Urban Road
Reno, Nevada

RMGC Numbers:

Local Job No.: 73-9-26R

Foreign Job No.:

Invoice No.: 6676

Client Order No.: None

Report On: 3 rock samples

Submitted by: Ralph Anctil

Date Received: May 4, 1973

Analysis: Copper and Molybdenum

Analytical Methods: Molybdenum analysis is determined colormetrically.
Copper analysis is determined by atomic absorption.

Remarks: None

cc: Enclosed
RMGC
File

GMF:c

Saddle -

| Sample No. | ppm Copper | ppm Molybdenum |
|------------|---------------|-------------------|
| 7574 | 60 | -1 |
| 7575 | 200 | 1 |
| 7576 | 140 | 41 |

By

Gary M. Fechko
Gary M. Fechko

Rocky Mountain Geochemical Corporation
Reno-Sparks, Nevada May 9, 1973

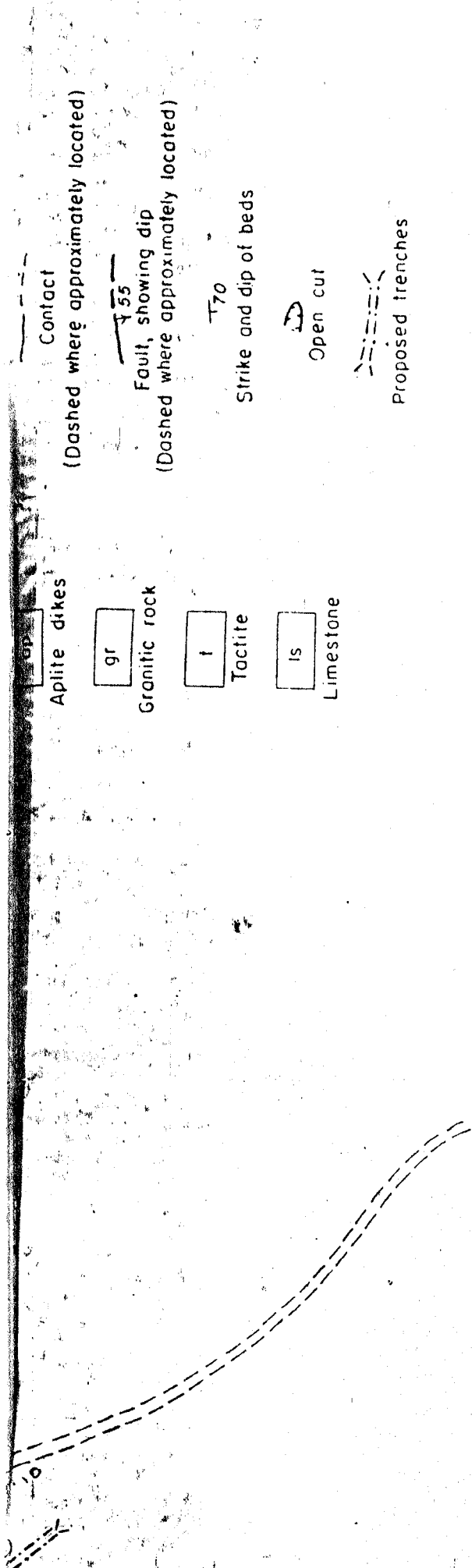
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ND == None Detected 1 ppm == 0.0001% 1 Troy oz./ton == 34.286 ppm 1 ppm == 0.0292 Troy oz./ton

SALT LAKE CITY, UTAH

RENO, NEVADA

SPOKANE, WASHINGTON

TUCSON, ARIZONA



GEOLOGIC SKETCH MAP OF THE SADDLE TUNGSTEN MINE HUMBOLDT COUNTY, NEVADA

Figure

(TUNCI)

Discovery monument

12

102

5

402

No. 3

57%

No. 6

No. 7

No. 8

No. 9

674

4179

10

1

1998

26571

No. 420

3.99

55

④

No. 8

17

4179

10

1

1997