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REPORT AND SUMMARY

HI 'OH' SILVER MINE

Newark Mining District

White Pine County, Nevada

Best Chance Mining Company F. W. Lewis 120 Greenridge Drive Reno, Nevada 89502 Phone: (702) 323-0303

BEST CHANCE MINING CO.

Report on Hi 'OH' Silver Mine

⊙Reno

White Pine County

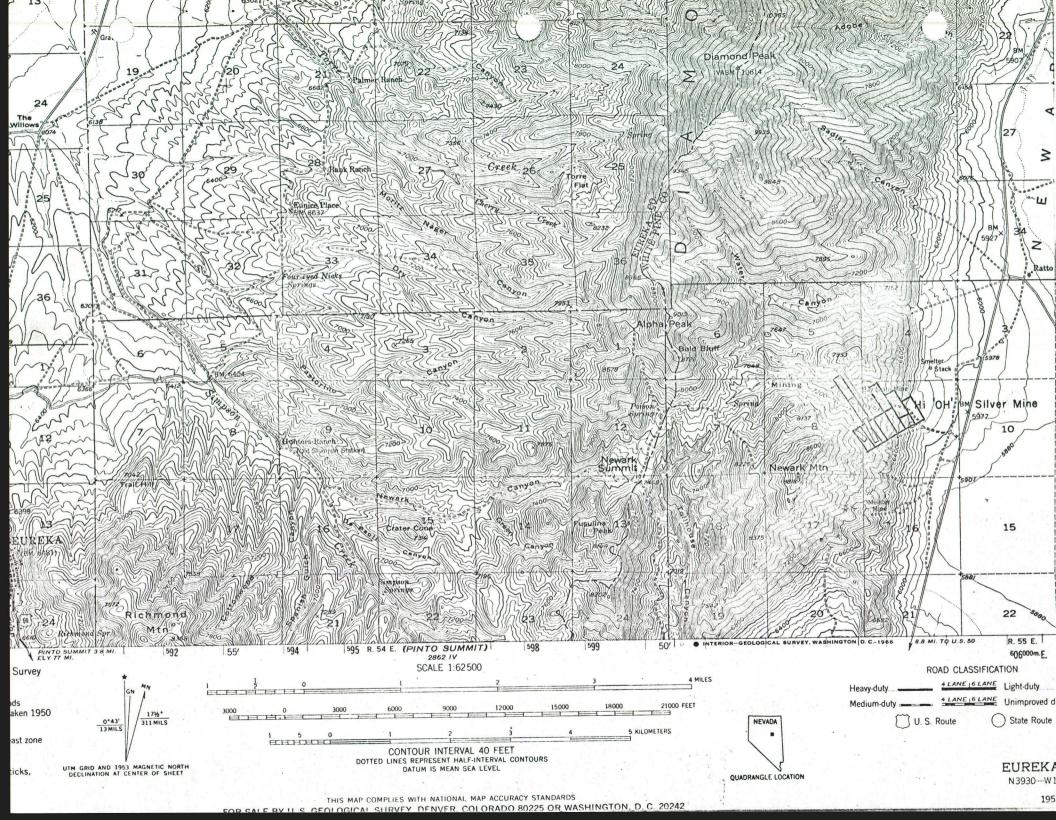
Hi 'OH' Silver Mine

Eureka (A)

OEly

BEST CHANCE MINING COMPANY F. W. LEWIS 120 Greenridge Dr. Reno, Nevada, 89502 Phone: 702 323 0303

Las Vegas



HI 'OH' SILVER MINE

NOTES AND SUMMARY

TRANSPORTATION

Ely, Nevada, is 60 miles by paved road southeasterly from the Hi 'Oh' Silver Mine and is the nearest commercial airport center. Eureka, Nevada, is about 10 miles west by air and 20 miles by paved road to the base of the mountain at the mine site. The valley floor below the mine is only about 1,500 or 2,000 feet of horizontal distance from the end of existing roads. Completing a road to the working places, the final link in the chain of transportation, would make the property completely accessible for an all year operation.

An Ely contractor has estimated that the road to the end of the mine would cost from \$4,000 to \$6,000. It would be blasted and cut for approximately ½ mile. This expenditure seems small enough, but without it the mine working or exploration would prove virtually impossible. Yet, there is enough ore in sight on the property to amortize this cost, apparently, and the other initial operating set up costs. A portion of this road has already been completed.

The Newark Valley floor is flat and level. One can land a light plane on the highway or on the valley floor without any improvements. Eureka, Nevada, has an improved airport facility.

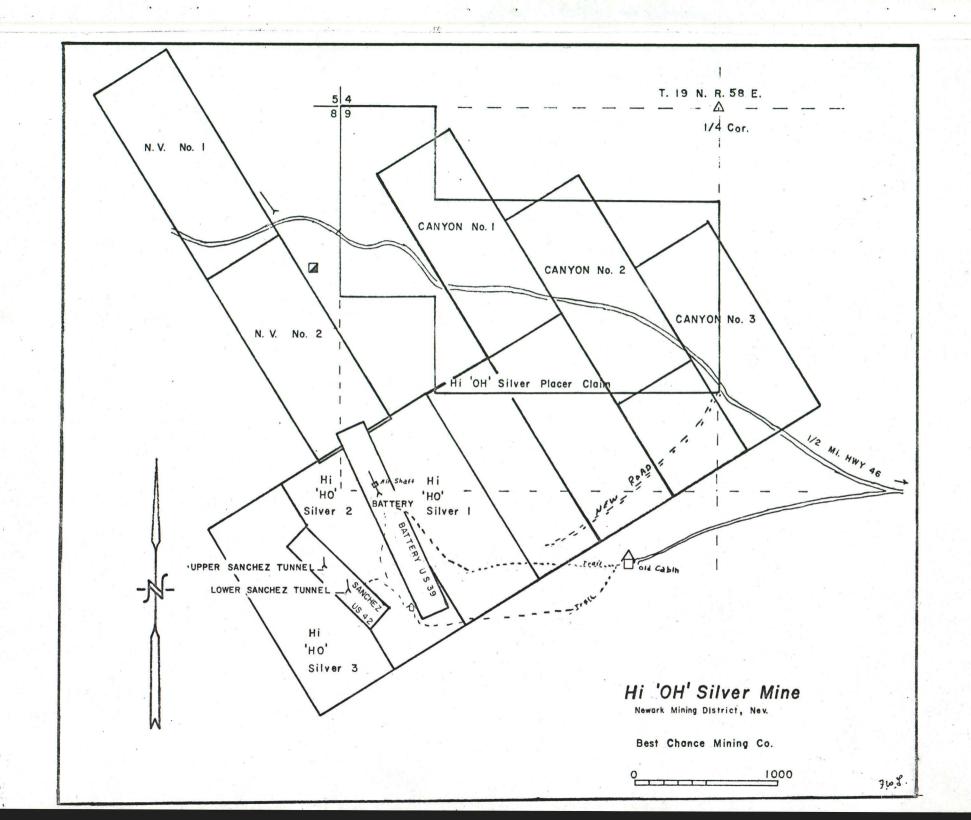
RESUME OF ORE

The ore blocked and in dumps has not been sufficiently measured to give it a specific tonnage. However, there is more than enough ore in sight to begin an operation once the road system is completed.

The property is rare in having ore to begin work upon immediately, and at several places upon the property.

PROPERTY SUMMARY

The main portion of the property at the HI 'OH' SILVER MINE is patented. A policy of title insurance has been issued upon the patented claims. There are 11 additional claims and one placer claim - a total of 14 claims.



HISTORY

The Eureka District lies 10 miles west of the Hi 'Oh' Silver Mine.

The Battery Mine and the Sanchez Mines were located prior to the General Mining Laws of 1872. They were among the earliest mines in the State of Nevada.

The BATTERY PATENT is listed in the University of Nevada Bulletin No. 4, "Nevada's Metal and Mineral Production" as having produced 1,372 tons, giving a dollar value on GROSS yield of \$43,955. These figures are somewhat misleading unless one realizes that the ores shipped at the time, during the 1870's, were worked in smelters where recovery was probably less than 50% of the contained Silver, and no recovery of the Lead, Zinc, or Copper was made or recorded. An allowance for mining costs and smelting costs was also provided for in the confused tax laws of the The mills at Newark preceded the mills constructed at Hamilton, Nevada, and were probably Amalgam Pan Mills; a very inefficient method for the recovery of Silver ores, and worthless as to recovery of base metals. So the value of recovered metals is by no means a measure of the assay values of the ores shipped.

Perhaps a more accurate measure of the tenor of the mined ore would be the one shipment made since that time as reported by the U.S. Bureau of Mines. In 1913 a shipment was made with an assay value of 170 ounces of Silver, and 3½% of Copper, and 20% of Lead. It is probable this ore was sorted from the dumps, and is fairly representative of the ores shipped during the earlier phase of mining, during the 1870's. This is the quality of ore that would have to be mined at the early history period. The mine was then, as now, located on the side of a steep mountainside. Too steep even for horses. Only burros could be useful in packing ores down the hand built, steep trail.

Since the early 1870's the thought of hauling ore down the mountainside has proved too much for even the most ambitious. Without a road or other economical means to the site of the working places, the property would not be possible of mining.

The SANCHEZ PATENT has had no recorded production. A few tons of ore may have been mined from open cuts upon the property. Even the burros could not have scaled this property for the last distance to the working places.

There are several good faces of ore upon the Sanchez property and anywhere except this most inaccessible place, this property would have occasioned much work, and all of the ore in sight could have been mined.

The Sanchez vein has a fair tonnage of ore for the vein is continuous and open for its 200 feet of length. The ore is continuing unabated in the face of the tunnel and there is nothing on surface inspection to suggest it does not continue for hundreds of feet along its strike. As a matter of fact, if the Sanchez vein continues on its strike and the Battery vein continues on its strike, they may come together approximately 1,000 feet north of the Sanchez lower portal as the two strikes converge, as projected. This could offer a very interesting, large target.

There are several other faces upon the property that show excellent values. An open cut above the tunnel probably made a stope of better ore.

The Upper Sanchez Tunnel is a site of drifting and a few tons were evidently mined, for the face is over three feet thick (bedding replacement) and a stope appears in the shallow workings back some 25 feet from the opening.

The bedding and fault system here is associated with a thrust fault or bedding plane fault. If the ore makes along this favorable geologic condition, one can expect some very large and continuous mining. A drift crosscut from the Battery Patent to the Sanchez workings would integrate the two known veins and perhaps develop additional ore bodies and vein systems between the two.

ECONOMIC TARGETS

The targets for the area might be classified as follows:

- 1. Vein type. North west and south east fissures.
- 2. Placer deposits of Tungsten.
- 3. Selective bedding deposits.
 - a. Tungsten.
 - b. Massive beddings where cut by vein feeders.
 - c. Silver and base metal beddings.
- 4. Beds or chambers in the Limestone parallel to the stratification of the rocks.
- 5. Thrust fault or bedding plane fault as evidenced by Upper Sanchez.
- 6. Grantic Intrusive which is known to underlie the area.

Any one of these horizons offers good possibilities in this district. Hecla Mining Company has recently blocked out a major ore body at Eureka, Nevada, 10 miles due west.

The Newark area is conducive to ore bodies where cut by the proper fissure systems. The presence of all these systems and targets at the HI 'OH' SILVER MINE points to the possibility that the area is capable of becoming a major metal mining area.

GEOLOGY

Aerial photos show the altered zone trending northwest. The mineral veins also have this trend but within the veins and ore shoots they have a trend of north and in some cases northeast at a different angle to the main altered trend. This may have some significance to staying on the ore.

Some beddings have a tendency to replace and others, as everywhere else, do not. Careful mapping of the beddings that are amenable to ore deposition, and study over the area, will also delineate the most commercial horizons.

Certain horizons not only are selective of ore, but particular minerals. Northwesterly of the Hi 'Oh' Silver Mine one particular bedding makes up high grade Tungsten off the Silver vein. The vein itself makes no Tungsten and yet this one particular bedding or horizon has Tungsten in commercial quantity that runs several percent. These same beddings where cut in the vicinity of the Hi 'Oh' Silver Mine should also contain the tungsten.

We have a very strong fissure system. Study, mapping, and mining are called for to best test its commercial significance to see if it will develop into a major metal province.

The mountain which makes up this part of the Diamond Range is several miles from south to north and makes an apparent anticline with the long axis along the range north and south. The ore horizon here described would be along the north flank of the anticline about where the most strain during an uplift would occur. This strain and more breaking also probably caused the main east and west canyon which also cuts the anticline to make the canyon named Mineral Canyon. As the mineral zone is persistent across this trend, it was the latter phase of the intrusion, and although there may have been minor faulting since mineralization, it should not disturb continued mining. None of the veins inspected by the little work done so far disclose any faulting since mineralization.

The above observations need be confirmed by continued work, mapping, and geology in the area.

Below the mine in Newark Valley, drilling for oil hit Copper mineralization, It is probable that mineralization is connected with this breaking upward vein system being near the top at the HI 'OH' SILVER MINE. The most likely place to find the intrusive horizon near an economic depth is right at the apex of the mineral veins which have protruded to the surface. One can study this mineral trend and work upon it all the way down through a series of ore making possibilities to the maximum economic depth. By having ore to work on in the beginning, it should pay its own development.

The HI 'OH' SILVER MINE occurs in the Battle Mountain, Eureka northwest trending mineral belt. This belt is the most consistent and most widely recognized mineral belt in Nevada. It has produced some of the most economically significant ore bodies in Nevada's history; such as Duval's Copper Canyon and Copper Basin Mines at Battle Mountain, Getchell Mine of the Potosi District (Tungsten and Gold), the Eureka District (\$122 million past production of Silver, Copper, Lead, and Zinc), and Hecla Mining Company has recently proven up an additional major ore body in the Eureka District. Cortez is the site of a recent major Tenabo, Golconda are also on the same Gold ore strike. trend along with Buckhorn and the Lewis Mining Districts. Many additional districts occur on this trend and the belt is the site of some of the most intense exploration activity in Nevada.

ORE DEVELOPMENT

BATTERY VEIN

The BATTERY VEIN system, upon the Battery Patent claim, is the most developed working place upon the property.

The vein is developed by 4 adits, various winzes and raises, and shows good ore and values through its development, except the lower two drifts seem to be off the main vein entirely. The widest and best showings were mined out.

As noted previously the most recent shipment from this property was made in 1913, and it assayed 170 ounces of Silver, 3½% of Copper, and 20% of Lead. No assayed value was given for Zinc but it should have assayed about the same in Zinc, as in Lead, as the other assays taken in the area carry about the same ratio of Zinc to Lead, although probably no payment was received for it at the time.

This is about the same minimum value that would have had to be mined during the property's early history for all of the ore had to be hand drilled, then hauled by pack animal down the steep trail for shipment.

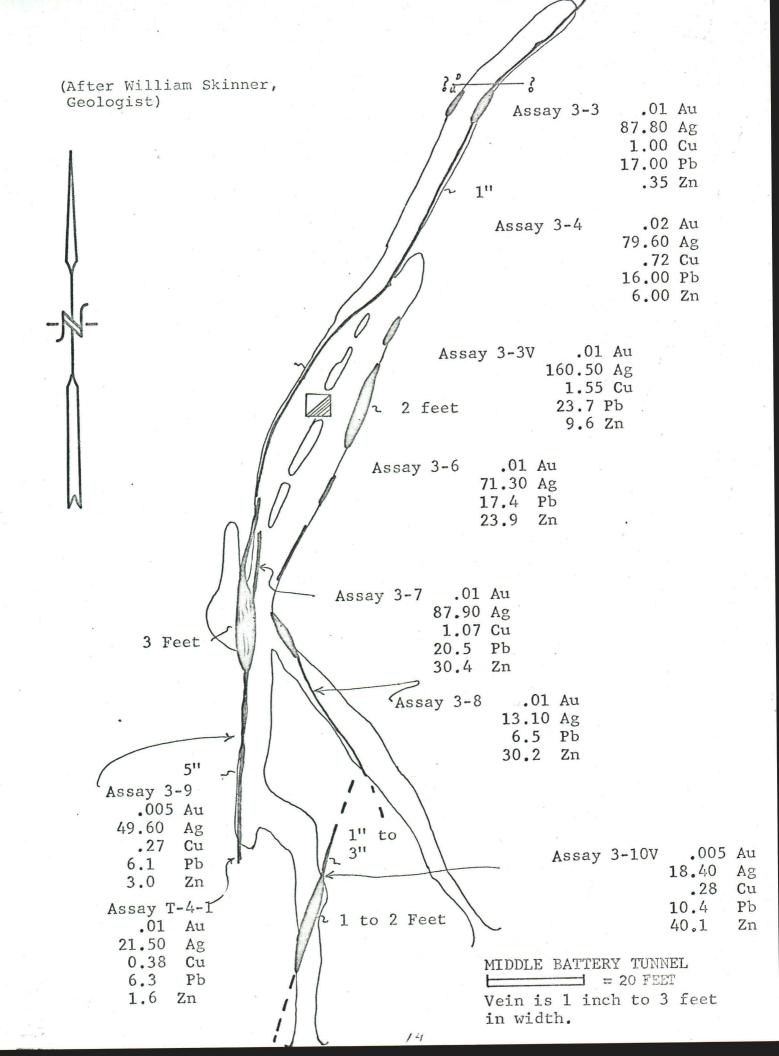
There is ore in the mine, ore in the faces, and several bedded replacement ore bodies of small tonnage developed upon the property.

The vein is strong and continuous and its outcrop can be traced along the surface for a long distance beyond the drifting and stoping as conducted by the early mining, so one can anticipate a large tonnage of ore along the strike of the vein.

There is a very nice fout foot thick bedded replacement ore body about 100 feet westerly of the vein. Whether this was fed off the vein or there is another vein in its vicinity has not yet been determined.

With the development of the road into a working place on the Battery Vein one can anticipate going right to work on ore.

Anyone who believes that Silver will increase in value over the next few years, would be hard pressed to find a more advantageous property.



Upper (Middle) Battery Tunnel

Capturel

West Tunnel

Vein trends N 25° W to N 72° E

(After William Skinner, Geologist)

BATTERY TUNNELS Frontal View Looking North

SANCHEZ VEIN

The Sanchez Vein is best developed on the lower tunnel. This tunnel is 200 feet in length and runs along the vein for its entire length. The vein is small but shows one high grade shoot assaying 62 ounces of Silver. It is very consistent along its strike, and makes better values where it is widest.

As indicated by the assays, values run from 5 to 62 ounces of Silver along the entire length of the vein with very important values in Zinc, Lead, and Copper.

This vein will widen out at favorable places and make ore shoots and stopes.

The Sanchez vein offers a blocked tonnage of ore. One can raise on its wider portions and continue its development along the strike, for the vein is continuing in the face of the tunnel. There is at least 1,000 tons of probable ore indicated here along the 200 foot drift.

Northwesterly of the Sanchez Lower Tunnel, at the Upper Sanchez, is a beautiful four foot face of 26 to 30 ounce Silver ore, with 31% Zinc and $9\frac{1}{2}$ % Lead. This bedded replacement is several hundred feet from the Sanchez Vein as developed by the lower tunnel, and so it is probably developed by another vein.

The Upper Sanchez ore body is apparently also a bedding replacement along a flat fault (thrust fault). If this proves to be correct it is probably the most significant showing on the property, and offers the prospect of a very large tonnage along a thrust contact. At the junction with the series of fissure veins should be a continuing favorable horizon for ore bodies.

Mapping and further assaying of this occurrence should develop additional tonnage.

The assays on the following pages are indicative of the values that can be mined immediately upon setting up on the Battery Vein area of the HI 'OH' SILVER MINE.

As one will realize the wider and best ores were mined out when this drifting was done, but by seeking deeper levels and working along the strike of the veins themselves, one is assured of a continuing supply of high grade of ore. Crosscutting only a few feet westerly from the two lower tunnels should develop additional tonnage.

The quartz vein is discernible with ease from the Dolomite host rocks so there would be little or no contamination of the ore.

The average of the Silver assays on the Battery Vein indicate a shipping value of 65.5 ounces of Silver, not to mention the Lead, Zinc, and Copper values, which are significant values.

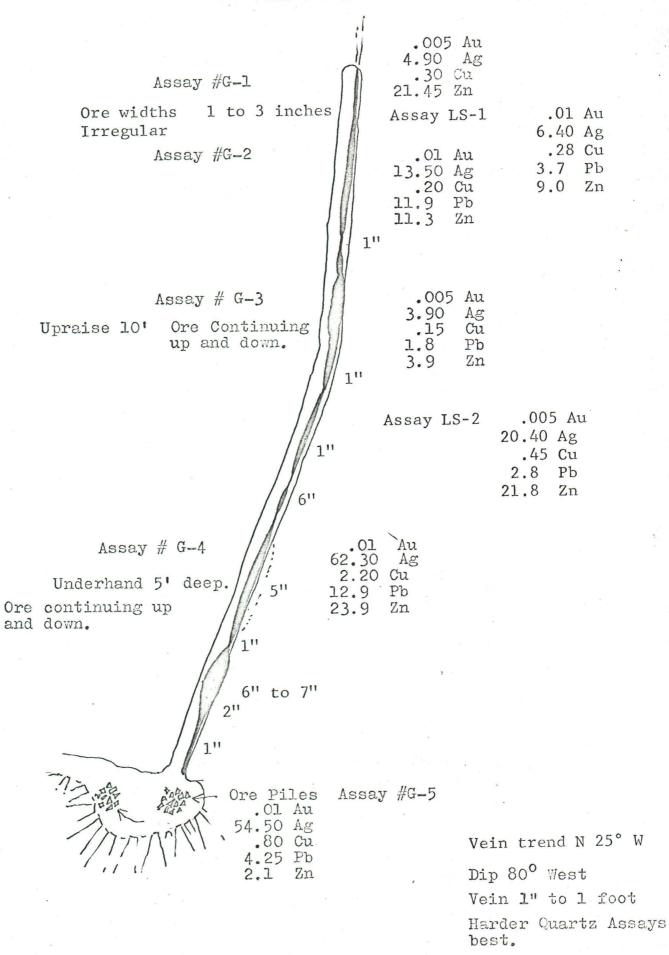
The ore shoots and stopes should make very much wider widths and at favorable horizons one whould find large tonnages of bedded ores of similar values as indicated by the other stopes and bedded replacements in the district. At favorable places values will be very much higher.

"Run of the Mine" additional stopes and beddings would be expected to contain values similar to the indicated values. Especially favorable conditions can be expected to increase these values dramatically as one develops the veins. One good stope can easily contain many millions of dollars.

The veins have an en echelon character which was apparently not recognized by the early prospectors and developers. No crosscutting was done, but there is an excellent possibility that there is a whole series of these high grade veins for the altered zone Northwesterly is a wide and consistent zone, being hundreds of feet wide by one or two miles long. This altered zone is not at all explored by the meager work done to date.

A crosscut tunnel from the Battery Mine to tap the Sanchez veins would not only facilitate production at the Sanchez, but would no doubt turn up entirely new ore deposits and veins to complete the system. If this be confirmed, one has only to continue crosscutting beyond the Sanchez Westerly and beyond the Battery Easterly to broaden the tonnage and scope of mining.

The veins are also continuing in depth along the dip of the ore. This would also be indicative of continuing tonnage.



Sanchez Lower Tunnel

= 30 FEET

THE COLORADO ASSAYING COMPANY

(Incorporated)

ASSAYERS AND CHEMISTS

2244 BROADWAY

OUR MOTTO: "What there is in it,
no more, no less."

DENVER, COLO. 80201

Aug. 12, 1968.

" U -2" ELEMENTS PRESENT

Antimony - -

APPROXIMATE PERCENTAGES

UPPER SANCHEZ TUNNEL

NOTE: This Sample is on left hand side of Tunnel.

Obvious ore.

About 3 foot thick.

	- W
Arsenic	.05
Boron	
Barium	•3
Calcium	5.
Cadmium	.051
Chromium	.005
Copper	.13
Gallium	.001
Germanium	trace
ITOM	5.
Lead	10.
Magnesium	1.
Manganese	.01
Mercury	.003005
Nickel	.001
Potassium	.35
Silicon	MAJCR
Strontium	.00501
Silver	.1
Sodium	•3
1111 ME DE BEN BED MEN DES BEN BEN BEN BEN BEN	.01
Titanium	.1
Vanadium	03
Zinc	MAJOR
Gold .Ol oz./ton)
Silver 25.80 oz./tcn) Aggava n

Gold .01 oz./ton Silver 25.80 oz./ton Lead 9.6% Zinc 31.2%

Assays not Spectro

REMARKS:

This sample consists of hard white Silica, soft near-white Smithsonite (zinc carbonate and zinc silicate), brown Limonite (hydrous iron oxide), soft white Calcite (calcium carbonate and magnesium carbonate), heavy white Cerussite (lead carbonate), etc.
This ore is valuable for its Silver, Lead and Zinc contents.

Respectfully submitted, THE COLORADO ASSAYING CO.

Estadas fueras a la cidada perillarana recursos

Black Dolomite Mtl US-2 .005 Au .50 Ag 4 ft. .02 Cu Assay US-3 Pb . 1 .10 Au . 3 Zn 33.50 Ag .93 Cu 8.1 Pb 1.1 Zn (This flat fault, or thrust fault contact, is probably the most signifigant target so Vein about 5 feet far developed for large tonnage) US-1 .01 Au $1\frac{1}{2}$ foot of ore 25.50 Ag .45 Cu 16.2 Pb 25.4 Zn Possible bedding plane fault White and grey dolomite No ore in sample Tr Au 4 feet thick bedded ore .12 Ag .01 Au Assay U-2 25.80 Ag 9.6 Pb 31.2 Zn (After William Skinner,

Scale: 1 inch = 20 ft.

Geologist)

PLACER TUNGSTEN

The canyon known as Mineral Canyon shows Tungsten in its gravels with the lamp.

A series of samples were taken to test this possibility but no attempt was taken to test the gravels to bed rock.

These samples show a surprising amount of Tungsten even on the surface of the gravels, and a complete sampling of the gravels to bed rock is indicated.

Gravels up the canyon show the most values. No doubt the alluvial in the upper reaches of the canyon are thinner and there would also be a natural concentration downward of the heavier material as it washes down the canyon.

A lower limit of 50 cents per ton is a commercial assay, and from the samples tested it is highly likely the entire deposit will average much more than that.

A vacumn drill would seem to be ideal to test this deposit.

CONCLUSION

The HI 'OH' SILVER MINE has commercial ore in its faces that can be worked after the completion of the road, and some development, and set up work.

where is