

LOADED CARBON PRODUCTION

3790/60002612



A member of the
Orion Group

GD RESOURCES

INC.

Precious Metal Refinery
Analytical Lab • Activated Carbon
Bioleach Research

STEVE KAY

Director

Vice President, Marketing/Geology

450 E. Glendale Avenue
Sparks, Nevada 89431

(702) 358-9229
Fax (702) 358-9275



A member of the
Orion Corporation Group

GD RESOURCES INC.

450 E. Glendale Avenue
Sparks Nevada 89431
Telephone (702) 358-9229
FAX (702) 358-9275

CONTRACT BETWEEN GD RESOURCES INC.
AND
ASAMERA MINERALS, CANNON MINE

1. CLASSIFICATION OF MATERIAL

CLASS : Class A, **LOADED CARBON**
GRADE : Approximately 150 oz/t Au
Approximately 150 oz/t Ag
AMOUNT : Lots of approximately 1 ton per week

2. CHARGES

PLAN 1 : TREATMENT CHARGE PLUS METAL ACCOUNTABILITY

1. Treatment Charge

\$850.00 per dry ton (\$0.425/lb.).

2. Metal Accountability

Based on Settlement Assay.

Gold

- 50 oz/t	95.5%
50 - 100 oz/t	96.0%
100 - 150 oz/t	96.5%
150 - 200 oz/t	97.0%
+ 200 oz/t	97.5%

Silver

Deduct first 5 oz/t, then 92.5% on all grades.

Mercury in excess of 150 ppm will incur a penalty.

No other deductions.

3. METHOD OF PAYMENT

Payment to **ASAMERA** in the form of a net check (less all charges) will be made within 30 days of the date of settlement assay. Alternatively fine metal can be transferred to **ASAMERA's** designated account for an additional 0.75% fee.

4. MASS DETERMINATION AND METAL CONTENT (SETTLEMENT ASSAY)

The material will be weighed on a certified scale in the presence of a representative(s) of ASAMERA. Sampling will be carried out based on the attached flowsheet and samples will be assayed by both GD Resources and ASAMERA and a settlement assay reached based on a 3% tolerance. If the assays cannot be agreed upon, then an umpire assayer will be used to reach the settlement assay.

See Section 4, Standard Refining Terms (attached) for complete details.

5. METAL PRICE FIXING

Gold : London Bullion Market, afternoon price fix.
Silver : Handy and Harman, New York quotation.

Prices will be fixed on the first day of trading following the settlement assay.

6. DELIVERY OF MATERIAL

Material is accepted F.O.B. the refinery with ASAMERA to pay all transportation and insurance costs.

All containers must have chemical markings blacked out or otherwise removed.


7. OTHER TERMS

Please see Standard Refining Terms (attached).

The above quotation supercedes the relative terms contained in the Standard Refining Terms.

Accepted this _____ day of _____ 19____.

Asamera Minerals

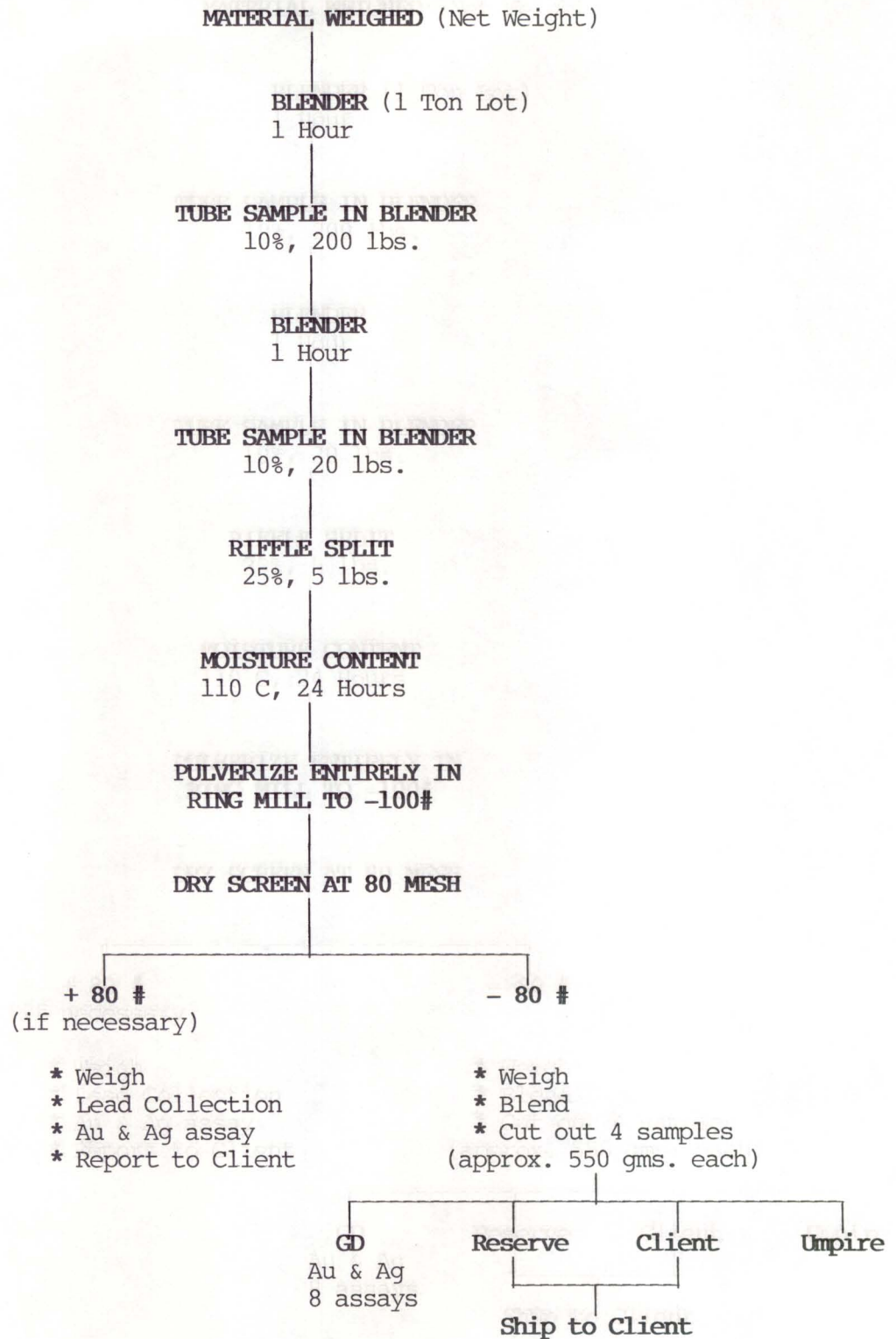


Steve Kay
Vice President, Marketing/Geology
GD Resources, Inc.

Asamera Minerals
6121 Lakeside Drive # 130B
Reno, NV 89509

ASAMERA MINERALS

LOADED CARBON SAMPLING



06/18/88



GD RESOURCES, INC.

PRECIOUS METAL REFINERY

“No job too small!”

GD RESOURCES, a new Nevada company with strong roots in the mining industry and the flexibility to serve YOU the customer.

**450 E. GLENDALE AVENUE
SPARKS, NEVADA 89431**

**(702) 358-9229
FAX (702) 358-9275**

GD RESOURCES, INC.

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PRECIOUS METAL REFINERY

Ideally situated in Sparks, Nevada, this state-of-the-art refinery offers the following services to the mining and other precious metal users and producers in the United States:

- * Pyrometallurgical, and limited hydrometallurgical, recovery of gold and silver from all types of precious metal bearing scrap material.
- * Specialists in processing loaded and scrap carbons (coarse, fine and sludges), refinery slags, concentrates, precipitates, furnace refractories and crucibles.
- * Batch processing for high grade material e.g. slags, zinc precipitates and concentrates.
- * Precious metal purchased or toll processed and returned to client.
- * Processing of jewelry and dental scrap.
- * Refining of dore to 995+ fine Au and 980+ Ag or 999+ Ag.
- * In-house assay laboratory to expedite analytical work and for custom bullion assays.

GD Resources wishes to stress that it is open to all types of customers, from the large mining corporations, to the small miner and the man-in-the-street, and we are willing to negotiate on all facets of our refinery terms, so please call us!

Directors: H.V. Zipprich (President), S.J. Kay (Vice President/Marketing, Secretary)
M.H. Olwyn (Treasurer), K.P. McNamara (Vice President/Production, Asst. Secretary)

BACKGROUND INFORMATION

GD Resources, Inc. has strong roots in the industry with its parent company, **Orion Refiners Ltd.**, operating a hydrometallurgical refinery (for gold, silver and PGM recovery) near **London, England**, and a precious metal trading and high-tech crystal growing operation near **Zurich, Switzerland**. Its associated international company, Golden Dumps Research (Pty) Ltd., has operated a hydro- and pyrometallurgical refinery since 1979, the latter being one of the largest independent refineries in Africa.

The company brings to the US refinery industry a wealth of expertise in the processing of **all types of precious metal scrap material**, ranging from jewelry and dental scrap to loaded and scrap carbons (coarse, fine and sludges) refinery slags, calcines, precipitates, black sands and concentrates from the gold mining industry. In addition we offer limited dore refining facilities to produce 995+ fine gold and either 980+ silver or 999+ fine silver.

Platinum-group bearing scrap is presently shipped to our affiliate in the United Kingdom, but a platinum refining facility is planned for Sparks in the future.

GD has the added flexibility, unavailable at other refineries, of processing high grade material (slag, precipitates and concentrates) on a batch basis using a furnace bowl dedicated to the client's material.

In addition to the **Refinery**, GD Resources also offers a full-service **Analytical Lab** specializing in state-of-the-art sample preparation techniques, 3 - 5 day turnaround time for normal samples, custom bullion assays and highly competitive prices. We also supply high quality, coconut-shell based **Activated Carbon** to the gold mining industry at very competitive prices. GD Resources, through its international affiliates, is also one of the leaders in **Bioleach Technology** for the treatment of refractory gold ores.

TREATMENT CHARGES

Treatment charges will vary dependent upon the type, grade and volume of material, but would generally be in the following ranges:

<u>CLASS</u>	<u>TYPE</u>	<u>TREATMENT COST</u> <u>PER TON (2,000 lbs.)</u>	<u>METAL ACCOUNTABILITY</u> <u>(% RETURN)</u>
A	Loaded and scrap carbons (coarse, fine and sludges)	\$ 850 - \$ 950	90 - 97% Au 75 - 90% Ag
B	Refinery slags	\$1,000 - \$1,250	90 - 98% Au 75 - 95% Ag
C	Calcines, concentrates, zinc precipitates	\$2,700 - \$3,150	90 - 98% Au 75 - 95% Ag
D	Crucibles, furnace liners	\$2,700 - \$3,150	90 - 95%
E	Dental and jewelry scrap, amalgams	upon request	85 - 95%
F	High-grade black sands	\$5,500 - \$6,000	100% recovered metal

* See Appendix C for Standard Refining Terms *

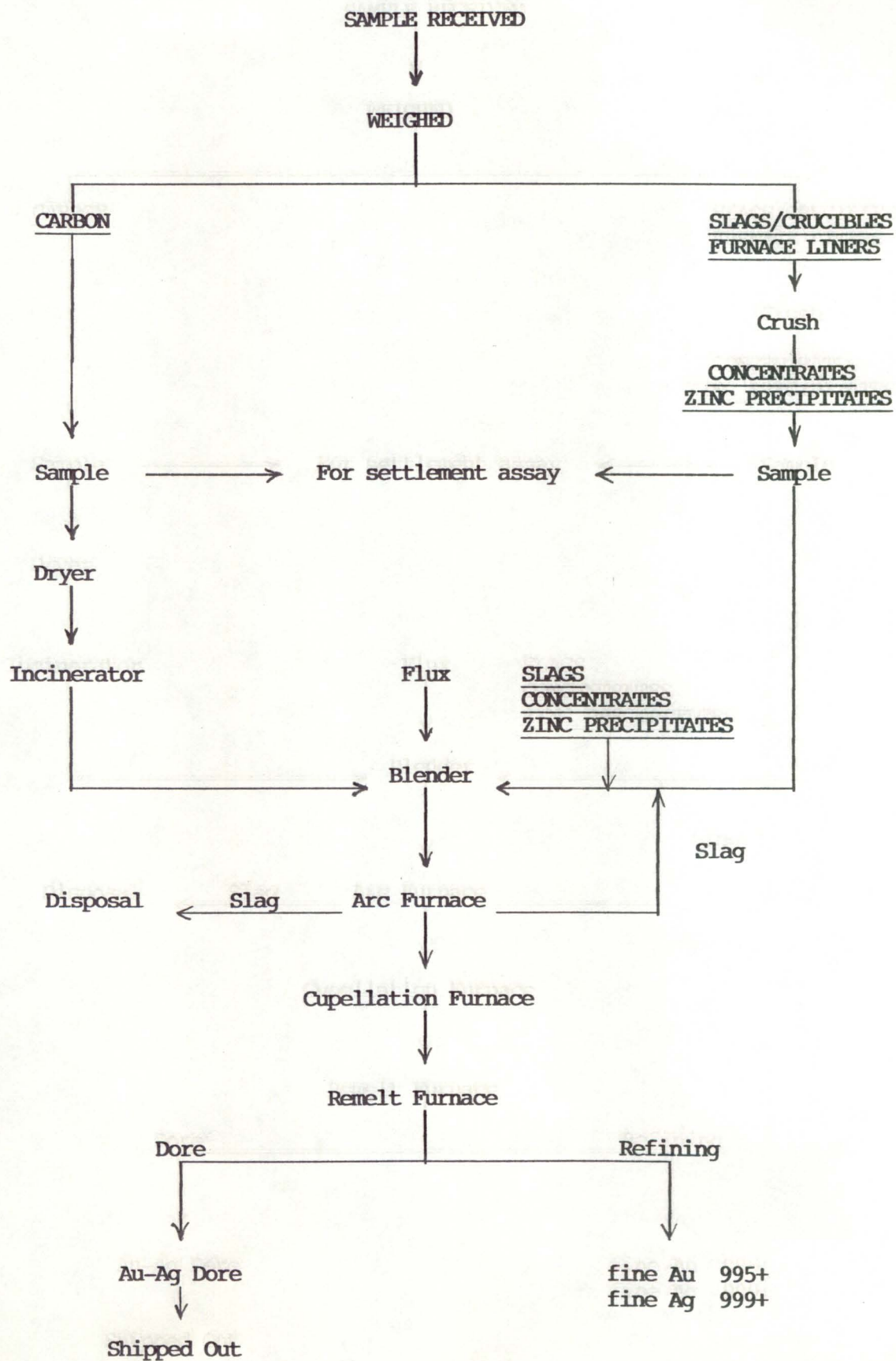
CLASSIFICATION OF MATERIALS

Material for treatment is sub-divided into 5 main categories dependent upon the type, cost and processing method required to treat that material:

- CLASS A : Loaded and scrap carbons (coarse, fine and sludges)
- CLASS B : Refinery slags
- CLASS C : Calcines, concentrates and zinc precipitates
- CLASS D : Crucibles and furnace liners
- CLASS E : Dental and jewelry scrap, amalgams
- CLASS F : Black sands

Typical flow sheets for the above materials are shown in Appendix A and B.

APPENDIX A
GENERAL FLOW SHEET
CLASSES A,B,C,D,F



APPENDIX B

GOLD AND SILVER REFINING

CLASS E

SAMPLE RECEIVED
(NUGGETS, JEWELRY, ETC.)



Weighed



Dore

Scrap



Remelt



Granulate



Nitric Acid
Dissolution



Gold Precipitate

Silver Solution



Aqua Regia



Filter Solution



Chemically Precipitate Gold



Dry Precipitate
and Smelt



995+ Au



Chemically Precipitate Silver



Filter



Dry Precipitate
and Smelt



980+ Ag or 999+ Ag

APPENDIX C
STANDARD REFINING TERMS

(1) CLASSIFICATION OF MATERIALS

<u>CLASS</u>	<u>METAL(S) RECOVERED</u>	<u>TYPE OF MATERIAL</u>
A	Gold and/or Silver	Loaded and scrap carbon (coarse, fine and sludges)
B	Gold and/or Silver	Refinery slags
C	Gold and/or Silver	Calcines, concentrates and zinc precipitates
D	Gold and/or Silver	Crucibles and furnace liners
E	Gold and/or Silver	Dental scrap, jewelry scrap, jewelers sweeps, filings and alloys, amalgams
F	Gold and/or Silver	Black sands

(2) CHARGES

CLASSES A, B, C, AND D

GD Resources ("GD") has three basic plans available. The Client may choose either plan at the time of signing of the refining contract. Combination(s) of plans are available upon request.

PLAN 1 TREATMENT CHARGE PLUS METAL ACCOUNTABILITY BASED ON ASSAY

A flat-rate treatment charge per short ton (or fractions thereof) plus a percentage return of precious metal (metal accountability) based on the Settlement Assay and mass determination as set forth in Section 4 (A).

PLAN 2 TREATMENT CHARGE PLUS METAL ACCOUNTABILITY BASED ON METAL RECOVERY

As above but settlement based on assay of dore recovered from smelting as set forth in Section 4 (B).

PLAN 3 METAL ACCOUNTABILITY ONLY

GD will charge a fixed percentage of metal content and incur all processing charges.

Settlement assay and mass determination will be determined as set forth in Section 4, either A or B.

CLASSES E AND F

Because of the difficulty of accurately estimating grades of this material, only **Plan 2 or 3** is available based on assay of the recovered dore.

For all three Plans a dore return to the client is possible (except for carbon) or a transfer of contained ounces to a designated account; both of which will incur a small transfer fee to be mutually agreed upon.

The foregoing options of the Client are subject to the following conditions:

- (a) Material assaying less than 5 oz/t gold equivalent will be treated only on the basis of Plan 1.
- (b) Slags assaying greater than 30 oz/t gold or with visible metal prills will be treated only on a recovered metal basis and not on assay content (Plan 2 or 3).
- (c) Dore return is **not** possible for carbon processing.
- (d) Minimum charges per consignment apply to all 3 classes of material.

(3) METHOD OF PAYMENT

The method and manner of payment will be agreed upon at the time of signing of the contract between GD and the Client. All prices quoted shall be U.S. dollars. Ounces shall refer to Troy ounces (31.103 grams) and tons shall refer to short tons (2000 avoirdupois pounds, where 1 avoirdupois pound equals 453.59 grams).

(a) Payment by GD to Client

Payment is generally in the form of a GD check and shall be made within 30 - 45 days of the date of settlement assay (10 - 15 days for Class E) as specified in the contract.

If requested by Client payment can be by certified check, bank draft or wire transfer, at the expense of the Client; transfer of ounces to the clients account will incur a small percentage transfer fee.

All dore returns will be F.O.B. Sparks with the Client to arrange transport, insurance and pick-up. GD will bear the risk of loss only during the period that the material is in the actual possession of GD.

(b) Payment by Client to GD

Generally, GD's costs will be deducted from the final settlement and a net check issued to the client.

In the case of a dore return to the client, GD's costs will be invoiced, due and payable upon receipt.

In the case of a transfer of ounces, costs can either be deducted before transfer, or the total amount of contained ounces can be transferred and the client billed for GD's costs, including a mutually agreed upon transfer fee. One of the above options will be specified in the contract.

(4) MASS DETERMINATION AND METAL CONTENT

TWO OPTIONS ARE AVAILABLE:

(a) BASED ON SETTLEMENT ASSAY

The material will be weighed on a certified scale and sampled in the presence of representatives of GD and the Client.

Four samples will be taken for analysis of metal content and moisture content (where applicable). Normally two samples will be retained by GD and two by the Client.

The dry mass (where applicable) of the material will be calculated and declared in short-tons and recorded on the GD's official receipt which shall be accepted by both parties as final and binding.

In the first instance two of the four samples will be analyzed for precious metal and moisture content, one by GD and one by the Client. **If the assays deviate by more than 5% then a third sample shall be sent to a mutually acceptable umpire assayer.** Under such conditions the middle (median) value of the three assays (GD's, Client's and Umpire's) will be final and binding and be used as settlement assay to calculate the mass of metal in the material. The party whose assay is furthest from the umpire's assay shall pay the umpire assay costs.

GD shall reserve the right to commence processing the material immediately upon completion of the weighing and sampling procedure described above.

Exchange of assays shall be by telephone, crossed mail or by telefax, as agreed upon by both parties.

(b) BASED ON RECOVERY (BATCH SMELTING)

The material will be weighed on a certified scale in the presence of representative(s) of the client and GD and the gross weight and net weight recorded on GD's official receipt which will be accepted by both parties as final and binding.

GD will smelt the material on a batch basis and endeavor to recover the maximum amount of precious metal from the material. A representative(s) of the client will normally be present during the processing period.

From the recovered dore, vacuum tube samples will be taken for settlement assay. The tube sample will be divided into 3 samples. In the first instance two samples will be assayed, one each by GD and the client. If the assays of the dore are within the following **splitting limits**, then the exact mean of the two assays will be taken:

Gold	0.30%
Silver	0.50%

If the assays fall outside these splitting limits then a mutually acceptable Umpire Assayer will be used. Under such conditions the middle value of the three assays (GD, Client and Umpire) will be used. The party whose assay is furthest from the umpire assay shall pay the umpire assay costs.

GD will endeavor to recover the maximum amount of precious metal from the material and representative(s) of the client may be present at the final weighing of the recovered metal. The official weight recorded on GD's official receipt shall be accepted as final and binding by both parties.

(5) METAL PRICE FIXING

For all Classes of material normally the metal price will be fixed on the day following the settlement assay, or if that day should fall on a weekend or public holiday, then the first day of metal trading on the London Bullion Market following that period.

The following markets will be used to establish the price fixing, unless otherwise agreed upon:

Gold : London Bullion Market,
afternoon price fix.

Silver: Handy and Harman,
New York quotation.

Platinum Group: London Bullion Market,
afternoon price fix.

(6) DELIVERY OF MATERIAL

Material is accepted F.O.B. the refinery with the Client to pay all transportation and insurance costs.

Deliveries of material for refining may be made between 7 a.m. and 5 p.m., Monday through Saturday, with prearranged hours for Sundays and public holidays.

Different classes of material should not be mixed and all bags or drums must be clearly marked, giving the seller's name and nature of the contents.

Before forwarding materials it is the Client's responsibility to obtain from the relevant authorities such permits, licenses or certificates as may be required by law to authorize them to transport such material.

No instrument of receipt given or signed for by GD at the time of delivery shall constitute GD's agreement as to the weight or nature of the delivered material.

(7) PRECIOUS METAL REFINING OF DORE (WHERE APPLICABLE)

Toll refining of dore to produce 995+ fine gold and 980+ and 999+ fine silver will be carried out at the facility in Sparks, and refining of platinum and platinum group materials will be carried out through Orion Refiners in England.

The method and manner of payment differs slightly from that set forth in Section 3 for processing scrap materials. Payment or return of gold and silver will generally be within 10 - 15 working days of receipt of the metal and will be priced on the date of receipt based on the metal markets described in Section 5.

A minimum of 5 ounces of silver in the gold product is required for silver settlement and payment.

Settlement for platinum refining would normally be effected 6 - 12 weeks from the date of receipt, with the price being fixed on the date of receipt of the material and based on the metal markets described in Section 5.

In the event the Client elects to receive precious metals in lieu of cash settlement, then GD may, at its discretion, supply gold in the form of commercial quality 995+ fine gold bars from any other source.

Refining terms are available upon request.

(8) INSURANCE

The Client's insurance shall be in effect up to delivery of material to the refinery at which time the insurance becomes the responsibility of GD until processing and settlement have been completed and payment or precious metal have been delivered to the Client.

(9) INDEMNITY CLAUSE

In the case of **Class A, B, C and D** the official net weight and precious metal content will be based upon the criteria detailed in Section 4.

In the case of **Class E and Class F** (and **Class B** if based on recovered gold) the final amount of metal extracted from the material and weighed in the presence of representatives of GD and Client shall be deemed the accepted metal content extracted. The Client shall have the right of representation during the processing period if specifically requested in writing, but shall not be privy to certain processing methods proprietary to GD Resources. By acceptance of these terms in advance of processing, Client absolutely waives and releases any claims that the amount of metal which could have been extracted from the material, notwithstanding its obligation in Section 4, final paragraph.

Should (a) any particulars of the material given by the Client be inaccurate; or

(b) the delivered material not be free from hazardous material (unless GD has agreed in writing to accept such material); or

(c) the delivered material not be in compliance with all relevant laws regarding transportation of such material (see Section 7); or

(d) the delivered material not be securely packed and marked,

then the Client shall indemnify and hold GD harmless against all loss, damage, costs, penalties and expenses incurred by GD in respect thereto and GD may in its sole discretion, either

(i) adjust its charges to allow for any and all additional work required together with reimbursement for all such loss, damage, costs, penalties and expenses; or

(ii) cancel the contract by written notice to Client, in which event Client shall immediately retake possession of the material, with all risks being borne solely by Client.

(10) FORCE MAJEURE

In the event any act of nature, accident, war, labor dispute or any other cause beyond the reasonable control of GD, whether or not foreseeable, prevents or hinders the performance of GD, then GD may suspend its performance during the period of such Force Majeure. The client will be notified in writing by registered mail of the imposition and cessation of Force Majeure.



ASAMERA MINERALS (U.S.) INC.
RENO, NEVADA

TO: Dan Kirby

DATE: 10-27-88

NO. OF PAGES: 5

FROM: ASAMERA MINERALS (U.S.) INC.
6121 Lakeside Dr.
Reno, NV. 89511

Fax No. 702/825-7750

For information call

Gloria Higgins

Gloria: 702/825-7700

Following is info I received from
SD Resources regarding carbon processing.
He is quoting for "loaded carbon" as
I understood you to say it had not
been stripped. I don't know if this
is ~~not~~ correct.

Bill is calling/checking other places
& we will let you know what we find
out.



A member of the
Orion Corporation Group

GD RESOURCES INC.

450 E. Glendale Avenue
Sparks Nevada 89431
Telephone (702) 358-9229
FAX (702) 358-9275

October 27, 1988

Asamera Minerals
6121 Lakeside Drive # 130B
Reno, NV 89509

ATTN: Gloria Higgins

RE: CARBON PROCESSING

Dear Gloria,

As we discussed yesterday attached is a signed proposal to process **LOADED CARBON** from the **CANNON MINE** together with the sampling flowsheet and an updated Client List.

Also enclosed is a brochure, which, in addition to describing our services also contains the "boilerplate" to the enclosed contract.

GD's incineration process for the treatment of carbon is unique in the U.S.A. and we encourage you to visit our facility in Sparks to inspect our process. In addition we specialize in **Refinery Slag** and **Zinc Precipitate** processing and GD is the only refinery capable of treating the slag or precip on a "batch" basis in a dedicated furnace bowl.

We look forward to hearing from you in the very near future with a favorable reply.

Yours sincerely,

Steve Kay
Vice President, Marketing/Geology

SK/dlr

enclosures

cc DT



A member of the
Orion Corporation Group

GD RESOURCES INC.

450 E. Glendale Avenue
Sparks Nevada 89431
Telephone (702) 358-9229
FAX (702) 358-9275

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AND
ASAMERA MINERALS, CANNON MINE

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Accepted this _____ day of _____ 19____.

Asamera Minerals

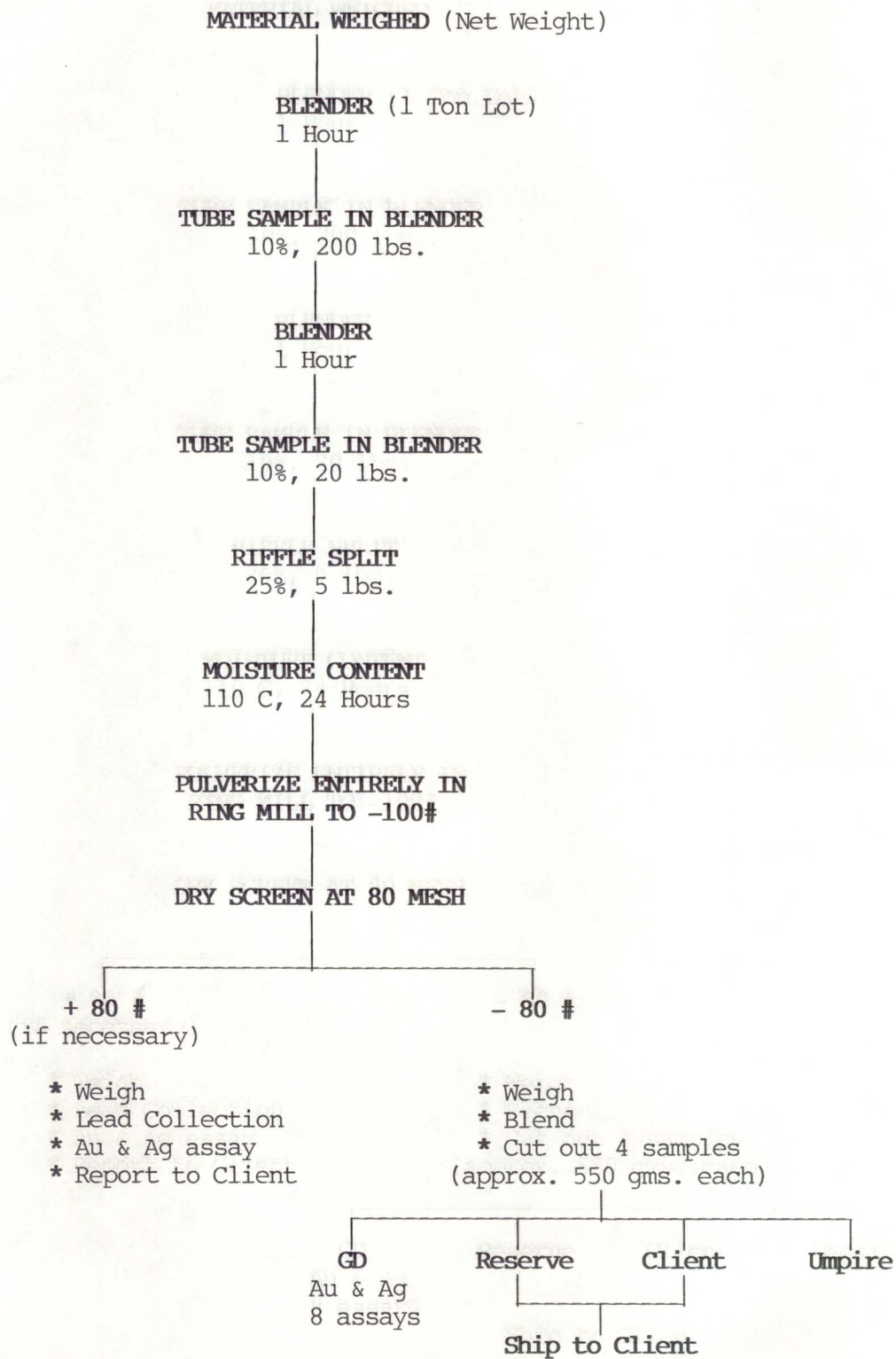


Steve Kay
Vice President, Marketing/Geology
GD Resources, Inc.

Asamera Minerals
6121 Lakeside Drive # 130B
Reno, NV 89509

ASAMERA MINERALS

LOADED CARBON SAMPLING



06/18/88



ASAMERA MINERALS (U.S.) INC.

Lakeside Plaza
6121 Lakeside Drive, Suite 130
Reno, Nevada 89511-8502
Telephone 702-825-7700, Telex #6974371
Telecopier #825-7750

October 28, 1988

Mr. John Likarish
Asarco, Inc.
180 Maiden Lane
New York, New York 10038

RE: **GOLD/SILVER LOADED CARBON, CANNON MINE**

Dear John:

We are contemplating producing a ton per week of carbon loaded with approximately 150 ounces gold per ton and 100-150 ounces silver. We would like to know where ASARCO can handle this material. Do you suppose East Helena could take it?

The people at the mine had contemplated crushing and blending in with our usual concentrates but due to its higher grade, this could get lost or cause other problems.

I realize this business is fairly small, but you would create a lot of good will at our mine with a reasonable TC, RC, assay charges, etc.

Looking forward to your reply.

Regards,

Bill Mayrsohn

BM:gh

cc: Dan Kirby



ASAMERA MINERALS (U.S.) INC.

Lakeside Plaza

6121 Lakeside Drive, Suite 130

Reno, Nevada 89511-8502

Telephone 702-825-7700, Telex #6974371

Telecopier #825-7750

October 28, 1988

Mr. John Likarish
Asarco, Inc.
180 Maiden Lane
New York, New York 10038

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Regards,

Bill Mayrsohn

BM:gh

cc: Dan Kirby

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ASAMERA MINERALS (U.S.) INC.
RENO, NEVADA

TO: John Likarish

DATE: 10-28-88

NO. OF PAGES: 2

FROM: ASAMERA MINERALS (U.S.) INC.
6121 Lakeside Dr.
Reno, NV. 89511

Fax No. 702/825-7750

For information call

Bill Mayrsohn

Gloria: 702/825-7700



ASAMERA MINERALS (U.S.) INC.

Lakeside Plaza
6121 Lakeside Drive, Suite 130
Reno, Nevada 89511-8502
Telephone 702-825-7700, Telex #6974371

Telecopier 702-825-7750

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DATE: 10-28-88

TIME: 10:28:88

NUMBER OF PAGES: 2
(incl. cover page)

SPEED: _____

TO: Don Kirby

FROM: Bill Mayrson

SUBJECT: Loadul Carbon

If there is any problem in receiving, please contact Asamera Minerals in Reno and ask for Carol or Gina.

Phone: (702) 825-7700



A member of the
Orion Group

GD RESOURCES

INC.

Precious Metal Refinery
Analytical Lab • Activated Carbon
Bioleach Research

STEVE KAY

Director

Vice President, Marketing/Geology

450 E. Glendale Avenue
Sparks, Nevada 89431

(702) 358-9229
Fax (702) 358-9275



ASSAY LABORATORY

CONVENIENTLY LOCATED
AT

450 E. Glendale Ave. Sparks, NV



"COMPARE OUR PRICES AND SERVICE"

- Fire Assay
- AA Spectrometry
- Unique Sample Preparation
- Fast Turnaround (3-5 days for normal, dry samples)
- Low Prices
- Cyanide Leach Assays
- Cyanide Bottle Roll Tests
- Bullion Assays
- Carbon, Slag, Solution Assays
- Bioleach Testwork on Refractory Gold Ores
- Computer or Fax Transmittal of Results
- Transportation Available

450 E. GLENDALE AVENUE
SPARKS, NEVADA 89431
(702) 358-9229
FAX (702) 358-9275

GD RESOURCES, INC.

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SPARKS, NEVADA 89431
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AN ANALYTICAL LABORATORY DESIGNED TO SERVE THE NEEDS OF THE
EXPLORATION, MINING AND METALLURGICAL INDUSTRIES.

OUR SPECIALIZED SERVICES INCLUDE:

- * Unique sample preparation service taking large samples to -200 mesh prior to splitting, to reduce potential sub-sampling errors.
- * Results for dry samples within 3 - 5 working days of delivery.
- * Low prices for sample preparation, fire assay and other services.
- * Specialists in loaded carbons, amalgams, dore and refinery slags.
- * Sale of coconut-shell based Activated Carbon at very competitive prices.
- * Bioleaching testwork on refractory gold ores.
- * Specialist testwork on black sands.
- * Flexibility to serve **YOU** the client.

Directors: H.V. Zipprich (President), S.J. Kay (Vice President/Marketing, Secretary)
M.H. Olwyn (Treasurer), K.P. McNamara (Vice President/Production, Asst. Secretary)

GD RESOURCES, INC.

ANALYTICAL LABORATORY

In order to meet the increasingly sophisticated demands of the exploration, mining and metallurgical industries within the Western United States, GD Resources Laboratory offers a number of unique features to improve the quality of service offered. We are conveniently situated in Sparks, Nevada in close proximity to the offices of a large proportion of the mining and exploration companies.

SAMPLE PREPARATION

Through the use of a revolutionary rotary impact pulverizer, we are able to pulverize a 10 lb. sample 90% -200 mesh (75 microns) in a matter of minutes. The entire pulp is then rolled and thoroughly homogenized prior to splitting for assaying. This has the effect of reducing any potential nugget effect which is a common feature in precious metal deposits where sub-sampling errors, without proper sample preparation can be enormous.

A standard ring mill and a Keegor disc pulverizer are also available to prepare smaller samples, with the ring mill being used exclusively for loaded carbon and refinery slag, or samples containing abnormally high precious metal concentrations.

FIRE ASSAY

For routine fire assays for gold and silver a LAT fire assay is used with either a gravimetric finish (33 ppb detection limit) or a AA finish (5 ppb detection limit). An optional extra is a 50 gm. assay charge to yield a 20 ppb detection limit with a gravimetric finish.

ATOMIC ABSORPTION

Two AA machines are in continual operation. One unit has a graphite furnace attachment and is used exclusively for gold analyses to low detection levels. The other unit is used for the common geochemical trace element suite, including mercury by cold vapour to the 1 ppb level.

METALLURGICAL ANALYSES

All routine metallurgical analyses are carried out. These include gold in carbon, slag or solutions. Because of the gravimetric finish there is no upper detection limit on highly loaded carbons or high grade ore samples.

SCHEDULE OF FEES - FEBRUARY 1, 1988

<u>METHOD</u>	<u>ELEMENT</u>	<u>LOWER DETECTION LIMIT (95% Confidence Level)</u>	<u>PRICE (US \$)</u>
1. <u>FIRE ASSAY</u> (Grav. finish) 1 Assay Ton	Au	33 ppb	\$ 7.75
	Ag	1.00 ppm	\$ 7.75
	Au and Ag	as above	\$ 8.50

NOTE: For a 50 gm assay with a 20 ppb detection limit instead of the routine 1 AT (29.167 gms) add \$0.50 per sample.

2. <u>FIRE ASSAY</u> (AA finish) 1 Assay Ton	Au	5 ppb	\$ 8.25
	Ag	1.00 ppm	\$ 8.25
	Au and Ag	as above	\$ 9.00
	Pt and Pd	1.00 ppm	\$14.00

3. <u>AA</u> (Aqua Regia + Graphite Furnace)	Au	5 ppb	\$ 5.00
	Ag	0.40 ppm	\$ 5.00
	Au and Ag	as above	\$ 7.00

<u>AA</u> (Aqua Regia)	As	10 ppm	
	Sb	5 ppm	
	Cu	1 ppm	
	Pb	1 ppm	
	Zn	1 ppm	\$4.75 1st element
	Mo	2 ppm	\$2.10 2nd element
	Hg	50 ppm	\$1.60 3rd element
	Bi	5 ppm	\$1.05 4th element
	Ca	5 ppm	\$0.80 5th + others
	Fe	5 ppm	
	Mg	5 ppm	
	Te	1 ppm	
	Tl	1 ppm	
	Ni	5 ppm	
	Mo	2 ppm	
	Hg (cold vapor)	1 ppb	- 50 samples \$4.25
			50 - 100 samples \$3.75
			+ 100 samples \$3.25

NOTE: If Au and Ag are done by A.A. then they will count as the 1st & 2nd elements and the next element e.g. Sb would be at the 3rd element rate (\$1.60).

	<u>METHOD</u>	<u>ELEMENT</u>	<u>LOWER DETECTION</u> <u>LIMIT</u> (95% Confidence Level)	<u>PRICE (US\$)</u> <u>UNPREPARED</u> <u>PULPS</u>	
4.	<u>CYANIDE LEACH ASSAY</u> (CN/AAS)	Au	0.001 oz/t		\$ 4.00
		Ag	0.010 oz/t		\$ 4.00
		Au and Ag	as above		\$ 4.50
5.	<u>CARBON and SLAGS</u> (Fire Assay) Gravimetric	Au	5 ppm	\$13.00	\$12.00
		Au and Ag	5 ppm	\$14.00	\$13.00
6.	<u>GOLD SOLUTIONS</u>	Au	10 ppb	\$ 4.75	
		Au and Ag	Au 10 ppb Ag 1.00 ppm	\$ 6.85	
7.	<u>BULLION ASSAYS</u>	Au and Ag	0.15% (3 reported assays)	\$ 50.00	
8.	<u>SCREEN ASSAYS</u> (METALLICS)	Au	33 ppb	\$ 27.25	
		Au and Ag	Au 33 ppb Ag 1.00 ppm	\$ 29.50	
	Includes:	<ul style="list-style-type: none">- Sieve 200 gm. pulp through 100 mesh standard testing sieve.- Fire Assay entire +100 mesh fraction.- Assay -100 mesh fraction in duplicate.- All weights and assays reported, as well as weighted average.			
	Screen (Metallics) Assays using various sieve sizes and/or sample volume are available on a custom basis. Call for price quotes.				
9.	<u>SUB-SAMPLING</u> <u>PROGRAMS</u>	Available upon request.			
10.	<u>BOTTLE-ROLL TESTS</u> (1 -3 kg. sample)			\$195.00	
	Includes:	<ul style="list-style-type: none">- 72 hours agitation.- 8 intermediate solution assays.- Head & tail assays.- NaCN and CaO consumption.- Extraction curves.- Written report.			
11.	<u>BIO-LEACH TESTWORK</u> (For refractory gold ores)	Available upon request.			

MISCELLANEOUS

** TURNAROUND TIME

3 - 5 working days for normal, dry samples unless specified.

24 hour turnaround time for small batches.

** SAMPLE PREPARATION CHARGES

0 - 10 lbs.: \$2.00 (includes milling entire sample to minus 200 mesh, blending and cutting of assay sub-sample.)

Sample preparation for samples weighing in excess of 10 lbs. will be charged at the rate of \$0.30 per pound, for the excess pounds.

** DRYING CHARGE

Wet samples that require drying prior to sample preparation will be charged a nominal \$1.50 per sample for samples weighing less than 10 lbs., samples in excess of 10 lbs. will be charged at the rate of \$0.15 per pound.

** STORAGE CHARGES

Pulps and rejects will be held for 30 days free of charge.

Storage charges on a monthly basis will be levied following that period at a rate of \$0.05 per pulp or reject, \$0.10 for both.

** COMPUTER/FAX TRANSFER OF RESULTS

Computer transfer via modem and or telefaxing is available free of charge for local transfers and at a rate of \$1.00 per minute or fractions thereof for long distance transfers.

** DISCOUNTS

Discounts for large numbers of samples.

** MINIMUM CHARGE

Minimum charge per consignment \$25.00.



A member of the
Orion Corporation Group

GD RESOURCES INC.

450 E. Glendale Avenue
Sparks Nevada 89431
Telephone (702) 358-9229
FAX (702) 358-9275

LIST OF CLIENTS REFINERY

ALLIED PRECIOUS METALS

Allied Precious Metals

Phil Alberts

(602) 574-1817

AMERICAN BARRICK

Goldstrike Mine

Andy Bolland, Metallurgical Superintendent

(702) 738-8043

CALGOM MINING (ROYAL GOLD)

Canyon Dam Mine

Ken Wright, Mine Manager

(916) 284-6611

CAMBRIAN RESOURCES

Cambrian Mine

John Haigh, Mine Manager

(303) 520-0030

CAMP BIRD VENTURE

Camp Bird Mine

Jim Points, Mine Manager

(303) 325-4355

CoCa MINES

Cactus Gold Mine

Bob Bucsh, Mill Superintendent

(805) 824-2634

COMINCO

Buckhorn Mine

Alvin Wright, Mill Superintendent

(702) 744-4211

CORDEX/SYNDICATE

Dee Mine

John Rajala, Mill Superintendent

(702) 786-2081

CORDEX/SYNDICATE

Pinson Mine

Terry Fagg, Mill Superintendent

(702) 623-5036

ECHO BAY MINERALS

McCoy Mine

Eric Daniels, Mill Superintendent

(702) 635-5500

FMC/INSPIRATION

Austin Gold Venture

Bill Brooks, Manager

(702) 964-2350

FRM CORPORATION

First Miss Gold

Dale Matthews, Mill Superintendent

(702) 635-5001

FALCON EXPLORATIONS

Boss Mine

Jack Watterson, Operations Manager

(702) 482-3566

FREEPORT

Jerit Canyon Mine

Cecil Kinard, General Manager

(702) 738-9221

GALACTIC RESOURCES

Summitville Mine

Darrel Wagner, Plant Supervisor

(719) 589-9075

GOLD FIELDS MINING CORPORATION

Chimney Creek Mine

John Marsden, Metallurgist

(702) 635-9400

GOLD FIELDS MINING CORPORATION
Mesquite Mine
Larry Todd, Mill Superintendent
(619) 352-6541

GOLD STAR GROUP
Gold Star Exploration
Orlando Villa
(602) 861-8498

GRANDVIEW RESOURCES
Carson Hill Mine
Ben Licari, Mill Superintendent
(209) 736-0435

HECLA MINING COMPANY
Republic Mine
Ned Tower, Marketing Manager
(208) 769-4100

HIGH DESERT DEVELOPMENT
High Desert Development
Greg Peters
(702) 883-7718

HORIZON GOLD SHARES
Buffalo Valley Mine
Clive Bailey, Mine Manager
(702) 635-5060

HYCROFT RESOURCES
Lewis Mine
Brad Wigglesworth, Geologist
(702) 786-4112

MALLON MINERALS
Costa Rica
Dave Heppe, President
(303) 293-3601

NEVADA GOLDFIELDS
Kingston Project
Dave Tyson, Mill Superintendent
(702) 538-7300

NEWMONT MINING
Carlin Mine
Bob Zaebst, Refinery Superintendent
(702) 738-7196

PEGASUS GOLD CORPORATION
Florida Canyon
Bud Daugherty, Plant Superintendent
(702) 538-7300

PEGASUS GOLD CORPORATION
Relief Canyon
Steve Tintle, Process Superintendent
(702) 273-2691

SILVER STATE MINING
Tonkin Springs Mine
Robert Moore
(702) 322-3666

SOCORRO MINING
Harquahala Mine
Gerry Van Voorhis, Manager
(801) 487-3563

SONORA MINING
Buckskin Operation
Jack Stevenson, Mill Metallurgist
(702) 465-2619

TEXASGULF MINERALS
Victor Mine
Jaye Pickarts, Asst Plant Superintendent
(719) 689-2977

VANDERBILT GOLD CORPORATION
Morningstar Mine
Jim Kasargian, Controller
(702) 362-3152

WESTERN GOLDFIELDS
Hog Ranch Mine
Dan Martin, President
(702) 356-6524

WESTERN STATES MINERALS CORPORATION
Northumberland Mine
Rick Fiddler, Mike Russo
(702) 377-2397

PERSONNEL

Kevin McNamara - Manager

Kevin worked as a Fire Assayer for the Government Metallurgical Laboratories in Harare, Zimbabwe from 1969 to 1972. He moved to Trojan Nickel mine (Bindura, Zimbabwe) where he was involved in the routine analysis of nickel, copper and cobalt ores at all states of refinement. In 1979 he was employed by E. L. Bateman (Pty) Ltd. as an Analyst, involved principally in the analysis of gold using the DIBK extraction process. From 1980 to the present, Kevin has worked for the controlling group of GD Resources at Golden Dumps Research as an Assayer in the Fire Assay Section, as Manager in the carbon plant and refinery, and recently as Managing Director of Peterborough Refineries Limited in the U.K. He brings with him to GD Resources a wealth of experiences in various analytical techniques, activated carbon marketing and quality evaluation, and all facets of precious metal refining.

Donna Marie Noel - Laboratory Supervisor

Donna Marie has worked continuously in the precious metals industry since receiving Bachelor degrees in Chemistry (1982) and Bacteriology (1983) from the University of Idaho. As Chief Assayer/Chemist at Superior Oil's Stibnite Project in Yellowpine, Idaho, she spent 3.5 years managing all facets of the laboratory including sample preparation and environmental monitoring associated with the cyanidation of low grade gold bearing ores. In late 1985, she joined CoCa Mines Inc. as Chief Assayer and established the laboratory at their Cactus Gold Mine in Mojave, California. In addition to ore analysis, ore preparation, and environmental monitoring, she was also actively involved with CoCa Mines in the design and implementation of metallurgical and feasibility studies for development of cyanide-leachable ore deposits.

ID_NUMBER	60002612
DISTRICT	RAMSEY
DIST_NO	3790
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TITLE If not obvious	GOOSEBERRY MINE: LOADED CARBON PRODUCTION
AUTHOR	KAY, S.; TREACY, A.; HIGGINS, G.; MAYRSOHN, W.
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QUAD_NAME	MARTIN CANYON 7½
P_M_C_NAME (mine, claim & company names)	GD RESOURCES INC; ASAMERA MINERALS US, INC.; MARINE CHARTING CO.; INC.; GOOSEBERRY MINE
COMMODITY If not obvious	GOLD; SILVER
NOTES	LOADED CARBON; CARBON PROCESSING; RESULTS; HAND WRITTEN NOTES;

Keep docs at about 250 pages if no oversized maps attached
(for every 1 oversized page (>11x17) with text reduce
the amount of pages by ~25)

SS:	PB	2/02/10
	Initials	Date
DB:	MT	2/19/10
	Initials	Date
SCANNED:	PB	4/1/10
	Initials	Date
	MT	4.2.10
QA	Initials	Date