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Item 1

Report of the Rosebud Property

Ragged Six Lease of the Golden Juniper Mining Claim

Earle B. Seaborn

May 4,'33.

Mining Report on Ragged Six Lease of the Golden Juniper Mining Claim

This report is the result of an examination, which included sampling and surveying of the Ragged Six Lease of the Golden Juniper Claim. This claim is in the Rosebud Mining District approximately forty miles directly north of Lovelock, Nevada. The nearest point on the Western Pacific Railroad is Sulphur, approximately twenty miles distant.

The party consisted of J.A.Fulton, J.B.Lane, Robert Prince, T.D.Overton, and E.B.Seaborn. The examination covered a period of three days, and included complete sampling and survey of the surface claims and underground workings.

Geology - Rosebud is situated in a district of huge rhyolite lava flows. The ore body itself is a highly altered rhyolite with extremely spotted values. The mineralization which has a roughly east and west strike occurs in an old fault breccia in the rhyolite. Most of the gold pans freely and is concentrated in the narrow clay seams throughout the fault breccia material. There is a great deal of Iron sulphate in the rock and the Ferric Alum crystallizes out on the walls of the Brown Palace Adit.

Geology (continued) -

The gold is of two characters, and all of it is quite fine. The gold from the clay seams is much darker with a coating of oxide than is the gold from the more massive rhyolite. This bright gold comes from the Shaft marked No.3 on the accompanying map. Most of that from Shafts 1. and 2. is the darker variety. I would say that the darker gold was a surface enrichment from the errosion of the overlying formation, that had been coated by the percolation of solutions and finally deposited in the clay fissures. The bright gold is in less altered rock and may be primary gold.

It would take extensive study to determine whether the general alteration was due to hydro-thermal alteration or to the percolation of surface water. It is probably more likely to be the result of the surface oxidation of a large pyritic zone, with the subsequent oxidation of the iron, alteration of the feldspars, and dissolving of the quartz. There is no or very little free quartz left in the altered rock.

Samples

The samples are in general very narrow and cannot be taken as representative of the whole rock. It is impossible to say how much of the value is secondary and how much is primary.

I would suggest that a cross-cut be driven from the Brown Palace Adit from about T 13 in a southern or south easterly direction to cut the strike of the fault breccia about 250 ft. distance at a depth of about 200 ft. This would certainly give an indication of whether any values could be expected with depth. So far no appreciable values have been found in the Brown Palace Adit. This should also prove the suspected east west strike of the vein which is very hard to trace due to the extreme alteration of the whole rock mass. Values in altered rhyolite are in almost every case of a highly variable character. It requires panning or assaying at every advance in order to trace the ore.

Treatment

This ore due to the high content of $FeSO_4$ could never be treated by cyanidation without giving it a water wash. I believe most of the values would be recovered by straight amalgamation, and I believe I would handle the ore that way at least until the lower levels are more thoroughly developed.

Location and Effect

The mine is in typical desert country with extreme dry conditions. The heat is excessive in the summer and the winters long and cold with much snow. There is no timber in the vicinity. There would be a twenty-five mile haul to R.R.

There is a possibility of uncoverying some very rich ore in the Rosebud district. However, with the fact in view that there has been little or no development work, and the possibility of extreme surface enrichment, I would not make a large cash payment for the property. The mining conditions would be very difficult. The cost of labor, supplies, and especially power would be high. There would be a high cost of shipment of concentrates and the shipment of ore to Sulphur would probably be very high and unsatisfactory. The only final solution would be a mill at the property and this would mean extra capital investment with a high cost producer as well.

Respectfully submitted,

Carle W. Scalorn

May, 4, 1932.