6600 1739

Mining District File Summary Sheet

DISTRICT	Rosebud
DIST_NO	4010
COUNTY If different from written on document	Pershing
TITLE If not obvious	Monthly Progress Report: Rosebud Mine — May 1999; June 9, 1999
AUTHOR	Booth, B; Brown, A; Fudge, T; Camrron, D; Hartman, S; [redacted] Waldle, L; Kaufman, R; Miller, C.; Stilwell, J; Summers, A; Mullin, J; Wilson, E; Wollant, D; Dean D; Santti, S; Tempel T; Shumway L; Lisle R Clayton R, Dunston J; Johnson G; Vance R; Allen K; Berezay R
DATE OF DOC(S)	1999
MULTI_DIST Y / (N?) Additional Dist_Nos:	
QUAD_NAME	Sulphur 7.5
P_M_C_NAME (mine, claim & company names)	Rosebud Mine; Hecla Mining Co.; Newmoat Gold Co., Rosebud Mining Co LLC; Dozer Hill; South Zone; North Zone; White Alps; East Dreamland; Lucky Boy
COMMODITY If not obvious	gold; silver
NOTES	Mothly progress report; production; correspondence; statements of operation; geology; location map. mine map; Degerstrom 18 p.

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: DD 7/28/08
Initials Date

DB: _____
Initials Date

SCANNED: _____
Initials Date

Revised: 1/22/08

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HECLA MINING COMPANY

June 9, 1999

MEMORANDUM TO: George Johnson

FROM: Ron Clayton

SUBJECT: Monthly Progress Report
Rosebud Mine – May 1999

Attached is the May 1999 Monthly Progress Report for the Rosebud Mine.

RWC:lmz
Attachments
cc: Bill Booth
Arthur Brown
Tom Fudge
Don Cameron
Scott Hartman
Mike Callahan
Roger Kauffman - JV Mgmt. Committee
Cindy Miller
John Stilwell
Al Summers
Ed Wilson
Douglas Wollant
Dale Dean
Rick Berezay

Scott Santti - JV Mgmt. Committee	Newmont Gold Company P.O. Box 669 Carlin, NV 89822
Trent Tempel - JV Mgmt. Committee	Twin Creeks Mine P.O. Box 69 Golconda, NV 89414
Jim Dunstan - Manager for Milling	Twin Creeks Mine P.O. Box 69 Golconda, NV 89414
Rick Lisle - Manager for Exploration	Newmont Exploration Limited 861 West Sixth St. Winnemucca, NV 89445
Patty Bowman - Controller	Newmont Gold Company PO Box 669 Carlin, NV 89822
Jim Mullin – Sr. Vice President	Newmont Gold Company 555 5th St. Elko, NV 89801

♦ Hecla Mining Company Rosebud Mine May Monthly Report

MINE PERSONNEL AND SAFETY

Staff

During the month one hourly summer student was hired. We have 70 hourly employees. Salary employment was unchanged at 27. We have 97 employees.

Safety

There were no MSHA reportable injuries at Rosebud in May. Rosebud employees have worked 616 days without an MSHA lost-time injury as of the end of May. On May 21, a 3-1/2 yard loader caught fire in one of the East Zone stopes. The mine was evacuated and the fire was eventually extinguished by Mine Rescue personnel. No one was injured and Mine Rescue personnel did a great job.

OPERATIONS

Development

The development crews advanced the #33 stope access 218 feet. The #33 stope access muckbay was completed at 72 feet. A total of 290 feet of development drift was driven in May.

Production

Production from stope #13 was 303 tons at a gold grade of .475 opt and a silver grade of 5.35 opt.

Production from stope #25 was 5,238 tons at a gold grade of 1.252 opt and a silver grade of 1.65.

Production from stope #31 was 2,295 tons at a gold grade of .204 opt and a silver grade of .253 opt.

Production from stope #41 was 4,649 tons at a gold grade of .764 opt and a silver grade of 1.39 opt.

Production from stope #42 was 6,418 tons at a gold grade of .267 opt and a silver grade of 1.72 opt.

Production from stope #43 was 5,450 tons at a gold grade of .303 opt and a silver grade of 0.50 opt.

An additional 3,634 tons of waste at a gold grade of .040 opt was mined from the stopes and sorted to the waste pile.

Total ore stockpiled at month's end was 24,353 tons grading .578 Au opt and 1.27 opt silver. Shipment of this material to the Pinon Mill began on May 18.

♦ Hecla Mining Company Rosebud Mine May Monthly Report

GEOLOGY

Production

Mine calculated (geology) tonnage and grade for ore shipped during the month of May (April's production - May's milling) was overestimated by 460 tons (+2.2%) compared to survey, and out-performed the model by 3,502 ounces of gold (47.6%) and by 6,094 ounces of silver (136.7%) in the East Zone. Mill results have not been received.

Development

Stope 33 development is complete.

Exploration

Seven exploration holes (RS-D344-99, RS-D348-99, RS-D349-99, RS-D350-99, RS-D351-99, RS-D352-99, RS-D353-99, RS-D354-99, RS-D355-99, RS-D356-99, and RS-D357-99) were drilled for a total footage of 3,028 feet.

ENGINEERING

Mine Planning

More modifications for stope 31 were incorporated into the mining plan with the input of geology and operations. A stope sequencing model was completed which should allow us to monitor extraction progress during the remaining mining sequences in the North and East zone stopes. A bioremediation proposal for the mine was completed and is in the process of being reviewed by management.

Environmental

The Federal Toxic Release Inventory (TRI) effort was completed in which we determined that Rosebud will not be required to report any releases to the environment for 1998. Water Rights yearly applications were completed for eight of our monitoring and production wells, and were submitted to the NDEP, as required. A minor incident at the Jungo rail crossing left a broken hose on the rail tank car containing the dust suppressant Magnesium Chloride (MgCl), resulting in a loss of an estimated 7400 gallons. The incident was phoned in to the proper authorities and their response was that because of the harmless material involved, the occurrence would not even necessitate a written report.

Batch Plant

A total of 18,690 tons of cemented backfill was placed in the mine during the month. The fill amount and locations for each stope are listed below:

Location	High Strength (10% cement)	Medium Strength (4% cement)	Low Strength (3% cement)	Total
Stope 25		2,755 tons	137 tons	2,892 tons
Stope 31	802 tons	168 tons	2,670 tons	3,640 tons
Stope 41	221 tons	2,869 tons	560 tons	3,650 tons
Stope 42		3,637 tons	683 tons	4,320 tons
Stope 43		3,323 tons	865 tons	4,188 tons
Total	1,024 tons	12,752 tons	4,915 tons	18,690 tons

Miscellaneous

Engineering assembled a proposal for clean out of the mine water sump below stope 24. An engineering student from the U of I (Brian Buckham) reported for summer work on Tuesday May 18 and began work on a comprehensive electrical documentation manual.

PERFORMANCE

There were no capitalized or expensed discretionary costs during May. Capitalized costs year-to-date total $99,818, $320,182 less than budget. Expensed discretionary costs year-to-date total $20,146, $9,854 less than budget.

The mine produced 24,353 ore tons during May, 2,757 more than budget. The gold grade mined was 0.578 opt, 0.252 better than budget. The silver grade was 1.27 opt, which was 1.05 less than budget. Year to date mine production is 115,400 ore tons, 4,035 less than budget, at a gold grade

of 0.514 opt, 0.172 opt better than budget, and a silver grade of 1.64opt, 0.39 opt less than budget. Approximately 4,700 tons of material at gold grades between 0.08 opt and 0.12 opt have been segregated for a heap leach test during the year.

During May the mill recovered 10,642 gold ounces and 19,270 silver ounces, 3,097 more gold ounces and 918 more silver ounces than budget. Recoveries during the month were 92.9% for gold and 67.4% for silver, which is 3.1% less and 12.4% better than budget, respectively.

Year-to-date, the mill has recovered 53,524 gold ounces and 145,382 silver ounces, 12,716 more gold ounces and 7,654 more silver ounces than budget. Year-to-date recoveries are 95.1% for gold and 58.2% for silver, which are 0.9% worse and 3.2% better than budget, respectively.

Production costs for May totaled $1,730,716 ($71.07 per ore ton), $63,065 less than budget ($11.99 per ore ton less than budget). Year-to-date production costs total $8,636,919 ($74.85 per ore ton), $880,502 less than budget ($4.84 per ore ton better than budget).

Exploration costs for May totaled $215,286, which is $108,686 more than budget. Year-to-date exploration costs total $566,240, which is $115,840, more than budget.

The per gold ounce produced costs achieved during May were:

• Cash operating cost per gold ounce	$ 154.71	$ 71.49	less than budget
• Total cash cost per gold ounce	$ 171.32	$ 70.06	less than budget
• Total production cost per gold ounce	$ 242.69	$ 70.31	less than budget

The per gold ounce produced costs achieved year-to-date are:

• Cash operating cost per gold ounce	$ 149.22	$ 68.42	less than budget
• Total cash cost per gold ounce	$ 166.94	$ 66.54	less than budget
• Total production cost per gold ounce	$ 238.57	$ 66.44	less than budget

CONFIDENTIAL

The Rosebud Mining Company, LLC (HMC, operator)

Statements of Operations - Variances to Budget (LLC Agreement Basis of Accounting)

May 1999	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Gross production value (GPV)	$ 3,044,079	$ 2,364,436	$ 679,643	$ 6,328,883	$ 4,931,639	$ 1,397,244	$ 15,954,328	$ 12,999,905	$ 2,954,423
Less: Euro Nevada royalty	(121,763)	(94,577)	(27,186)	(253,155)	(197,265)	(55,890)	(638,173)	(519,997)	(118,176)
Less: Shipping and refining	(14,850)	(10,359)	(4,491)	(30,820)	(23,385)	(7,435)	(79,618)	(71,415)	(8,203)
Net production value	2,907,466	2,259,500	647,966	6,044,908	4,710,989	1,333,919	15,236,537	12,408,493	2,828,044
Cost of production									
Mine production costs	584,441	453,516	(130,925)	1,229,647	947,415	(282,232)	2,884,650	2,508,135	(376,515)
Fixed mining costs	208,060	200,075	(7,985)	442,167	400,150	(42,017)	1,061,192	1,000,375	(60,817)
L.L.C. Development	38,240	105,350	67,110	72,508	289,800	217,292	180,072	683,550	503,478
Milling costs	371,754	420,769	49,015	718,145	856,509	138,364	1,891,647	2,247,335	355,688
Trucking and site processing	264,291	248,163	(16,128)	482,797	503,491	20,694	1,184,937	1,305,676	120,739
Site and general administration	239,681	237,125	(2,556)	459,525	476,750	17,225	1,081,786	1,194,925	113,139
Geology	44,583	40,100	(4,483)	87,099	80,200	(6,899)	236,619	200,500	(36,119)
Delineation drilling	(243)	10,000	10,243	750	35,000	34,250	45,277	75,000	29,723
Engineering	24,814	35,800	10,986	50,562	71,600	21,038	142,601	179,000	36,399
Change in ore stockpile and in-circuit inventory	(44,905)	42,883	87,788	75,703	67,642	(8,061)	(71,862)	122,925	194,787
Total cost of production	1,730,716	1,793,781	63,065	3,618,903	3,728,557	109,654	8,636,919	9,517,421	880,502
Other costs									
Property taxes	7,500	10,000	2,500	15,000	20,000	5,000	37,500	50,000	12,500
Net proceeds taxes	55,004	19,965	(35,039)	114,163	40,980	(73,183)	310,255	126,449	(183,806)
Reclamation expense	23,118	23,204	86	49,402	47,078	(2,324)	130,337	122,085	(8,252)
Interest (income)	(4,572)	(6,500)	(1,928)	(9,654)	(13,000)	(3,346)	(24,465)	(32,500)	(8,035)
(Gain) loss on the sale of fixed assets	-	-	-	-	(1,000)	(1,000)	-	2,500	2,500
Depreciation	736,439	517,104	(219,335)	1,514,114	1,072,861	(441,253)	3,703,377	2,796,814	(906,563)
Total other costs	817,489	563,773	(253,716)	1,683,025	1,166,919	(516,106)	4,157,004	3,065,348	(1,091,656)
Total operating costs	2,548,205	2,357,554	(190,651)	5,301,928	4,895,476	(406,452)	12,793,923	12,582,769	(211,154)
Exploration expenditures	215,286	106,600	(108,686)	346,076	261,800	(84,276)	566,240	450,400	(115,840)
Discretionary expenditures	-	-	-	-	30,000	30,000	20,146	30,000	9,854
Total costs	2,763,491	2,464,154	(299,337)	5,648,004	5,187,276	(460,728)	13,380,309	13,063,169	(317,140)
Net income (loss) to Exhibit B	$ 143,975	$ (204,654)	$ 348,629	$ 396,904	$ (476,287)	$ 873,191	$ 1,856,228	$ (654,676)	$ 2,510,904
Cash operating cost per gold ounce	$154.71	$226.20	$71.49	$157.48	$226.94	$69.46	$149.22	$217.64	$68.42
Total cash costs per gold ounce	$171.32	$241.38	$70.06	$174.26	$242.16	$67.90	$166.94	$233.48	$66.54
Total production costs per gold ounce	$242.69	$313.00	$70.31	$245.68	$313.70	$68.02	$238.57	$305.01	$66.44
<u>Summary of Production</u>									
Tons of ore mined:	24,353	21,596	2,757	44,967	45,115	(148)	115,400	119,435	(4,035)
Gold - ounces per ton	0.578	0.326	0.252	0.581	0.330	0.251	0.514	0.342	0.172
Silver - ounces per ton	1.27	2.32	(1.05)	1.22	1.85	(0.63)	1.64	2.03	(0.39)
Tons of ore milled:	20,614	23,519	(2,905)	44,050	47,717	(3,667)	115,569	123,742	(8,173)
Gold - ounces per ton	0.585	0.334	0.251	0.522	0.342	0.180	0.491	0.344	0.147
Silver - ounces per ton	1.15	1.42	(0.27)	1.21	1.63	(0.42)	2.08	2.02	0.06
Mill recovery rate - gold	92.9%	96.0%	-3.1%	94.3%	96.0%	-1.7%	95.1%	96.0%	-0.9%
Mill recovery rate - silver	67.4%	55.0%	12.4%	63.6%	55.0%	8.6%	58.2%	55.0%	3.2%
Products produced:									
Gold - ounces	10,642	7,545	3,097	21,893	15,654	6,239	53,524	40,808	12,716
Silver - ounces	19,270	18,352	918	39,928	42,807	(2,879)	145,382	137,728	7,654
Employees at end of period:									
Hourly	70	75	5	70	75	5	70	75	5
Salary	27	27	-	27	27	-	27	27	-
Capitalized expenditures	$ -	$ 30,000	$ 30,000	$ -	$ 50,000	$ 50,000	$ 99,818	$ 420,000	$ 320,182

CONFIDENTIAL

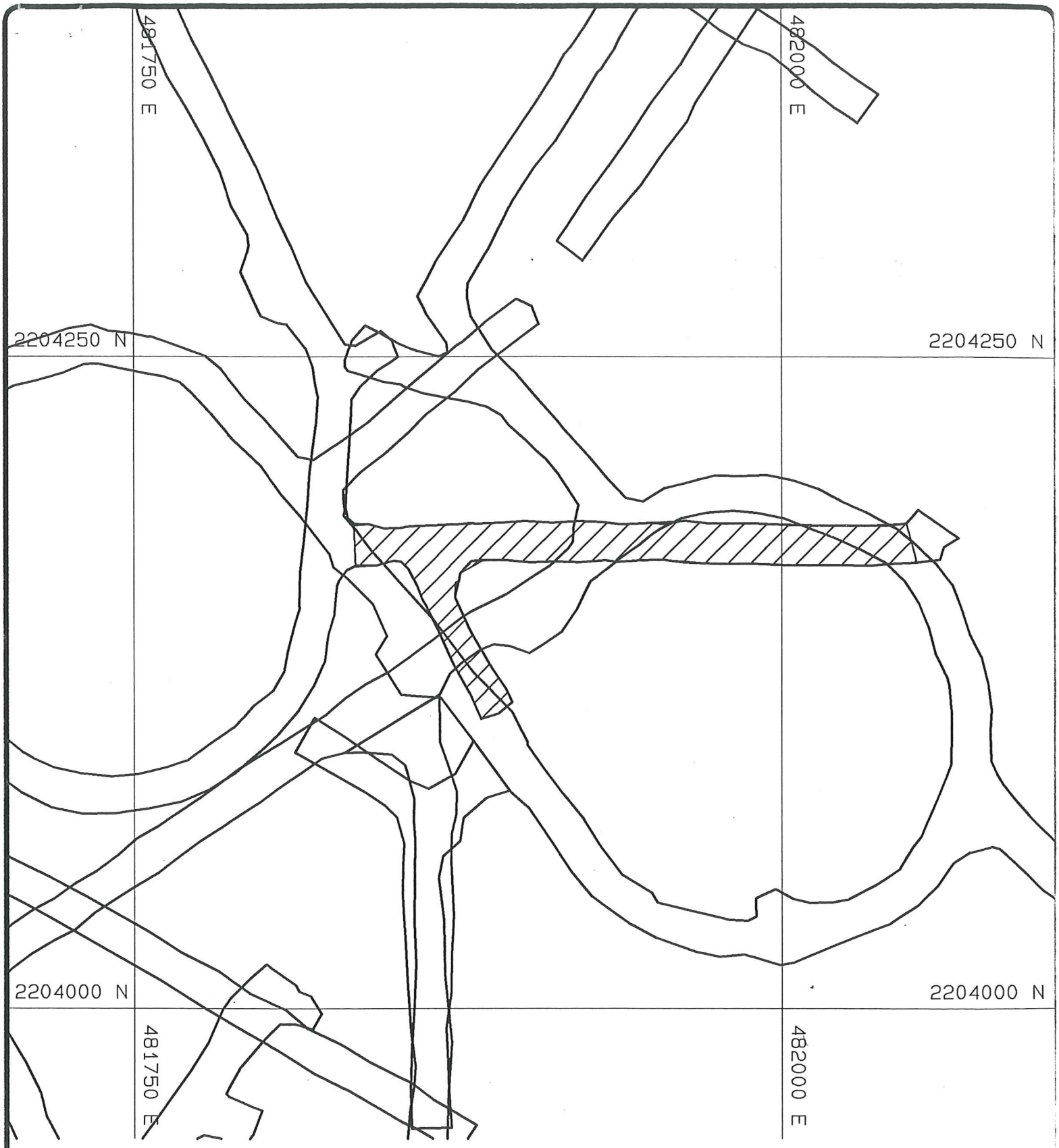
The Rosebud Mining Company, LLC (HMC, operator)
Statements of Operations - Variances to Budget (LLC Agreement Basis of Accounting)

May 1999	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Gross production value (GPV)	$ 125.00	$ 109.48	$ 15.52	$ 140.75	$ 109.31	$ 31.44	$ 138.25	$ 108.85	$ 29.40
Less: Euro Nevada royalty	(5.00)	(4.38)	(0.62)	(5.63)	(4.37)	(1.26)	(5.53)	(4.35)	(1.18)
Less: Shipping and refining	(0.61)	(0.48)	(0.13)	(0.69)	(0.52)	(0.17)	(0.69)	(0.60)	(0.09)
Net production value	119.39	104.62	14.77	134.43	104.42	30.01	132.03	103.90	28.13
Cost of production									
Mine production costs	24.00	21.00	(3.00)	27.35	21.00	(6.35)	25.00	21.00	(4.00)
Fixed mining costs	8.54	9.26	0.72	9.83	8.87	(0.96)	9.20	8.38	(0.82)
L.L.C. Development	1.57	4.88	3.31	1.61	6.42	4.81	1.56	5.72	4.16
Milling costs	15.27	19.48	4.21	15.97	18.99	3.02	16.39	18.82	2.43
Trucking and site processing	10.85	11.49	0.64	10.74	11.16	0.42	10.27	10.93	0.66
Site and general administration	9.84	10.98	1.14	10.22	10.57	0.35	9.37	10.00	0.63
Geology	1.83	1.86	0.03	1.94	1.78	(0.16)	2.05	1.68	(0.37)
Delineation drilling	(0.01)	0.46	0.47	0.02	0.78	0.76	0.39	0.63	0.24
Engineering	1.02	1.66	0.64	1.12	1.59	0.47	1.24	1.50	0.26
Change in ore stockpile and in-circuit inventory	(1.84)	1.99	3.83	1.68	1.50	(0.18)	(0.62)	1.03	1.65
Total cost of production	71.07	83.06	11.99	80.48	82.66	2.18	74.85	79.69	4.84
Other costs									
Property taxes	0.31	0.46	0.15	0.33	0.44	0.11	0.32	0.42	0.10
Net proceeds taxes	2.26	0.92	(1.34)	2.54	0.91	(1.63)	2.69	1.06	(1.63)
Reclamation expense	0.95	1.07	0.12	1.10	1.04	(0.06)	1.13	1.02	(0.11)
Interest (income)	(0.19)	(0.30)	(0.11)	(0.21)	(0.29)	(0.08)	(0.21)	(0.27)	(0.06)
(Gain) loss on the sale of fixed assets	-	-	-	-	(0.02)	(0.02)	-	0.02	0.02
Depreciation	30.24	23.94	(6.30)	33.67	23.78	(9.89)	32.09	23.42	(8.67)
Total other costs	33.57	26.09	(7.48)	37.43	25.86	(11.57)	36.02	25.67	(10.35)
Total operating costs	104.64	109.15	4.51	117.91	108.52	(9.39)	110.87	105.36	(5.51)
Exploration expenditures	8.84	4.94	(3.90)	7.70	5.80	(1.90)	4.91	3.77	(1.14)
Discretionary expenditures	-	-	-	-	0.66	0.66	0.17	0.25	0.08
Total costs	113.48	114.09	0.61	125.61	114.98	(10.63)	115.95	109.38	(6.57)
Net income (loss) to Exhibit B	$ 5.91	$ (9.47)	$ 15.38	$ 8.82	$ (10.56)	$ 19.38	$ 16.08	$ (5.48)	$ 21.56
Cash operating cost per gold ounce	$154.71	$226.20	$71.49	$157.48	$226.94	$69.46	$149.22	$217.64	$68.42
Total cash costs per gold ounce	$171.32	$241.38	$70.06	$174.26	$242.16	$67.90	$166.94	$233.48	$66.54
Total production costs per gold ounce	$242.69	$313.00	$70.31	$245.68	$313.70	$68.02	$238.57	$305.01	$66.44
<u>Summary of Production</u>									
Tons of ore mined:	24,353	21,596	2,757	44,967	45,115	(148)	115,400	119,435	(4,035)
Gold - ounces per ton	0.578	0.326	0.252	0.581	0.330	0.251	0.514	0.342	0.172
Silver - ounces per ton	1.27	2.32	(1.05)	1.22	1.85	(0.63)	1.64	2.03	(0.39)
Tons of ore milled:	20,614	23,519	(2,905)	44,050	47,717	(3,667)	115,569	123,742	(8,173)
Gold - ounces per ton	0.585	0.334	0.251	0.522	0.342	0.180	0.491	0.344	0.147
Silver - ounces per ton	1.15	1.42	(0.27)	1.21	1.63	(0.42)	2.08	2.02	0.06
Mill recovery rate - gold	92.9%	96.0%	-3.1%	94.3%	96.0%	-1.7%	95.1%	96.0%	-0.9%
Mill recovery rate - silver	67.4%	55.0%	12.4%	63.6%	55.0%	8.6%	58.2%	55.0%	3.2%
Products produced:									
Gold - ounces	10,642	7,545	3,097	21,893	15,654	6,239	53,524	40,808	12,716
Silver - ounces	19,270	18,352	918	39,928	42,807	(2,879)	145,382	137,728	7,654
Employees at end of period:									
Hourly	70	75	5	70	75	5	70	75	5
Salary	27	27	-	27	27	-	27	27	-
Capitalized expenditures	$ -	$ 30,000	$ 30,000	$ -	$ 50,000	$ 50,000	$ 99,818	$ 420,000	$ 320,182

CONFIDENTIAL

The Rosebud Mining Company, LLC
Hecla Mining Company, Operator
Discretionary Cost Statement
(LLC Agreement Basis of Accounting)

May 1999	MONTH			YEAR TO DATE			INCEPTION TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Capitalized Discretionary									
Total Capital Spending through 1998	-	-	-	-	-	-	18,977,867	25,615,591	6,637,724
Vehicles:									
Light pickup trucks (0402) 92-2210-672	-	-	-	-	40,000	40,000	-	40,000	40,000
Equipment:									
Water Well #4 (0402) 92-2210-605	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000
U/G equipment (0402) 92-2210-xxx	-	-	-	-	-	-	-	-	-
Development:									
U/G development (0401) 92-2110-xxx and (0402) 92	-	-	-	99,818	350,000	250,182	99,818	350,000	250,182
Total Capitalized Discretionary	$ -	$ 30,000	$ 30,000	$ 99,818	$ 420,000	$ 320,182	$ 19,077,685	$ 26,035,591	$ 6,957,906
Expensed Discretionary									
Total Discretionary Spending through 1998	-	-	-	-	-	-	405,140	407,506	2,366
Bioremediation Site (9126) 99-0001-xxx	-	-	-	-	-	-	-	-	-
Underground equipment rebuilds (9126) 99-0002-xxx	-	-	-	20,146	30,000	9,854	20,146	30,000	9,854
	-	-	-	-	-	-	-	-	-
Total Expensed Discretionary	$ -	$ -	$ -	$ 20,146	$ 30,000	$ 9,854	$ 425,286	$ 437,506	$ 12,220



Development
May 1999

DATE:	03-Jun-99	DRAWN BY:	mjb

Newmont Gold Company
Rosebud Mining Company LLC

To: Ron Clayton
cc: Kurt Allen
Don Cameron

Date: June 6, 1999

Fr: R. B. Vance

Subj: Rosebud Exploration Monthly Report: **May, 1999**

Geology

Gator, Degerstrom, and White Alps geologic mapping were advanced during the month. At **Gator,** Pete Rogowski identified several faults associated with silicification, and three trenches expose alteration contacts and west-dipping silicified faults. Mapping by Craig Stiles at **Degerstrom** confirms the Degerstrom fault, a large moderately-dipping spoon-shaped structure that controlled silicification. Craig will begin his second three-week assignment in June by completing the mapping, drawing cross sections, logging a few holes, and defining drill targets. **White Alps** mapping by Peter Mitchell identified complex contacts between Rosebud quartz latite sills and Chocolate flows; detailed mapping in the hanging wall of White Alps is planned in June. Craig and Peter Mitchell have jointly mapped the boundary between White Alps (including Brown Palace) and Degerstrom. Peter Butterfield and Randy Vance are advancing the North Equinox target by mapping the known structures (212 fault, ZZ Top fault), collecting supplementary rock samples, and drawing new cross sections.

Geophysics

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Three holes were drilled to follow up RS-D343 (reported last month), which intersected significant mineralized rock in carbonaceous sediments (Tcs) beneath the North zone. RS-D344 (+6°, S55°E) was drilled approximately 40 feet below D343 to test continuity in the underlying Tcs. It intersected visually attractive alteration and marcasite-pyrargyrite veins and disseminations; assays are expected any day. RS-D356 was drilled +10°, S62°E. RS-D357 was collared 50 feet southwest and drilled parallel to D344. Both holes intersected long intervals of ¼ -inch wide marcasite-pyrite± pyrargyrite veinlets spaced 1-6 inches apart, and this mineralization resembles D343. The alteration and mineralization in D356 appears better than D357, possibly suggesting better grades toward the northeast. The Tcs unit is about 80 feet thick in this part of the mine. Assays for all three holes are pending.

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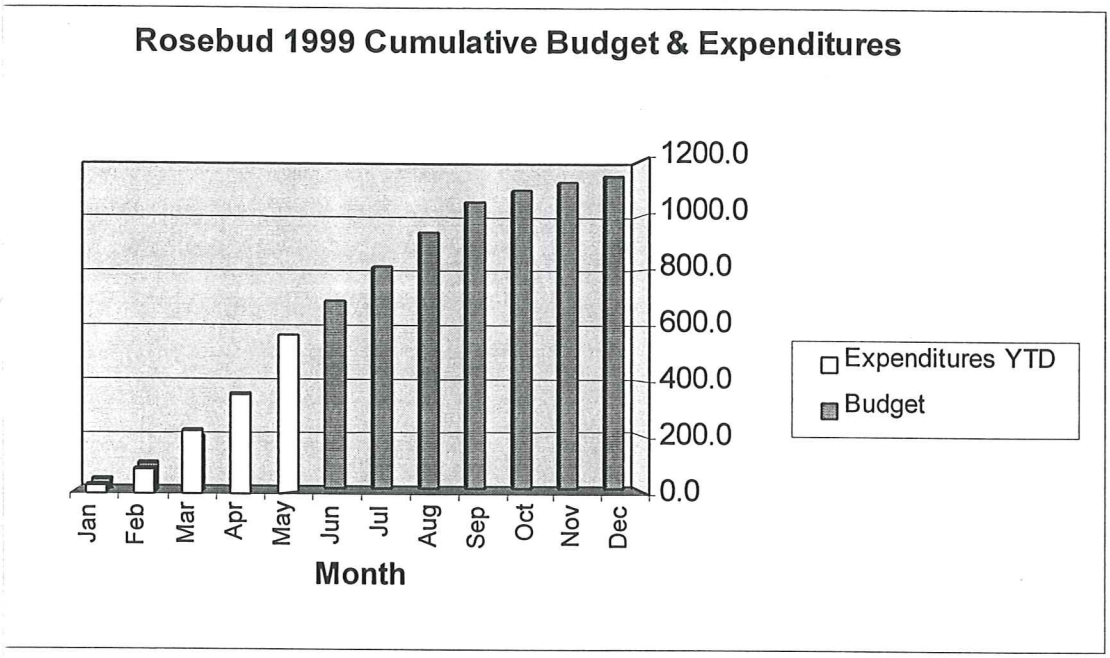

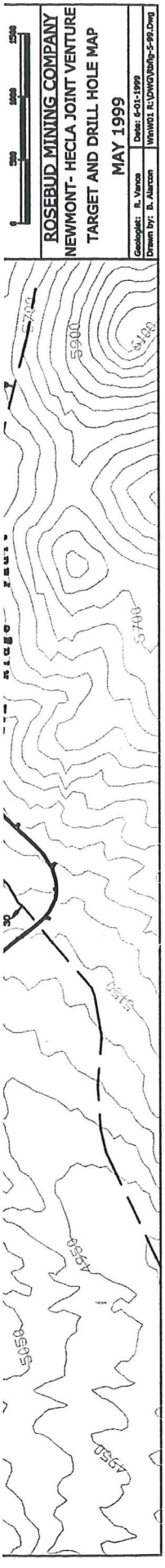

Newmont Gold Company
Rosebud Mining Company LLC

To: Ron Clayton **Date:** June 6, 1999
cc: Kurt Allen ✓
Don Cameron

Fr: R. B. Vance

Subj: Rosebud Exploration Monthly Report: **May, 1999**

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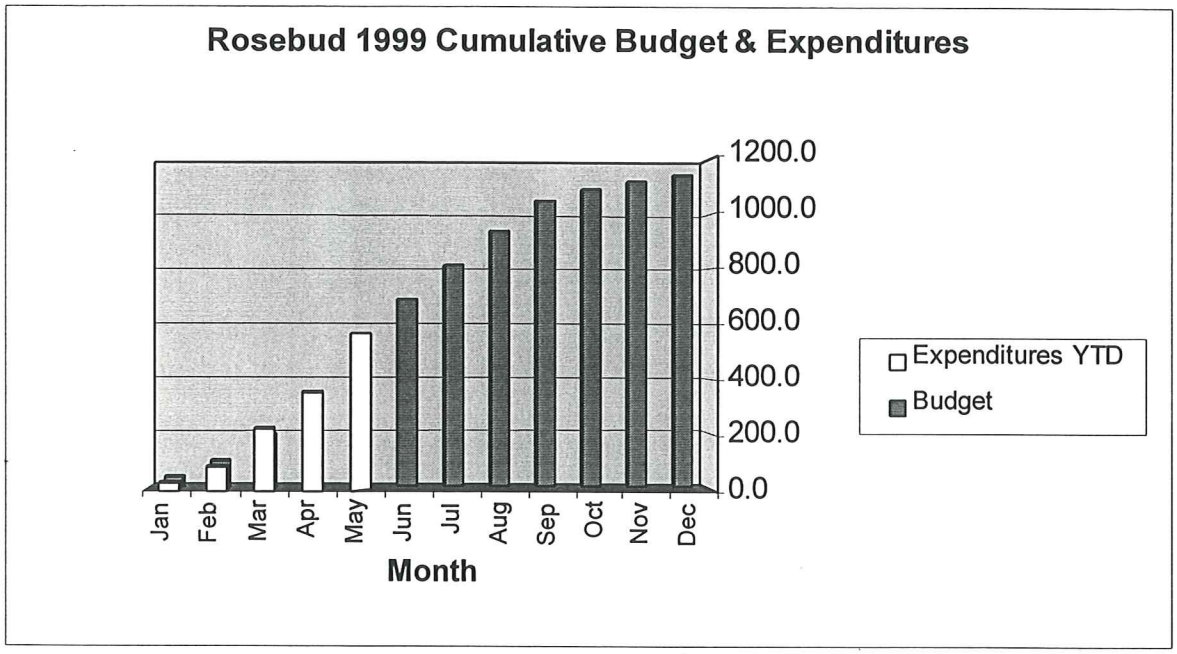

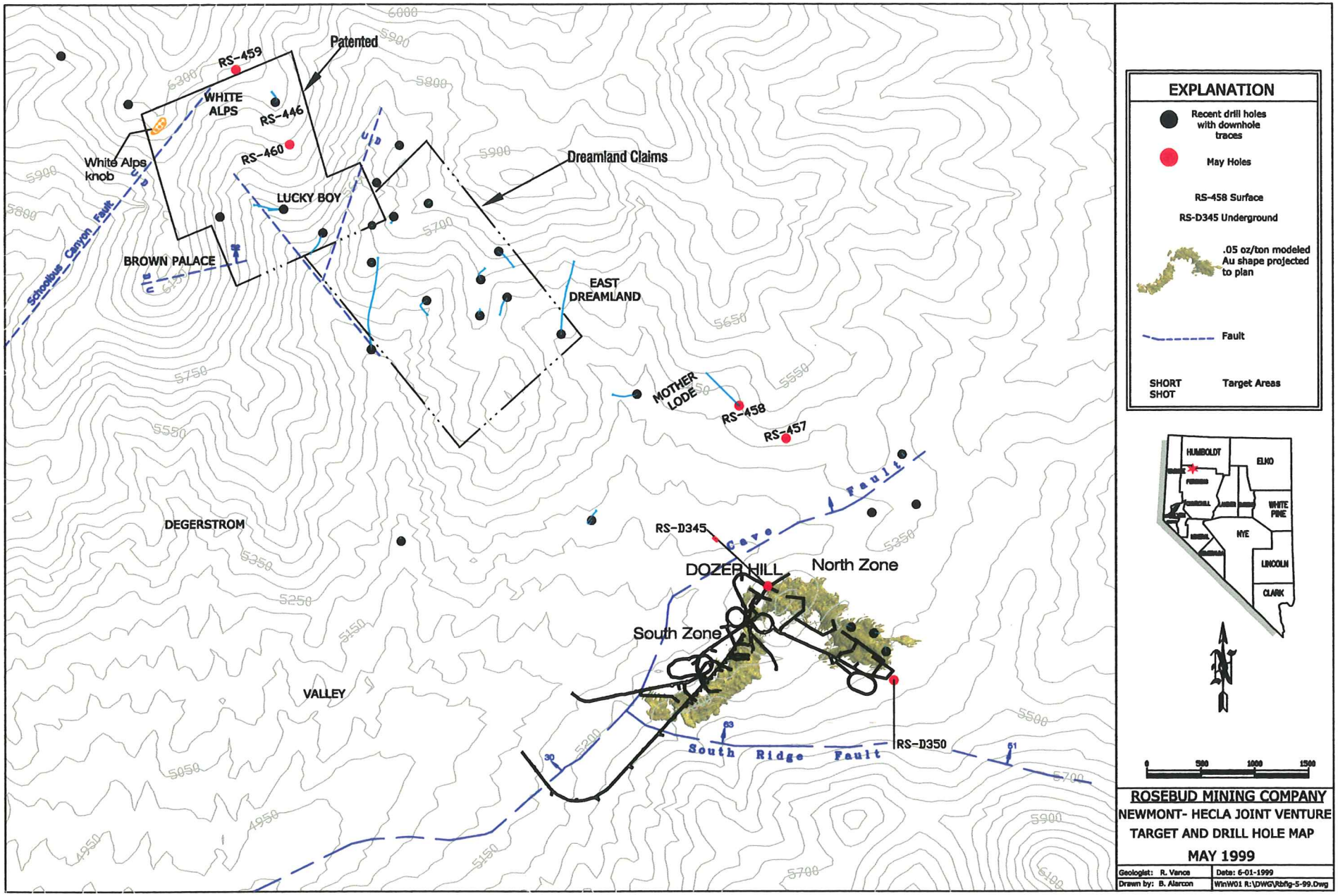
Patented
RS-459
WHITE ALPS
RS-446
RS-460
White Alps knob
LUCKY BOY
Dreamland Claims
BROWN PALACE
Schoolbus Canyon Fault
EAST DREAMLAND
MOTHER LODE
RS-458
RS-457
DEGERSTROM
RS-D345
Cave Fault
DOZER HILL
North Zone
South Zone
VALLEY
South Ridge Fault
RS-D350
EXPLANATION
Recent drill holes with downhole traces
May Holes
RS-458 Surface
RS-D345 Underground
.05 oz/ton modeled Au shape projected to plan
Fault
SHORT SHOT
Target Areas
HUMBOLDT
ELKO
WHITE PINE
NYE
LINCOLN
CLARK
0
500
1000
1500
ROSEBUD MINING COMPANY
NEWMONT- HECLA JOINT VENTURE
TARGET AND DRILL HOLE MAP
MAY 1999
Geologist: R. Vance
Data: 6-01-1999
Drawn by: B. Alarcon
WinW01 R:\DWG\Rbfig-5-99.Dwg