

Mining District File Summary Sheet

DISTRICT	Rosebud
DIST_NO	4010
COUNTY	Pershing
If different from written on document	
TITLE	Monthly Progress Report; Rosebud Mine -
If not obvious	September 1999; October 13, 1999
AUTHOR	Booth, B; Brown, A; Fudge, T; Cameron, D; Hartman, S; [REDACTED] Wilde, 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; Duveton, J; Vane, R; Allen, K; Dexter, M. Berceny, R.
DATE OF DOC(S)	1999
MULTI_DIST Y / (N?)	
Additional Dist_Nos:	
QUAD_NAME	Sulphur 7.5
P_M_C_NAME	Rosebud Mine; Hecla Mining Co.; Newmont Gold Co., (mine, claim & company names) Rosebud Mining Co., LLC; Wildrose; Degerstrom
COMMODITY	gold; silver
If not obvious	
NOTES	Monthly progress report; production; correspondence; statements of operation; mine map; assay 12 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

HECLA MINING COMPANYMEMORANDUM

October 13, 1999

TO: Ron Clayton
FROM: Mike Dexter
SUBJECT: Monthly Progress Report, Rosebud Mine – September 1999

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

MD:lmz

Attachments

cc: Bill Booth

Arthur Brown

Tom Fudge

Don Cameron

Scott Hartman

Mike Callahan

Roger Kauffman - JV Mgmt. Committee

Cindy Miller

John Stilwell

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Trent Tempel - JV Mgmt. Committee Twin Creeks Mine

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P.O. Box 69

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Winnemucca, NV 89445

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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 September Monthly Report

MINE PERSONNEL AND SAFETY

Staff

During the month, one hourly employee was moved to salary. Hourly employment is now 68. One salaried employee was transferred to Venezuela, bringing salary employment to 25. Total employment is 93.

Safety

Safety continued to be strong in September, as there were no MSHA reportable injuries at Rosebud. Rosebud employees have now worked 98 days without an MSHA reportable injury. Rosebud employees reached a huge milestone in September by working two years without an MSHA lost-time injury. The record now stands at 737 days. Rosebud received its Sentinels of Safety recognition certificate from MSHA and the award for first place in the medium-size underground category from the Nevada Mining Association. Annual Refresher Training was completed and went very well.

OPERATIONS

Development

The development crews rehabbed the ramp from stope #33 to stope #34 access. Development was 33 feet to access stope #34.

Production

Production from stope #13 was 1,141 tons at a gold grade of .350 opt and a silver grade of 5.15 opt.

Production from stope #32 was 2,889 tons at a gold grade of .411 opt and a silver grade of 0.56 opt.

Production from stope #33 was 4,691 tons at a gold grade of .297 opt and a silver grade of 1.20 opt.

Production from stope #34 was 3,104 tons at a gold grade of .383 opt and a silver grade of 0.76 opt

Production from stope #41 was 1,922 tons at a gold grade of .320 opt and a silver grade of 2.06 opt.

Production from stope #42 was 6,074 tons at a gold grade of .330 opt and a silver grade of 1.58 opt.

Production from stope #43 was 458 tons at a gold grade of .424 opt and a silver grade of 0.50 opt.

♦ Hecla Mining Company Rosebud Mine September Monthly Report

An additional 5,027 tons of waste at a gold grade of .129 opt was mined from the stopes and sorted to the waste pile.

Total ore stockpiled at month's end was 20,280 tons grading .344 Au opt and 1.44 opt silver. Shipment of this material to the Pinon Mill began on September 20th.

GEOLOGY

Production

Mine calculated (geology) tonnage and grade for ore shipped during the month of September (August's production - September's milling) was overestimated by 520 tons (+2.3%) as compared to survey, and out performed the model by 988 ounces of gold (17.4%) and by 15,402 ounces of silver (280.5%) in the East Zone.

Mill results have not been received.

ENGINEERING

Environmental

Formal approval to construct the bioremediation pad was received from the state. An alternative option involving using a landfill licensed to accept hydrocarbon-contaminated material in Washoe County is being investigated, while a final construction bid is pending from a local contractor. Mr. Dave Jones of the Nevada Department of Environmental Protection made the quarterly site inspection required for the Water Pollution Control Permit. Mr. Jones was, in fact, pleased with conditions at the site. In contrast, a letter was received from the state employee responsible for renewing our Water Pollution Control Permit (the application for renewal has been on his desk for better than a year.) The letter was full of questions, negative comments, and potential problem areas that will have to be addressed, and which we are in the process of responding to. Krista Salzer attended a half-day hazardous waste seminar in Winnemucca put on by the Business Environment Program.

Batch Plant

A total of 19,284 tons of cemented backfill was placed in the mine during the month, a fair bit more than last month, since several stopes came on line requiring fill at once. The fill amounts and locations for each stope are listed below:

♦ Hecla Mining Company Rosebud Mine September Monthly Report

Location	High Strength (10% cement)	Medium Strength (4% cement)	Low Strength (3% cement)	Total
Stope 33		1,852 tons		1,852 tons
Stope 32	4,701 tons	665 tons	1,934 tons	7,299 tons
Stope 41		373 tons		373 tons
Stope 42		468 tons	3,366 tons	3,834 tons
Stope 43			5,246 tons	5,246 tons
Stope 13		679 tons		679 tons
Total	4,701 tons	4,037 tons	10,546 tons	19,824 tons

Mine Planning & General

Plans for stope 13 were significantly modified to take advantage of the most recent geologic experience. Investigation into alternatives to putting another lift on top of the waste dump began.

PERFORMANCE

There were no expensed or capitalized discretionary costs during September. Capitalized costs year-to-date total \$99,818, \$370,182 less than budget. Expensed discretionary costs year-to-date total \$109,191, \$9,191 more than budget.

The mine produced 20,280 ore tons during September, 2,265 less than budget. The gold grade mined was 0.334 opt, 0.147 less than budget. The silver grade was 1.44 opt, which was .75 less than budget. Year to date mine production is 212,296 ore tons, 3,000 less than budget, at a gold grade of 0.435 opt, 0.068 opt better than budget, and a silver grade of 1.36 opt, 0.56 opt less than budget. Approximately 5,300 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 September, the mill recovered 8,070 gold ounces and 12,604 silver ounces, 148 more gold ounces and 7,058 less silver ounces than budget. Recoveries during the month were 95.0% for gold and 56.5% for silver which is equal to 1% less and 1.6% better than budget, respectively.

◆ Hecla Mining Company Rosebud Mine September Monthly Report

Year-to-date, the mill has recovered 92,560 gold ounces and 207,237 silver ounces, 18,645 more gold ounces and 24,553 less silver ounces than budget. Year-to-date recoveries are 95.2% for gold and 59.9% for silver, which are 0.8% worse and 4.9% better than budget, respectively.

Production costs for September totaled \$1,692,218 (\$83.43 per ore ton), \$147,690 less than budget (\$1.82 per ore ton less than budget). Year-to-date production costs total \$16,125,429 (\$75.96 per ore ton), \$531,900 less than budget (\$1.42 per ore ton better than budget).

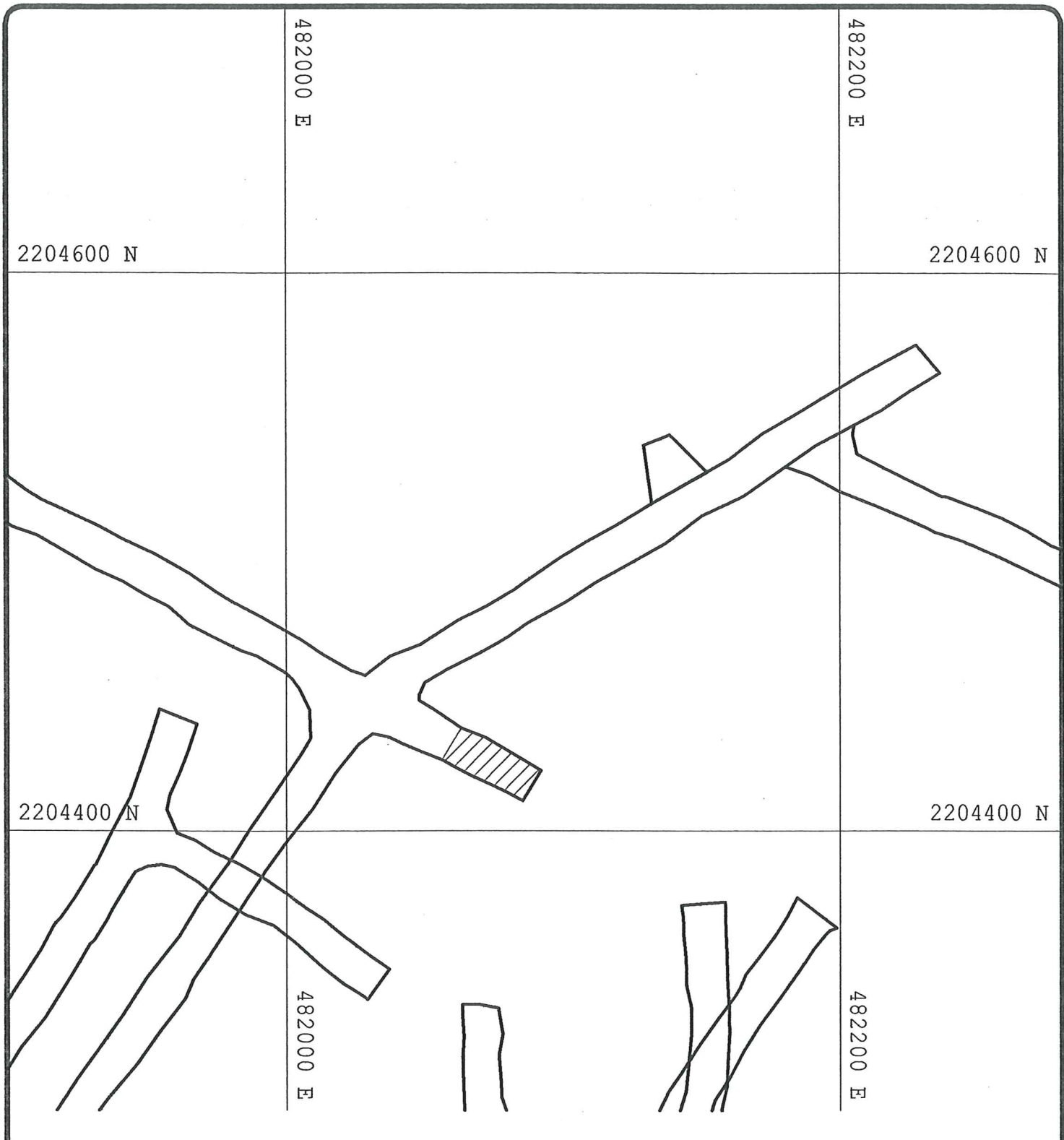
Joint Venture exploration costs for September totaled \$103,039, which is \$7,861 less than budget. Year-to-date Joint Venture exploration costs total \$1,345,408, which is \$292,108 more than budget. Hecla 100% exploration costs for September, and year-to-date, totaled \$110,935, all unbudgeted.

The per gold ounce produced costs achieved during September were:

• Cash operating cost per gold ounce	\$ 202.58	\$ 17.86	less than budget
• Total cash cost per gold ounce	\$ 215.97	\$ 19.97	less than budget
• Total production cost per gold ounce	\$ 311.88	\$ 4.59	more than budget

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

• Cash operating cost per gold ounce	\$ 165.39	\$ 46.15	less than budget
• Total cash cost per gold ounce	\$ 181.33	\$ 46.31	less than budget
• Total production cost per gold ounce	\$ 257.14	\$ 41.95	less than budget



HECLA MINING COMPANY - ROSEBUD MINE

Development
September 1999

DATE:

05-Oct-99

DRAWN BY:

MJB

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

September 1999

	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Gross production value (GPV)	\$ 2,203,037	\$ 2,484,741	\$ (281,704)	\$ 6,967,554	\$ 8,271,744	\$ (1,304,190)	\$ 26,415,855	\$ 23,449,347	\$ 2,966,508
Less: Euro Nevada royalty	(88,122)	(99,390)	11,268	(278,702)	(330,870)	52,168	(1,056,634)	(937,975)	(118,659)
Less: Shipping and refining	(16,200)	(11,034)	(5,166)	(48,415)	(37,149)	(11,266)	(145,902)	(122,284)	(23,618)
Net production value	2,098,715	2,374,317	(275,602)	6,640,437	7,903,725	(1,263,288)	25,213,319	22,389,088	2,824,231
Cost of production									
Mine production costs	543,183	473,445	(69,738)	1,613,569	1,485,960	(127,609)	5,105,578	4,521,216	(584,362)
Fixed mining costs	227,950	200,075	(27,875)	665,877	600,225	(65,652)	1,957,279	1,800,675	(156,604)
L.L.C. Development	23,110	184,450	161,340	201,724	184,450	(17,274)	443,046	868,000	424,954
Milling costs	409,493	413,902	4,409	1,177,600	1,305,695	128,095	3,508,711	3,979,868	471,157
Trucking and site processing	321,387	238,329	(83,058)	898,804	773,601	(125,203)	2,274,141	2,307,149	33,008
Site and general administration	218,099	237,125	19,026	740,223	811,475	71,252	2,063,566	2,249,325	185,759
Geology	44,189	40,100	(4,089)	131,564	120,300	(11,264)	412,778	360,900	(51,878)
Delineation drilling	-	10,000	10,000	(607)	45,000	45,607	61,222	145,000	83,778
Engineering	30,674	35,800	5,126	95,133	107,400	12,267	267,471	322,200	54,729
Change in ore stockpile and in-circuit inventory	(125,867)	6,682	132,549	209,953	59,476	(150,477)	31,637	102,996	71,359
Total cost of production	1,692,218	1,839,908	147,690	5,733,840	5,493,582	(240,258)	16,125,429	16,657,329	531,900
Other costs									
Property taxes	7,500	10,000	2,500	22,500	30,000	7,500	67,500	90,000	22,500
Net proceeds taxes	19,972	23,400	3,428	32,612	107,545	74,933	418,063	251,700	(166,363)
Reclamation expense	28,675	22,284	(6,391)	84,242	72,334	(11,908)	243,573	215,726	(27,847)
Interest (income)	(5,590)	(6,500)	(910)	(16,337)	(19,500)	(3,163)	(45,170)	(58,500)	(13,330)
(Gain) loss on the sale of fixed assets	(8,981)	-	8,981	(8,981)	(2,500)	6,481	(8,981)	-	8,981
Depreciation	745,260	542,942	(202,318)	2,171,925	1,806,128	(365,797)	6,773,723	5,065,834	(1,707,889)
Total other costs	786,836	592,126	(194,710)	2,285,961	1,994,007	(291,954)	7,448,708	5,564,760	(1,883,948)
Total operating costs	2,479,054	2,432,034	(47,020)	8,019,801	7,487,589	(532,212)	23,574,137	22,222,089	(1,352,048)
Exploration expenditures - Joint Venture	103,039	110,900	7,861	588,157	367,300	(220,857)	1,345,408	1,053,300	(292,108)
Exploration expenditures - 100% Hecla	110,935	-	(110,935)	110,935	-	(110,935)	110,935	-	(110,935)
Discretionary expenditures	-	-	-	89,045	60,000	(29,045)	109,191	100,000	(9,191)
Total costs	2,693,028	2,542,934	(150,094)	8,807,938	7,914,889	(893,049)	25,139,671	23,375,389	(1,764,282)
Net income (loss) to Exhibit B	\$ (594,313)	\$ (168,617)	\$ (425,696)	\$ (2,167,501)	\$ (11,164)	\$ (2,156,337)	\$ 73,648	\$ (986,301)	\$ 1,059,949
Cash operating cost per gold ounce	\$202.58	\$220.44	\$17.86	\$216.68	\$198.57	(\$18.11)	\$165.39	\$211.54	\$46.15
Total cash costs per gold ounce	\$215.97	\$235.94	\$19.97	\$228.65	\$215.21	(\$13.44)	\$181.33	\$227.64	\$46.31
Total production costs per gold ounce	\$311.88	\$307.29	(\$4.59)	\$315.41	\$286.49	(\$28.92)	\$257.14	\$299.09	\$41.95
Summary of Production									
Tons of ore mined:	20,280	22,545	(2,265)	69,343	70,760	(1,217)	212,296	215,296	(3,000)
Gold - ounces per ton	0.334	0.481	(0.147)	0.339	0.406	(0.067)	0.435	0.367	0.068
Silver - ounces per ton	1.44	2.19	(0.75)	1.07	1.82	(0.75)	1.36	1.92	(0.56)
Tons of ore milled:	25,569	22,587	2,982	75,116	73,316	1,800	216,537	218,654	(2,117)
Gold - ounces per ton	0.348	0.365	(0.017)	0.338	0.374	(0.036)	0.448	0.352	0.096
Silver - ounces per ton	0.77	1.58	(0.81)	0.92	1.65	(0.73)	1.58	1.93	(0.35)
Mill recovery rate - gold	95.0%	96.0%	-1.0%	95.8%	96.0%	-0.2%	95.2%	96.0%	-0.8%
Mill recovery rate - silver	56.5%	54.9%	1.6%	61.6%	55.0%	6.6%	59.9%	55.0%	4.9%
Products produced:									
Gold - ounces	8,070	7,922	148	26,005	26,353	(348)	92,560	73,915	18,645
Silver - ounces	12,604	19,662	(7,058)	44,399	66,517	(22,118)	207,237	231,790	(24,553)
Employees at end of period:									
Hourly	68	75	7	68	75	7	68	75	7
Salary	25	27	2	25	27	2	25	27	2
Capitalized expenditures	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 99,818	\$ 470,000	\$ 370,182

10/12/99 8:28

CONFIDENTIAL

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

September 1999

	MONTH			QUARTER TO DATE			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Gross production value (GPV)	\$ 108.63	\$ 110.21	\$ (1.58)	\$ 100.19	\$ 116.90	\$ (16.71)	\$ 124.43	\$ 108.92	\$ 15.51
Less: Euro Nevada royalty	(4.35)	(4.41)	0.06	(4.01)	(4.68)	0.67	(4.98)	(4.36)	(0.62)
Less: Shipping and refining	(0.80)	(0.49)	(0.31)	(0.70)	(0.53)	(0.17)	(0.69)	(0.57)	(0.12)
Net production value	103.48	105.31	(1.83)	95.48	111.69	(16.21)	118.76	103.99	14.77
Cost of production									
Mine production costs	26.78	21.00	(5.78)	23.20	21.00	(2.20)	24.05	21.00	(3.05)
Fixed mining costs	11.24	8.87	(2.37)	9.58	8.48	(1.10)	9.22	8.36	(0.86)
L.L.C. Development	1.14	8.18	7.04	2.90	2.61	(0.29)	2.09	4.03	1.94
Milling costs	20.19	18.36	(1.83)	16.93	18.45	1.52	16.53	18.49	1.96
Trucking and site processing	15.85	10.57	(5.28)	12.92	10.93	(1.99)	10.71	10.72	0.01
Site and general administration	10.75	10.52	(0.23)	10.64	11.47	0.83	9.72	10.45	0.73
Geology	2.18	1.78	(0.40)	1.89	1.70	(0.19)	1.94	1.68	(0.26)
Delineation drilling	-	0.44	0.44	(0.01)	0.64	0.65	0.29	0.67	0.38
Engineering	1.51	1.59	0.08	1.37	1.52	0.15	1.26	1.50	0.24
Change in ore stockpile and in-circuit inventory	(6.21)	0.30	6.51	3.02	0.84	(2.18)	0.15	0.48	0.33
Total cost of production	83.43	81.61	(1.82)	82.44	77.64	(4.80)	75.96	77.38	1.42
Other costs									
Property taxes	0.37	0.44	0.07	0.32	0.42	0.10	0.32	0.42	0.10
Net proceeds taxes	0.98	1.04	0.06	0.47	1.52	1.05	1.97	1.17	(0.80)
Reclamation expense	1.41	0.99	(0.42)	1.21	1.02	(0.19)	1.15	1.00	(0.15)
Interest (income)	(0.28)	(0.29)	(0.01)	(0.23)	(0.28)	(0.05)	(0.21)	(0.27)	(0.06)
(Gain) loss on the sale of fixed assets	(0.44)	-	0.44	(0.13)	(0.04)	0.09	(0.04)	-	0.04
Depreciation	36.75	24.08	(12.67)	31.23	25.52	(5.71)	31.91	23.53	(8.38)
Total other costs	38.79	26.26	(12.53)	32.87	28.16	(4.71)	35.10	25.85	(9.25)
Total operating costs	122.22	107.87	(14.35)	115.31	105.80	(9.51)	111.06	103.23	(7.83)
Exploration expenditures - Joint Venture	5.08	4.92	(0.16)	8.46	5.19	(3.27)	6.34	4.89	(1.45)
Exploration expenditures - 100% Hecla	5.47	-	(5.47)	1.60	-	(1.60)	0.52	-	(0.52)
Discretionary expenditures	-	-	-	1.28	0.85	(0.43)	0.51	0.46	(0.05)
Total costs	132.77	112.79	(19.98)	126.65	111.84	(14.81)	118.43	108.58	(9.85)
Net income (loss) to Exhibit B	\$ (29.29)	\$ (7.48)	\$ (21.81)	\$ (31.17)	\$ (0.15)	\$ (31.02)	\$ 0.33	\$ (4.59)	\$ 4.92
Cash operating cost per gold ounce	\$202.58	\$220.44	\$17.86	\$216.68	\$198.57	(\$18.11)	\$165.39	\$211.54	\$46.15
Total cash costs per gold ounce	\$215.97	\$235.94	\$19.97	\$228.65	\$215.21	(\$13.44)	\$181.33	\$227.64	\$46.31
Total production costs per gold ounce	\$311.88	\$307.29	(\$4.59)	\$315.41	\$286.49	(\$28.92)	\$257.14	\$299.09	\$41.95
Summary of Production									
Tons of ore mined:	20,280	22,545	(2,265)	69,543	70,760	(1,217)	212,296	215,296	(3,000)
Gold - ounces per ton	0.334	0.481	(0.147)	0.339	0.406	(0.067)	0.435	0.367	0.068
Silver - ounces per ton	1.44	2.19	(0.75)	1.07	1.82	(0.75)	1.36	1.92	(0.56)
Tons of ore milled:	25,569	22,587	2,982	75,116	73,316	1,800	216,537	218,654	(2,117)
Gold - ounces per ton	0.348	0.365	(0.017)	0.338	0.374	(0.036)	0.448	0.352	0.096
Silver - ounces per ton	0.77	1.58	(0.81)	0.92	1.65	(0.73)	1.58	1.93	(0.35)
Mill recovery rate - gold	95.0%	96.0%	-1.0%	95.8%	96.0%	-0.2%	95.2%	96.0%	-0.8%
Mill recovery rate - silver	56.5%	54.9%	1.6%	61.6%	55.0%	6.6%	59.9%	55.0%	4.9%
Products produced:									
Gold - ounces	8,070	7,922	148	26,005	26,353	(348)	92,560	73,915	18,645
Silver - ounces	12,604	19,662	(7,058)	44,399	66,517	(22,118)	207,237	231,790	(24,553)
Employees at end of period:									
Hourly	68	75	7	68	75	7	68	75	7
Salary	25	27	2	25	27	2	25	27	2
Capitalized expenditures	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 99,818	\$ 470,000	\$ 370,182

10/12/99 8:23

CONFIDENTIAL

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

September 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	-	-	-	-	60,000	60,000	-	60,000	60,000
Equipment:									
Water Well #4 (0402) 92-2210-605	-	-	-	-	60,000	60,000	-	60,000	60,000
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	\$ -	\$ -	\$ -	\$ 99,818	\$ 470,000	\$ 370,182	\$ 19,077,685	\$ 26,085,591	\$ 7,007,906
Expensed Discretionary									
Total Discretionary Spending through 1998	-	-	-	-	-	-	405,140	407,506	2,366
Bioremediation Site (9126) 99-0001-xxx	-	-	-	-	40,000	40,000	-	40,000	40,000
Underground equipment rebuilds (9126) 99-0002-xxx	-	-	-	109,191	60,000	(49,191)	109,191	60,000	(49,191)
Total Expensed Discretionary	\$ -	\$ -	\$ -	\$ 109,191	\$ 100,000	\$ (9,191)	\$ 514,331	\$ 507,506	\$ (6,825)

**Newmont Mining Corporation
Rosebud Mining Company LLC**

To: Mike Dexter
cc: Kurt Allen
Ron Clayton

Date: October 12, 1999

Fr: R. B. Vance

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

Geology

Geologic mapping at the **Wildrose** prospect identifies a drill target in complexly faulted Wildrose rhyolite. The rock is strongly altered to silica, alunite, and kaolinite. A series of anastomosing, northwest-dipping faults show down-to-the-west offset, with a transport direction of N50W to N80W. The surrounding rock geochemistry contains anomalous gold, arsenic, antimony, mercury, and selenium. Selective sampling of narrow veins and fracture coatings in the target area will better locate the proposed holes.

Drilling

The core tail at **Degerstrom** (RS-474: 1860-2246.5 ft) started in altered Tos (conglomeratic epiclastic) before crossing the contact with Dozer rhyolite. The alteration in the Dozer gradually weakened down-hole. Several intervals of argillized Tos in the top of the core tail are cut by wide-spaced 1/2-inch pyrite veinlets along narrow faults, but the highest assay from the priority intervals is only 0.025 oz/st gold across 2.5 feet.

Near-Mine Exploration

Assays from the best parts of RS-D354-99 and RS-D355-99 contain no significant values. Several lower-priority intervals are pending.

The core tail in RS-475 (near-mine target) was deepened another 700 feet after the projected location of the South Ridge fault was revised. Assays returned for the precollar yielded no significant gold values. In the core tail, an interval of breccia and clay in Auld Lang Syne carbonaceous phyllite is interpreted to be the South Ridge fault (~2904 to about 2945 ft), but contains only low-level gold values. Discrete, locally banded quartz veins between 2850 and 2900 feet contain pyrite, arsenopyrite, sphalerite, galena(?) and iron carbonate. Due to the different mineralogy and weak metamorphic textures, these veins are interpreted to be pre-Tertiary metamorphic veins rather than Tertiary epithermal veins. Pending ICP trace element analyses (As, Sb, Se, Hg, etc.) may indicate whether the alteration has an epithermal or mesothermal/metamorphic geochemical signature.

Permitting

Plans are underway to reclaim most of the drill sumps and pads constructed in 1999. All roads being considered for reclamation will be reviewed with Hecla staff prior to commencing work.

Administrative

Expenditures for September were \$103,040, bringing the YTD total to \$1,345,409 (97.8% of the 1999 revised budget).

