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(254) Item 32

REPORT ON RECENT GOLD DISCOVERY NEAR
TONOPAH, NEVADA.

Early in May of this year, a very large body of gold ore (principally gold bearing Rhyolite) was discovered on the old North Divide Mining Company ground, directly east of, and adjacent to an old abandoned 300 foot shaft that had been sunk during the early part of the first Tonopah boom.

This body of ore was found by Tom Clark, a well known active prospector and miner, who at once associated himself with J. Jerome McLaughlin, an experienced mine and mill operator.

The abundance of good gold ore exposed on the surface made it possible for them to begin operations at once and after a few preliminary tests an arrangement was made thru another organization to begin milling this ore in the West End mill, which was quickly put into shape to handle 50 tons per day.

This property is located about 4 miles from Tonopah near the Tonopah-Goldfield highway. Water is available from several sources and a power line crosses the property.

GEOLOGY:

The ore is a gold bearing soft Rhyolite that occurs along the contact between the Divide Breccia and an intrusive Boss of Rhyolite which has been sheared from pressure and thoroughly laminated throughout the entire mass of the intrusion. This intrusion occurs along a well marked fault-line that extends northerly into the very heart of the Tonopah district. The intruded mass of Rhyolite forms a conical hill that is entirely made up of silicified and kaolinized Rhyolite. The shearings and lamination is evidently due to the friction of the enclosing Breccia allowing the center portion to travel faster than the outer part. These irregular laminations have been an ideal pathway for the gold bearing solutions to find their way to the surface, leaving gold deposited over a large area, but more abundantly along the line of the major fault at the base of the hill enriching the zone now being mined.

The zone is from forty to fifty feet wide in the present workings; however, drill holes into the walls of the cuts show ore to exist beyond the edges of the x open cuts into the west wall which is toward the mass of intrusion. The gold bearing zone has now been proven for a length of more than a thousand feet northerly and southerly and low grade ore is known to exist even beyond, as a sixty foot shaft on the New Deal claim assays from top to bottom better than $2.30 in gold.

Samples taken at random over the surface of the entire cone-shaped hill show that there is a chance for the whole bulk of the altered Rhyolite to be low grade gold ore that can be mined and milled on a large scale at a profit. The ore now being mined and trucked to the mill averages $8.00 per ton by straight amalgamation with a 60% tailing.

This ore comes from the straight zone at the base of the Rhyolite Boss and can be depended upon to supply a good sized mill for several years. The main body was cut at the 200 foot level of the old shaft where it was cross-cut years ago, but evidently, never sampled. The values at this level prove the deposit to be one of considerable depth, and I am convinced that ore in the cross-cut will improve the further the cross-cut is driven, and I think drifting south, will encounter the same values as are found on the surface. To the north along the main fracture, the gold is found in the divide Breccia as well as in the altered Rhyolite. This fact proves to me that the origin of the gold was from solutions finding their way under pressure from below and depositing the gold near the surface as the pressure was released.

RESULT AND RECOMMENDATIONS:

The ore bodies of the Divide District are zones of fracturing and shearing in the Divide Breccia (Fraction Rhyolite Breccia). They are really lodes, not veins. The discovery of silver in the Divide District was accidental, while developing a gold vein or lode.

(254)
Item 32
Wemlinger

ON NEW DEAL MINE, TONOPAH, NEVADA

J. J. MC LAUGHLIN:

Regarding my recent visit to your NEW DEAL property near Tonopah, the following salient facts will be of interest to you.

The ore body occurs in what at present appears to be an altered rhyolite. This rhyolite seems to be an earlier formation than an adjacent formation, consisting of a fine grained volcanic breccia. Zone shearing has taken place, roughly following the line of contact. It is in this shear zone that the values have been deposited.

The strike of the deposit is approximately N-S, with a steep dip to the West. On the footwall side near the breccia, a silicified zone 16 to 20 feet wide is differenciated from the sheared and schisted altered rhyolite, which forms the hanging wall of the ore body. So far, the best values have been found in the silicified zone, in the footwall of the deposit. Samples taken in No. 1 open cut, on the north face, commencing at the point where the track entered the solid x rock, gave an average assay of $8.61 in gold, over a length of 25 feet. A second series of samples taken on a new face after previous face had been shot out, gave an average of $7.46. These samples checked very closely the mill head samples taken of this material when it was run through the mill; the mill head assays being $8.11. These samples were taken over a width of 25 feet, across what I have termed the silicified zone.

The above mentioned series of samples was extended into the less altered, sheared hanging wall zone, and gave an average of the two series of $4.81, over an additional width of 10 feet.

The extent and intensity of the shearing action would tend to indicate a movement of some considerable magnitude; this is further evidenced by the same conditions being exposed in an open cut several hundred feet to the south of No. 1 cut. This smaller cut appears to have been sunk in the hanging wall zone. Two samples, gave $14.70 and $7.70 across a width of 4 and 4-1/2 feet respectively. I would suggest that this cut be extended to the east, in the expectation of opening up the silicified zone above mentioned.

A mill test run on material from No. 1 cut showed that most of the gold could be easily recovered by amalgamation, providing that means were taken to prevent the accumulation of slime on the plates. Due to the high cost of water, every effort was made to recover all the water possible, in the process of milling. However in milling the New Deal ore, a prohibitive amount of flocculent slime was formed. This slime proved exceedingly difficult to settle with the facilities available, with the result that milling was done in a very slimy water, which resulted in the fouling of the plates.

In view of the unduly high cost of water, I have recommended that no further milling of New Deal ore be attempted until satisfactory arrangements can be made to either get water at a reasonable cost, or until a new source of water supply can be found. Power is also high, but probably little can be done to lower this item of cost until such time as circumstances warrant the installation of Diesel power.

I would further recommend that the track be removed from No. 1 cut, and the excavation be carried to a greater depth and extended to the East. This, for the purpose of getting a greater proportion of the silicified zone exposed, as during the mill run, most of the ore came from the hanging wall zone, which does not appear to be as high in values as the footwall zone.

Yours truly

(Signed) A. J. MacGregor, E. M.

Sept. 5th, 1934.

This new strike is typical of this same class of deposit and differs only in size and richness. That there will be found high grade silver ores in this same deposit, goes without question. The zone of sulphide enrichment will be deep when reached and will contain the same class of silver ore as has been found in the other deposits. In the present ore area there are no sulphides of any kind; the gold is all free gold and easily separated from the gangue.

The size and extent of this remarkable gold lode can be quickly determined by diamond drilling, both from the surface and from cross-cuts from the 100 and 200 foot levels of the old shaft which is still open and safe.

Mining can be done for several years by power shovels at a very small cost along the line of the high grade ore. Should the entire mass prove to be workable ore, then the operation could supply a thousand ton mill and assume the same proportions of another Homestake.

In my opinion, there is every reason to believe that this entire mass can be mined and milled at a profit. I have taken samples over a large area and the lowest assayed $2.50 in gold at the present price of $35.00 per ounce. It will cost in the neighborhood of $10,000 to sample this property right, and, if proper terms can be arranged with the owners, such an expenditure would be justified. It would not only reveal the grade of ore that could be depended upon for an average, but would also serve as a guide in mining.

The potential value of this find, with its proximity to railroad, highway, power and water, makes it an attractive possibility which can be quickly and cheaply proven, and one, the equipment for which will not require a very large investment.

(Signed) D. F. Michel John,
Mining Engineer.

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SAMPLING OF PIT NO. 1 - NEW DEAL MINE

By Robert McCart, Jr - May 10, 1933.

NO.	WIDTH FEET	GOLD OUNCES	SILVER OUNCES	VALUE
1	3-1/2	0.90	1.70	$ 32.60
2	4-1/2	0.16	1.40	6.47
5	5	0.04	0.80	2.00
6	5	0.47	1.10	17.15
7	5	0.17	0.70	6.42
8	5	0.14	1.10	5.42
9	5	0.13	0.70	4.96
14	3	0.15	1.30	6.00
15	6	0.24	2.30	9.85
18	5	0.10	0.70	4.00
19	5	0.15	1.10	6.00
20	9	0.12	0.40	4.44
21	3-1/2	0.42	2.10	16.00
28	4-1/2	0.20	0.20	7.74
29	4	0.04	0.70	1.87
31	3	0.56	0.90	20.18
44	10	0.18	0.80	7.00
45	10	0.10	0.60	3.85
46	8	0.05	0.60	2.12
47	2	0.20	0.70	7.46

Gold at $35.00 per oz. Silver at 0.64 per oz.