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MINE MANAGEMENT
OPERATIONAL CONSULTING

MINE EXAMINATIONS
MINING ENGINEERING

INVESTOR'S REPORTS
EFFICIENCY STUDIES

J. H. WREN & CO.

CONSULTING MINING ENGINEERS

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Reply To
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RENO, NEVADA PH. 322-4840

October 27, 1964

GIANT MINE PRELIMINARY REPORT

1. LOCATION:

The property is located in the Park Canyon Mining District of Nye County, Nevada, on the North Fork of Park Canyon West side of the Big Smoky Valley.

It is approached by oiled road from both Austin, Nevada and Tonopah, Nevada. Distance from Austin is: 40 miles to point of highway turnoff and thence four and one half miles to the Giant Mine. The road is good for three miles from the highway to the old mill site, at mouth of Park Canyon. The road up the North Fork of Park Canyon requires rehabilitation as trees have grown on the road bed and part of the road at various places has washed out during flood stages of the creek.

2. HISTORY:

The Giant Mine's major production run was during the 1880's. It produced some one and one half million dollars in silver which was run through a "pan chlorination" plant designed along the lines of the first Virginia City, Nevada mills. Recovery with this method was seldom much more than 50% of the contained tonnage values. The milling was done in the 1880's at the Mouth of Park Canyon where ruins of the mill and camp shows considerable effort expended in hand cut stone and construction. Early production estimate was given by Mr. L. L. Farrington, who has been familiar with the mine for over 40 years.

In the 1930's, Mr. L. L. Farrington produced over $30,000 in shipment grade ore from above the upper tunnel level of the Giant

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

2. HISTORY , CONTINUATION :

Mine. A stone house on the property was rehabilitated, an aerial tram line from the upper tunnel dump to an ore bin of some 15 tons capacity in the canyon was constructed. The Nevada Bureau of Mines in Vol XLV, No. 3, Geology and Mining Series No. 50, "Mineral Resources of Nye County, Nevada" states that last shipments from the property of 245 tons recorded $10,475.00 production on an assay of: 0.15 gold ounce per ton, 40 ounces of silver per ton and 4.00% lead per ton. Value of this tonnage presently would be: Gold - $5.25, silver - $51.72 and lead $9.60 for a total per ton of $67.57.

3. OWNERSHIP:

The Giant Mine is a patented property, patent No. 25414. Owner of the Giant Mine, free and clear of obligation is: Mr. L. L. Farrington, Route 1 Box 525, Madras, Oregon.

Original patent survey and patent print is herewith in "Exhibits", also property plan map.

One lode mining claim is held by location and covers the cross cut tunnel right-of-way.

Please see recommended property additions.

The Giant Mine was leased on the basis of "Mining Lease With Option To Purchase", to James H. Wren, 604 South Wells Avenue, Reno, Nevada with right of assignment, on October 5, 1964. Assignment has been made to a production organization headed by W. N. Brown, P. O. Box 734, Hanford, California.

4. DEVELOPMENT:

A). Several hundred feet of x-cutting and drifting on the upper tunnel level. All in good standing condition.

B). 90' shaft from the original surface discovery to the upper tunnel level. Open without sloughing. One 30' winze.

C). A 450' cross cut run to intersect the ore body system. This adit will require some 200' of additional footage to drive before contacting ore zone. Part of the driven footage at the end of the

4. DEVELOPMENT, CONTINUATION:

entry may have to be dropped should a scheduled survey indicate its heading is too far North to pick up the ore body rake. This cross cut will make available some 300' of production backs between its elevation and the upper tunnel level.

D). Stone house which can be rehabilitated for housing or warehouse.

E). Aerial tram line and ore bin at the lower terminal. A realignment of this tram line could be used temporarily to produce ore from the upper tunnel level and a production zone which has been opened above this level. However, if it is possible without too much cost, a road built to the upper tunnel level would be more efficient to handle newly produced ore as well as some 3,500 to 4,000 tons of mineral bearing dumps.

5. GEOLOGY:

The Toiyabe Range rises steeply on its Eastern Slope from 6,000 feet altitude at the base in the Big Smoky Valley to a general ridge elevation of over 10,000 feet and to 11,775 feet on the Arc Dome, the highest point. More gentle slopes are prevalent on the West side and the foot of the range is about 1,000 feet higher than on the East side. The Giant Mine is on the Eastern slope of this range at an elevation of some 8,000 feet above sea level.

Generally, a geologic description of this range is as follows: A granodiorite intrusion, probably Jurassic, is exposed in the district along much of the low East flank of the range. The granodiorite intrudes Cambrian quartzites and slates between Ophir and North Twin River Canyons.

Metamorphism has been intense in much of the area. In some granodiorite-slate contacts it is often difficult to differentiate between igneous and metamorphosed sedimentary rocks.

The Giant Mine country rock is blue limestone in which values occur along a premineral fault line. Detailed geologic observations and maps will be incorporated in supplemental data.

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

6. MINERAL OCCURRENCE:

As previous mentioned mineral occurrence at the Giant Mine is along a premineral fault line. However, some evidence of replacement zones exists.

According to a visual scrutiny of the ore occurrence there has been several periods of mineralization in the ore zones of the Giant Mine.

Minerals observed in the ore zones are: Iron oxide, iron pyrite, Galena, Pb S - 13.4 sulphur 86.6 lead, cerussite, $PbCO_3$ - lead carbonate, anglesite - lead sulphate Pb SO_4, argentite, silver sulphide Ag_2S, cerargyrite, silver chloride AgCl and although the writer did not notice any specimens due to the oxidized crust on working walls and mineralized faces Mr. Farrington has a spectacular native silver specimen and reports much native silver (Ag), as occurring in the 1930's shipments and the early production activities.

Economic grade ore occurs in large lenses to 18' wide along the strike of the mineralized zone.

7. ENGINEERING:

A). A survey and mapping of mine workings is scheduled.

B). A contour mapping program is scheduled to determine the most economical manner in which to establish a road to the upper tunnel dump. Both the upper tunnel dump and the original discovery shaft dump of a combined 4,000 tons can be beneficiated for market. It may be possible to selectively load out the dumps for milling in Austin, Nevada where a custom mill has already solicited the dumpage tonnage.

C). After mapping the upper workings and the lower x-cut tunnel's orientation has been compiled into the upper survey, exact bearing and remaining footage to run for connection with the vein will be known.

D). An engineering inspection and road rehabilitation program with cost estimate between the old mill site and the cross-cut-tunnel dump will be made at the earliest convenience.

7. ENGINEERING , CONTINUATION:

An Austin contractor has a late model D-8 Caterpillar bulldozer available for the road work. His charges are: $20 per hour for tractor time - fuel, insurance, workman's compensation insurance, fuel to be for contractor account. Haulage, two ways to mouth of canyon @ $1.00 per mile.

ESTIMATED COST OF 1-1/2 MILES OF ROAD:

This will put road access to the cross cut dump.

Two way haulage milage 90 miles	$ 90.00
Three eight hour working days on road, turn-arounds, etc. = 24 Hrs. X $20	480.00
100 Lbs. blasting powder, caps, fuse	30.00
Cluvert pipe used for 4 culverts	100.00
Company account expense	150.00
	$850.00

E). The writer is contributing his time gratis - no charge will be made for his services.

F). One man is needed for five days sampling and surveying assistance @ $20 per day plus insurance. $125.00

G). 30 Gold, silver and lead assays are required for assay charts, production tonnage controls on upper workings and dumps @ $2.50 each for combined gold and silver and $ 1.50 each for lead with about $12.00 for express charges = ... 132.00

H). Misc. expenses and contingency 250.00

TOTAL ESTIMATE $1,357.00

8. SAMPLING:

Lacking assistance during my recent trip to the property prevented a thorough sampling program. The following determinations were the result of sampling for character rather than volume controls.

Assay certificate is included in the "Exhibit" section.

Sample No. 274: Waste dump grab. 0.025 gold, 3.7 Ozs. silver $5.66. Total tonnage is about 4,000 tons both upper tunnel and original discovery shaft. This sample carried too much limestone reflection and it was anticipated. Limestone rejection should make selected product $15-$20 per ton.

Sample No. 275: East wall of stope above upper tunnel level. This ore was probably left by former original operators as its sulphide character would not have been amendable to their pan-chlorination and amalgamation recovery process. Sample ran: 0.095 gold, 21.1 Ozs. silver and 8.8% lead for a total value of $50.73 per ton. This sample represents a product left by former operator who took out a high grade ore body core at this point about 15' wide. This particular grade would net some $23 above royalty if shipped direct to McGill smelter.

Sample No. 276: Off of back of fork away from main vein bearing. This heavily impregnated Fe S Sample indicates that iron pyrite is probably azoneing influence at this property. Quite possibly a high grade lense is contacting this heavily pyritized zone. Grade: 0.10 gold, 3.7 Ozs. silver and a total value of $8.08.

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

8. SAMPLING, CONTINUATION:

Sample No. 277: Original discovery dump, from shaft collar to easterly dump edge with blocky limestone (barren) rejected from sample. Grade: 0.11 Oz. gold, 17.5 Ozs. silver, 4.7% lead. Total value - $37.76. This would make an excellent head for beneficiation.

After ore zone walls are picked down and mining faces cleaned up an accurate available economic tonnage evaluation can be compiled. Mr. Farrington reports that the mining area from which his last shipments were produced it still in ore. As his average according to the Nevada Bureau of Mines amounted to $67.57. per ton, that area should net some $40.00 per ton at present prices. Upper level production will furnish project income while the cross cut is being hooked to the ore body system some 300' below the upper level. After contacting this objective average grade of production ore should be considerably higher than the remaining opened ore on the upper tunnel level. Proof of the zone going down to the cross-cut level is in evidence by work done on the North Wall of the South Fork of Park canyon. The Giant Vein has been drifted on at this point for several hundred feet with showings of the vein being strong at only a sight higher elevation than in the Giant Cross-cut in the North Fork of Park Canyon. The South Fork exploration-development project (on another property), was not advanced far enough to contact the ore body zone, (across the endline on the Giant patented property).

9. RESERVES:

UPPER TUNNEL AREA:

Until the detailed sampling has been accomplished the following reserves will be tentative; also production activity in old workings and new ground opened up in the upper tunnel reserves will be more or less temporary until the cross cut has been finished releasing the block of ground with gravity car loading between the upper tunnel and the cross cut elevation.

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

9. RESERVES:

UPPER TUNNEL AREA, CONTINUATION:

The last 245 tons shipped in the 1930's returned $10,475 or $42.67 per ton according to the Nevada State Bureau of Mines. The average grade was 0.15 gold, 40 Ozs. silver, 4% lead. The present market value 0.15 gold @ $35. 40 Ozs. silver @ $1.293 per ounce = $51.72, 4.00% lead @ 12¢ per pound = $9.60 for a total value of $66.67. The mining faces the 245 tons came from are still in ore. Therefore as little as 1,000 tons mined while the x-cut is being finished would gross . . . $ 66,670.00

3,500 tons of dumpage by rejecting 50% should carry $20,00 per ton on the 1,750 tons = ... 35,000.00

CROSS-CUT AREA:

On the basis of the 1 1/2 millions produced out of the first 90 feet, the strong zone of mineralization and proven mineral depth on strike by the Meyer Bros. activities on the vein's southerly extension, there should be 2 million possible gross dollars in the some 300 feet between the bottom of the upper tunnel level to the cross cut elevation 2,000,000.00

TOTAL POSSIBLE RESERVES. . $2,101,000.00

10. DEVELOPMENT VALUE ESTIMATE:

A). 350' upper tunnel usuable drifting, x-cuts duplication cost $35 per foot 11,750.00

B). Raise 90' to the surface for ventilation, service, ore passing $35 per ft 3,150.00

C). 450' of x-cut @ $35 per ft. 19,750.00

D). Trails, pipe line, tramline before rehabilitation for temporary service, cabon, etc. 2,000.00

$ 36,650.00

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

11. ECONOMICS:

UPPER TUNNEL UNDERGROUND:

1,000 upper level rock, gross value	$ 66,670.00
Mining, (high due to location and the temporary setup for the small tonnage), cost per ton	10.00
Hauling to mouth of canyon with small truck, cost per ton	1.00
Royalty of 10% net-to-the-mine-bin (smelting schedule and losses have not been calculated so per ton royalty will be slightly lower), per ton	6.50
4¢ per ton mile to McGill smelter, about 200 miles, cost per ton	8.00
Smelting (maybe much lower if they'll credit the silica and install the old $3.00 per ton charge and pay for 100% of the silver), per ton	9.00
Estimated smelter losses per ton	3.84
Total estimated cost per ton . .	$ 38.34
Total estimated net per ton . . .	28.33
1,000 tons estimated net	$ 28,330.00

Note; in view of being in the zone where native silver occurs, shipments could very well go some considerably higher.

. DUMPAGE:

1,750 tons beneficiated gross value	35,000.00
3,500 tons beneficiation segregation, per ton	2.00

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

11. ECONOMICS:

DUMPAGE, CONTINUATION:

Selective loading and hauling to canyon mouth per ton estimates cost	3.00
4¢ per ton mile cost 45 miles to Austin mill per ton cost	1.80
Stockpiling ahead of mill for volume running, stockpiling to mill, milling and marketing cost per ton.	5.00
Mill loss (high due to oxides, sulphides, difficult to balance on this limited tonnage run) per ton	2.00
	13.80
Cost per ton	.62
Net per ton	5.58
$5.58 net for 1,750 tons	$ 9,655.00

BLOCK OF GROUND RELEASED BY X-CUT COMPLETION:

This block of ground should net the operation at least 1/2 million if the ore body system in the next 300' is only 1/4 as good as the first 90 feet. The fact that Southerly opening on the Meyer Claim where the Giant Vein extension has been proven to hold mineral at depth tends to prove that the mineral will go down to at least the x-cut tunnel level.

GIANT MINE PRELIMINARY REPORT OF OCTOBER 27, 1964:

12. COST:

Road rehabilitation, supply purchases, mining equipment rental-purchase to commence the dumpage and upper tunnel production and release the estimated net of $37,985.00 is.	$ 10,000.00
450' of x-cut to rehabilitate and install track @ $5 per foot is	2,250.00
200' of x-cut completion @ $35 per foot is . . .	7,000.00
200' of drifting in mineral occurrence (this can be used for income if the O. N. E. money is not used), @ $35 per foot is.	7,000.00
	$ 26,000.00

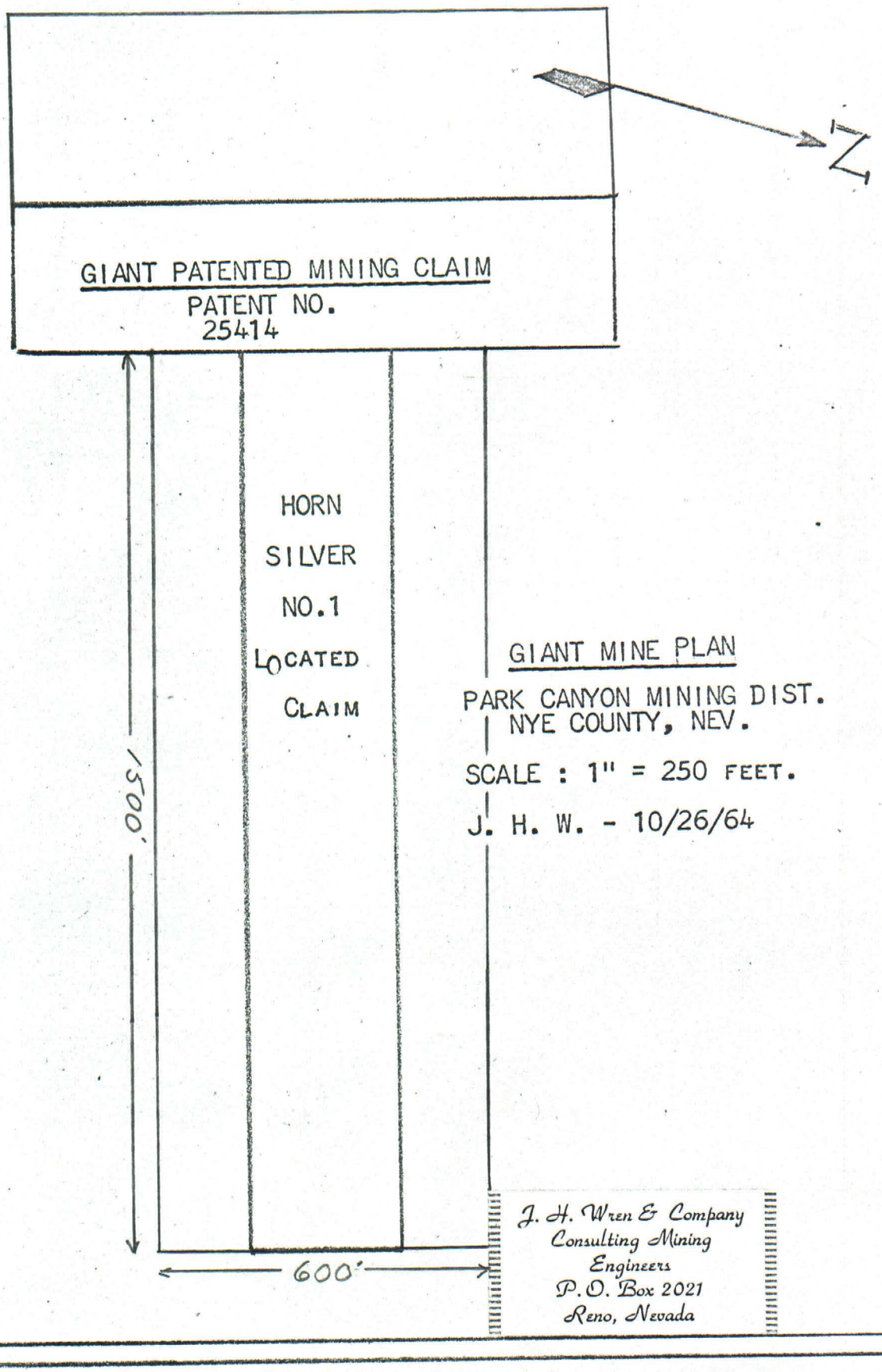
13. SUMMARY:

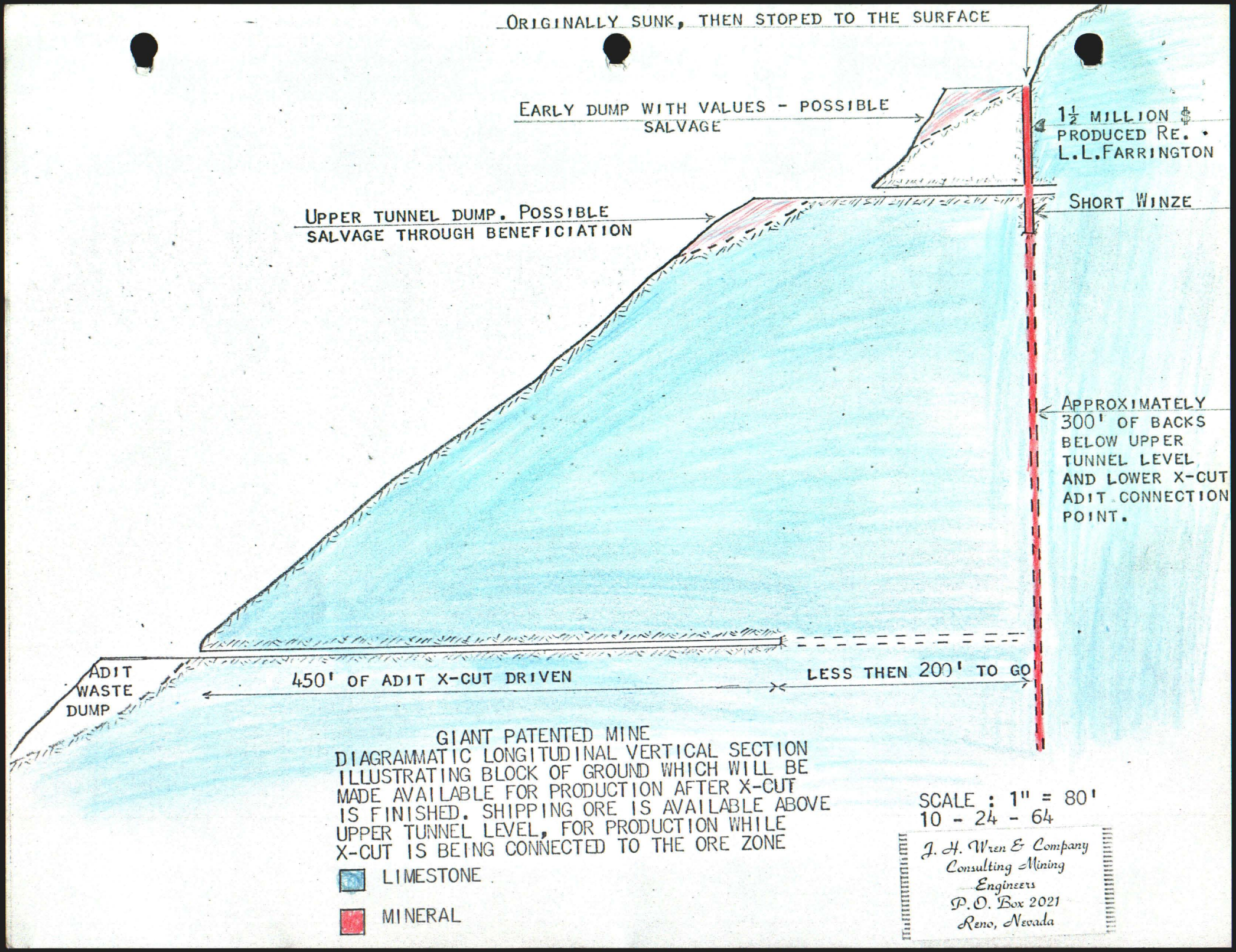
Western Metal Producers, Corp. will be the company which will operate the Giant Mine, therefore the setup cost will be for its account.

Silver is in extremely short supply and is in great present demand with a very good outlook. The Giant Mine represents on the basis of the x-cut footage already in effect,the strong vein and ore body ststem, and some immediate production available, plus the main product being silver assures that this unit of Western Metal Producers Corp. will increase its inventory value.

Very truly yours,
J. H. WREN & COMPANY

BY James H. Wren
James H. Wren.


N
GIANT PATENTED MINING CLAIM
PATENT NO.
25414
HORN
SILVER
NO.1
LOCATED
CLAIM
1500'
600'
GIANT MINE PLAN
PARK CANYON MINING DIST.
NYE COUNTY, NEV.
SCALE : 1" = 250 FEET.
J. H. W. - 10/26/64
J. H. Wren & Company
Consulting Mining
Engineers
P. O. Box 2021
Reno, Nevada



GIANT PATENTED MINE
DIAGRAMMATIC LONGITUDINAL VERTICAL SECTION ILLUSTRATING BLOCK OF GROUND WHICH WILL BE MADE AVAILABLE FOR PRODUCTION AFTER X-CUT IS FINISHED. SHIPPING ORE IS AVAILABLE ABOVE UPPER TUNNEL LEVEL, FOR PRODUCTION WHILE X-CUT IS BEING CONNECTED TO THE ORE ZONE

SCALE : 1" = 80'
10 - 24 - 64

J. H. Wren & Company
Consulting Mining Engineers
P. O. Box 2021
Reno, Nevada

(256) Item 42

ASSAY REPORT

MINERAL SERVICES, INC.
ASSAYERS & CHEMISTS
Merwin G. White, President
Don Johns, Vice-President
Phone 466-2582
1556 South Second West
Salt Lake City, Utah 84110

J. H. Wren & Co.
604 S. Wells Ave., Apt. 4
Reno, Nevada

GIANT MINE SAMPLES TAKEN BY J.H.W.OCT. 18, 1964

Lab No5786-9 October 24, 1964

ASSAY PER TON OF 2000 POUNDS

DESCRIPTION	GOLD OUNCES	SILVER OUNCES	WET LEAD %	COPPER %	ZINC %	AU VAL.	AG VAL.	PB VAL.	TOTAL VAL.	VALUE OF GOLD PER TON
# 274	0.025	3.7	WASTE	DUMP GRAB		0.88¢	$4.78		$5.66	
# 275	0.095	21.1	8.8	STOPE EAST WALL	$	3.325	27.28	20.12	50.73	
# 276	0.10	3.7	LOW GRADE X-CUT			3.50	4.58		8.08	
# 277	0.11	17.5	4.7	2 DUMP'S ORE GRAB.		3.85	22.63	11.28	37.76	

NOTE : No. 274 COULD BE BENEFICIATED TO SOME CONSIDERABLE EXTENT BY REJECTING THE OBVIOUS LIMESTONE BARREN ROCK. THIS SAMPLE REPRESENTED 3,500 TO 4,000 TOTAL TONS.

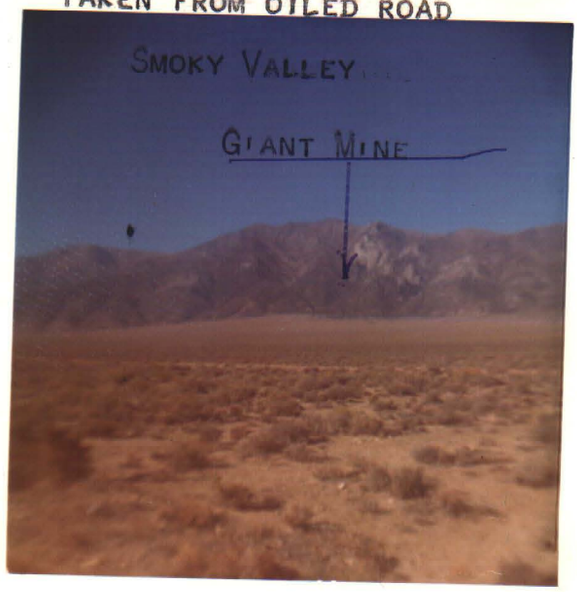
CHARGES $13.00

BY Don Johns

LOOKING EAST FROM UPPER
TUNNEL DUMP - GIANT MINE

OCT • 64

TAKEN FROM OILED ROAD



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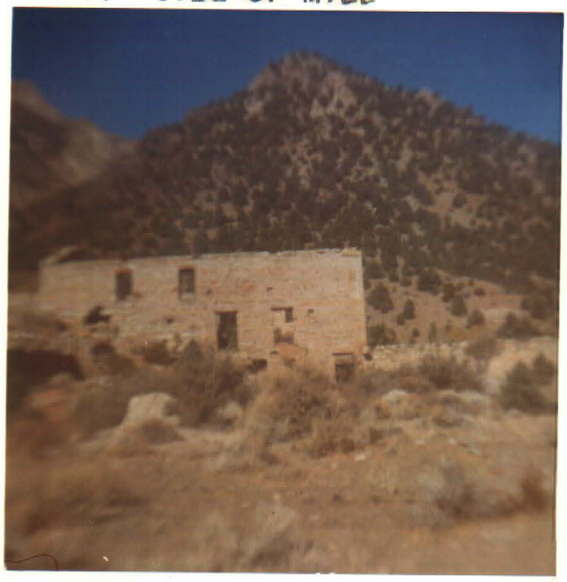
WEST SIDE OF MILL



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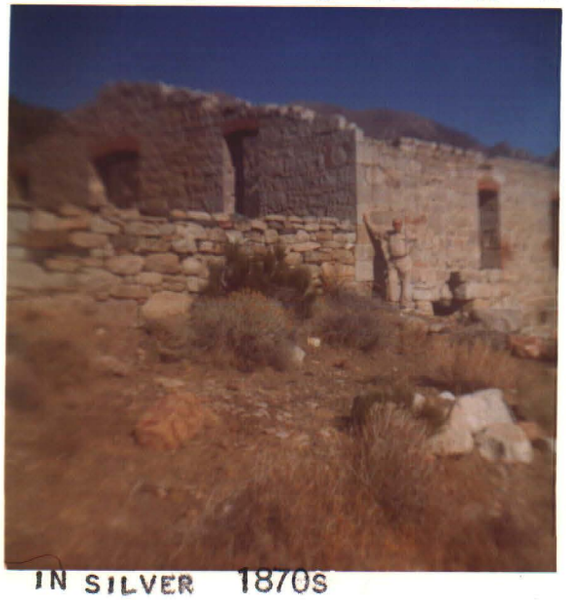
MILL PRODUCED 1½ MILLIONS IN



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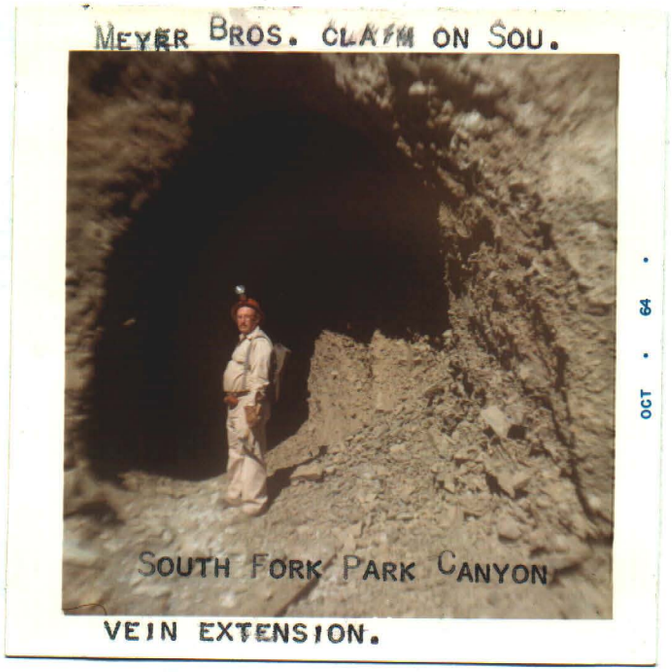
IN SILVER 1870s


VIEW OF OLD GIANT MILL
OCT . 64 .


ONE OF 25 HOUSE SITES
OCT . 64 .


MEYER BROS. CLAIM ON SOU.
OCT . 64 .
SOUTH FORK PARK CANYON
VEIN EXTENSION.


CABIN
450' X-CUT DUMP
UPPER DUMP - TRAM TOP
DISCOVERY SHAFT DUMP

POSTED X-CUT PORTAL

OCT • 64

10 SETS CAVED X-CUT PORTAL

EASY TO CLEAN WITH TRACTOR

OCT • 64

LOOKING DOWN N. FORK
OF PARK CANYON FROM
GIANT MINE UPPER TUNNEL
DUMP. TOWARDS SMOKY VALLEY

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UPPER TUNNEL X-CUT TO VEIN

ALL OPEN GIANT MINE

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LOOKING NORTH UPPER TUNNEL

DUMP - GIANT MINE

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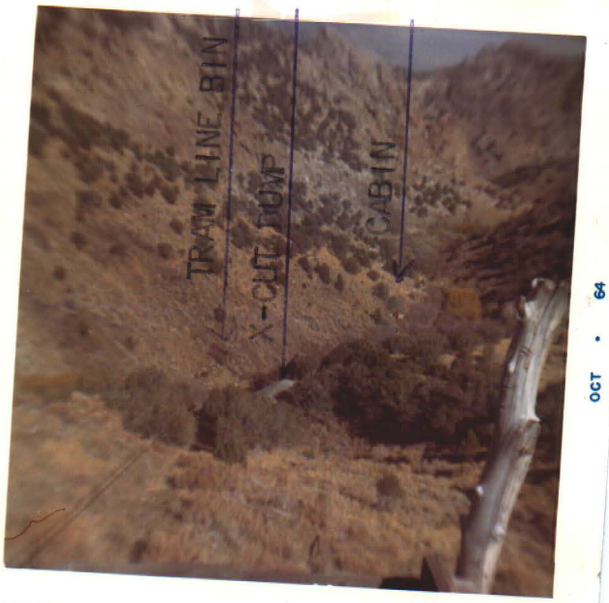

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SHAFT CHUTE GIANT MINE

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IN VEIN ORE-ABOVE-BELOW

UPPER GIANT TUNNEL POSTED

OCT • 64