DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2608

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EXPLORATION PROJECT

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

Copies to USBM, USGS, and Region VII.

To: Code 400, Rm. 3538 Date 7-8-52

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400 Part B

2608

JAN 1 5 1953

Mr. Arthur J. Gutman
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. 2608 - Manganese
Alabama Manganese Corporation
Smith, Hill and Vine properties
Etowah & Blount Counties, Ala.

Dear Mr. Gutman:

Reference is made to your letter of December 3, 1952, requesting temporary withdrawal of your application for exploration assistance on the above-noted property.

In order to expedite any future application which you may make, we herewith remove your original application (MPA-2605) from our active files, without prejudice, noting that the files thereof be held for future reference, and that your future application be given a new docket number.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

TLChapman/ls
1/15/53

CC: DOCKET
CODE 400
FIELD TEAM, REGION VII
ADMN. ENGR. FILE
N. B. MELCHER, DSDM
M. D. CHRISTENSEN, DMGS

400

400

DEC 23 1952

Alabama Manganese Corporation
608 Professional Building
Jacksonville 6, Florida

Re: Docket No. Ala 2608 - Manganese
Smith, Hill, and Vine properties
Bibb and Blount Counties, Ala.

Gentlemen:

On November 21, 1952, we wrote you in reply to additional information which you advised, in your visit to this office, you would send us. We wish to give notice to our letter and at the time that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing you a time, but if the promised information has not been received by January 31, 1953, we will remove your application from the active file and consider the matter closed.

Sincerely yours,

SIGNED

Administrator

TJChapman:la 12/19/52

CC: Docket
Admn. Read. File
Field Team, Region 7
T. J. Chapman
G. C. Selfridge
N. B. Melcher, USBM
M. A. Crittenden USGS

NOV 21 1952

Union Manganese Corporation
AEC Refining Facility
Jacksonville, Florida

Re: Docket No. [illegible] - Manganese
Smith, Hill and Blue Properties
Bowen and Blount Counties, Alabama

Gentlemen:

No word has been received from you concerning the additional information which you advised, on your visit to this office, that you would send us.

If you wish that we continue with the processing of your application, please supply us with the promised information. If you do not desire to proceed with the application, will you please inform us by requesting that your application be withdrawn.

Sincerely yours,

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

TLChapman:lm
11/20/52

cc: Admin. Reading File
Docket
T. B. Belcher, USGS
E. D. Crittenden, USGS
Field Team Reg. VII
G. C. Selfridge
T. L. Chapman

IN REPLY REFER TO:

G-MD-GP

400

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

September 9, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Max D. Crittenden

Subject: DMEA 2606, Manganese — Alabama Manganese Corporation, Jacksonville, Florida

The following is a supplement to Mr. Pavlides' memorandum of July 10, 1952. I have reviewed the information submitted by the applicant on July 17 and August 29. The assays are of little value, except to indicate that it is possible to pick out hand specimens of ore containing 25 to 45 percent Mn. The maps serve to place the tracts in question accurately, and to identify them with areas described in earlier reports.

Unfortunately, none of the reports in the files of the Geological Survey give specific ore reserve estimates for these tracts. The Vines tract is probably but not certainly that referred to by the geologist (G. W. Stose) who examined the area in 1943, as the "Vines lands", and which he regarded as "probably not of commercial value". Nothing in the information submitted by the applicant appears to modify this conclusion.

The Hill tracts are part of an area referred to by Stose as the "Midvale properties". He regards most of the favorable ground here to have been systematically mined through numerous shafts 10-30 feet deep, the ground between being mined by room and pillar stopes.

The recent estimates by the operator of reserves exceeding 3 million tons containing more than 30 percent Mn are foundationless, and reflect adversely on the competence of the applicant. A further indication of the remoteness of such claims is the fact that the total production of the district to 1942 was only 7258 long tons of ore exceeding 35 percent Mn.

The fact that the applicant has not yet responded to your request for a definite statement as to the amount of work to be done and the exact area to be explored, also leads one to question the qualifications of the applicant.

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Conclusion

The information available to the Geological Survey concerning the properties this applicant proposes to explore does not appear to warrant the expenditure of even a small part of the nearly $24,000 the applicant proposes to spend. Reserves of the entire district are believed to be less than the past production, and to range from a few hundred to a few thousand tons.

MDCrittenden:gt

4C D

JUL 2 8

Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. DMEA 2608 - Manganese
Smith, Hill and Vine Properties
Etowah and Blount Counties, Alabama

Gentlemen:

Your application for exploration assistance on the above noted properties has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration.

We find that your application lacks the necessary information to proceed with the processing of your application. Hence, we suggest that you revise and supplement the present application with the following:

1. Give in detail the amount and type of work required such as pits or trenches, giving number, estimated depth, width and length. Also submit a map showing the proposed location of these pits or trenches.

2. Furnish maps on the Smith, Hill and Vine properties showing the location of the prospect shafts referred to, the location of samples and the assay results.

3. Furnish a more detailed map showing the location of Smith, Hill and Vine properties.

4. Supply more information as to the reserve estimates of about 3 million tons of 30 percent manganese, giving length, width and thickness of the ore bed or beds and the thickness of overburden. Also identify the "recent geological surveys" referred to.

5. A statement on the ore dressing method proposed and of the disposition of the product.

6. It will be necessary to furnish Owner's Consent to Lien with the application. Six signed copies are required from each of the lessors. We are enclosing 21 copies of MM-203 for this purpose.

Sincerely yours,

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Enclosures

TLChapman'lm
7/15/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
H. D. Crittenden, USGS
Field Team Reg. VII
G. C. Selfridge
T. L. Chapman

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Memorandum July 10, 1952

To: George C. Selfridge

From: Louis Pavlides

Subject: DMEA - 2608, Alabama Manganese Corporation

The Alabama Manganese Corporation has submitted an application for aid in an exploration project the estimated cost of which is $23,985.

The location of the properties on the crude map submitted by the applicant is vague but they appear to lie in the area described by C. W. Stose of the U. S. Geological Survey in an open file report entitled, "Manganese Deposits near Walnut Grove, Etowah and Blount County, Alabama". The manganese deposits of this district are associated with the Fort Payne chert, of Mississippian Age, on the northwest limb of the Murphree Valley anticline. The ore consists of two types: (1) "hard ore" occurs in the lower beds of the Fort Payne chert which outcrops on the upper, steeper slopes of Red Mountain and consists of manganese oxide, chiefly pyrolusite which cements and partly replaces brecciated chert and is therefore a highly siliceous ore. It occurs as thin (1 to 6 inches thick) layers of ore bearing chert interbedded with relatively barren chert. The ore has to be mined by blasting. Run of the mill hard ore averages 15 to 23% Mn and 0.11% P. In order to market this ore it would probably require fine crushing of the chert and briquetting of the concentrate; (2) soft ore is mostly pulverent pyrolusite in chert and clay that are residual from the weathering of the upper half of the Fort Payne chert which is exposed on the lower, western slope of Red Mountain. The ore bearing layers vary from stringers to beds 3 feet thick. Ore has been concentrated by circulating ground water on low terraces on the northwest slope of Red Mountain. In the lowlands at the foot of the slope, it may be overlain by as much as 30 feet of clay overburden. The ore is difficult to mine and handle but is reputedly a direct shipping ore requiring no concentration.

The district had produced about 14,000 long tons as of 1941, containing from 25 to 51 percent of manganese. Most of this ore was marketed in the Birmingham area.

The physical description (item 4 of application) submitted by the applicant describes deposits on the land of W. A. Smith and Bertis Hill which property evidently lies within the district proper.

The applicant claims ore reserves in the vicinity of 3 million tons averaging 30 percent manganese and higher for these properties. I have not been able to find any reserve estimates for the district but the geologic character of the deposits suggests that the applicant's figure is excessive.

It is apparent from item 5b, that the applicant has included mining along with exploration and should be advised to make the necessary revisions in his application.

The vague, generalized and vague report on the manganese property in Blount County, Alabama by B. L. Davis leaves much to be desired, if one were to put it charitably. The location of this property on the applicant's map is practically useless. It may be the Vines property which G. W. Stose briefly makes reference to saying, "A small amount of hard ore was reported collected from the surface on the Vines and A. W. Oden lands 7 to 8 miles northeast of Oneata. These deposits are in the Fort Payne chert, southwest of the proved manganese ore bodies and are probably not of commercial value."

Recommendations: The applicant should be requested to revise and supplement the present application with the following:

(1) Eliminate mining costs from the application. This would dispense with the request for a power shovel, bulldozer, ore shed, tool house and probably the air compressor and pumps. The labor and miscellaneous costs would also have to be revised accordingly.

(2) Furnish maps on the W. A. Smith property giving the location of the 15 prospect shafts, the location of the samples and the assays of each, the exact area to be prospected and location of the proposed prospect shafts. These maps should be on a scale of 100 or 200 feet to the inch.

(3) Furnish a more detailed map showing the location of both the Smith and Vine properties.

(4) Supply more information as to their reserve estimates of about 3 million tons of + 30 percent manganese ore and also identify the "recent geological surveys" they refer to.

(5) Furnish a more detailed map showing the location of the Vines property, as well as maps on 100 or 200 feet to the inch showing the location of exploration shafts put down on this property as well as indicate the location of the planned prospect shafts. Location and assay of sampling also should be posted on such maps.

(6) A statement on the ore dressing method proposed and of the disposition of the product.

9/15/52

September 12, 1952

Mr. Arthur J. Gutman
Hotel McAlpin
34th Street and Broadway
New York 17, New York

2608

Dear Mr. Gutman:

This will acknowledge receipt of your letter of September 10, 1952, making an appointment for a conference with Mr. G. C. Selfridge at 11:00 a.m., September 17, to discuss the application submitted by the Alabama Manganese Corporation for exploration aid (Docket No. DMEA 2608).

Although Mr. Selfridge is not here today, he expects to be in his office at that time and, in any event, if he is not available, some member of his staff will be glad to see you.

Sincerely yours,

W. S. Martin, Acting Chief
Iron and Ferro-Alloy Division

LAW OFFICES OF
GUTMAN & PROCTOR
409-410 PROFESSIONAL BUILDING
JACKSONVILLE 2, FLORIDA

ARTHUR J. GUTMAN
GEORGE L. PROCTOR

TELEPHONE 3-9646

September 10, 1952.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 12 1952

Hon. George Selfridge
Defense Minerals Exploration Administration
3538
Washington 25, D. C.

Dear Mr. Selfridge:

Re: Alabama Managese Corp.
DMEA -2608

The writer expects to be in Washington, Wednesday, September 17, and would appreciate being able to have a conference with you at about 11:00 A. M..

If for any reason you do not expect to be in your office and cannot see him on that day, I would greatly appreciate advice from you to that effect, addressed to me at the Hotel McAlpin, 34th St. and Broadway, New York 17, N. Y., where I shall be staying until the morning of the 17th. The reason for that request is the fact that should you not be available, I shall not stop in Washington. I feel, however, that this file is of such importance as to warrant my stop-over.

Thank you for your continued courtesies.

Very truly yours,

GUTMAN & PROCTOR

Arthur J. Gutman

Arthur J. Gutman

AJG/pb

Supplemental Rider

to

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103 In Re: ALABAMA MANGANESE CORPORATION
Docket # DMEA-2608

This additional information is forwarded this 29th day of August, 1952 in accordance with the request contained in the letter of DMEA addressed to applicant July 17, 1952.

Applicant first wishes to amend its original application by substituting the lease secured from William A. Smith with a new lease secured from R. B. Vines covering his property in Section 1, Township 12, Range 2E, Blount County, Alabama. That lease duly recorded had to be substituted since Smith refused to sign the owners consent to lien. Permission is therefore asked to remove the Smith property from this application and include instead the property of R. B. Vines on which the owner's consent to lien has been secured. Applicant, however, is perfectly willing and requests permission to consider the Smith property as part of this application even though the lien consent is not available at this time. Five(5) copies of the lease with R. B. Vines are enclosed herein for attachment to the original application.

Answering paragraph 1 of the Department's letter of July 17th: Giving in detail the amount of work required is virtually impossible to answer. Unquestionably, bull dozer work will be required to uncover the ore veins known to exist from 8 to 12 feet below the surface. There will have to be a grea t number of shallow shafts ranging in depth from 12 to 40 feet depending upon location and over-burden. These shafts will be from 5 feet wide to about 6 feet in length. Both Vine properties will have to be worked by incline shaft since the ore on this property has a pitch of about 30 degrees West, the strike of the main vein being north and south.

Attached hereto and made a part hereof are maps as requested by the Department.

Answering request # 2 of the July 17th letter, maps on the Hill, Elvin Vine and R. B. Vine properties show the location of the shafts, from which samples were taken, the assay results of which are noted on the maps.

Answering paragraph 3, the maps requested are herewith enclosed

We will attempt to answer inquiries in paragraph 4 of the July letter as follows: Mr. L. P. Davis, Vice-President of the applica company who has been actively engaged in geological work for twent years, has spent many months during the year 1952 actively survey the property and supervising the shaft work and prospecting. Mr Davis, whose report was attached to the original application her

and is a graduate mining engineer, confirms the opinion of Mr. L. P. Davis. Based upon actual observations, it is the opinion of both geologists that the estimate of 3 million tons of 30% Manganese is modest. It is stated that the vein of ore is about 3 feet in depth and would cover an area of several miles in width. More precise information is exactly what is intended to be secured through the assistance sought in this application.

Referring to inquiry #5 of the July 17th letter, since no laboratory test has been made on this ore to determine the best method for dressing the ore, this question can not be answered. That, too, is what the applicant hopes to explore with the assistance of the Department of Interior as herein applied for.

Owners' consents to liens are herein enclosed as requested in paragraph 6 of the July 17th letter.

We trust that this now fully completes our application so that same may be processed with a view to expediting the exploration, which appears to be extremely important not only for the applicant but to the nation.

Respectfully submitted,

ALABAMA MANGANESE CORPORATION

By Arthur J. Gutman

Arthur J. Gutman, Secretary

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of BLOUNT, described ~~as follows~~

in a lease dated June 14, 1952, and recorded in Book 102, Page 547, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - 625,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Elmer H. Vinson [Seal]

Evelyn Vinson [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ARIZONA, County of [illegible], described ~~as follows:~~ 1/

~~in a lease dated June 13, 1952, and recorded in Book 103, Page 23, official records of said County.~~

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ARIZONA MANAGER CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - 10,000.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 30 day of July, 1952.

R. B. Vines [Seal]

Pearl Vines [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of BIBB, described ~~as~~ ~~follows:~~ 1/

in a lease dated June 23, 1952, and recorded in Book 102, Page 550, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA NAVIGATION CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - 023,939.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Bertis Hill [Seal]

Audrey Mae Hill [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

LEASE AND OPTION TO PURCHASE

This Indenture of Lease and Option To Purchase, made and entered into this 13 day of June A. D. 1952, by and between R. B. Vines and wife, Pearl Vines, party of the first part of Blount County, Alabama, and ALABAMA MANGANESE CORPORATION, heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for andin consideration of the sum of One Dollar($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter described for the purpose of searching for manganese ore ~~and all other minerals and ores, including oil and gas~~, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, ~~all such ores, minerals, oil and gas that~~ may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The party of the second part is hereby permitted to enter upon said lands and mine for ore only on such lands as no growing crop is standing or on land which has not been prepared for growing crops.

This contract shall be null and void if the second party should for any successive ninety day period fail to carry on some mining operation for ore herein. It shall also be null and void should said second party unreasonably fail to apy the royalties

hereinafter mentioned.

The lands herein referred to are situated in Blount County, Alabama, Section 1, Township 12, Range 2 E and are more specifically described in the rider hereto attached and made a part hereof.

The party of the first part shall receive from the party of the second part a royalty of Ten Percent (10%) of the net sales price actually received by the second party for all ores and minerals mined and shipped from the described real estate and actually paid for by the purchasers thereof. Said royalties shall be due and payable to the first party within five days after the receipt by the second party of the payment for such sales and shipments.

The aforesaid royalty shall apply to manganese ore and any and all other ores or minerals that may be secured off or out of the lands herein described.

The option to purchase the lands herein described or any part thereof shall continue from one year only from the date above mentioned. Said option shall refer only to mineral rights and not to ownership of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive payment for such mineral rights so purchased for the sum of to agree on p rice laterper acre, cash in advance.

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 13th day of June A. D. 1952.

R. B. Vines

Pearl Vines

ALABAMA MANGANESE CORPORATION

By L. P. Davis
Vice-President

STATE OF ALABAMA

COUNTY OF Blount

I, Doris B. Hendrix, a Notary Public in and for said County and State, hereby certify that R. B. Vines & Pearl Vines whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 13th day of June 1952.

Doris B. Hendrix
Notary Public in and for
Blount County, State of
Alabama.

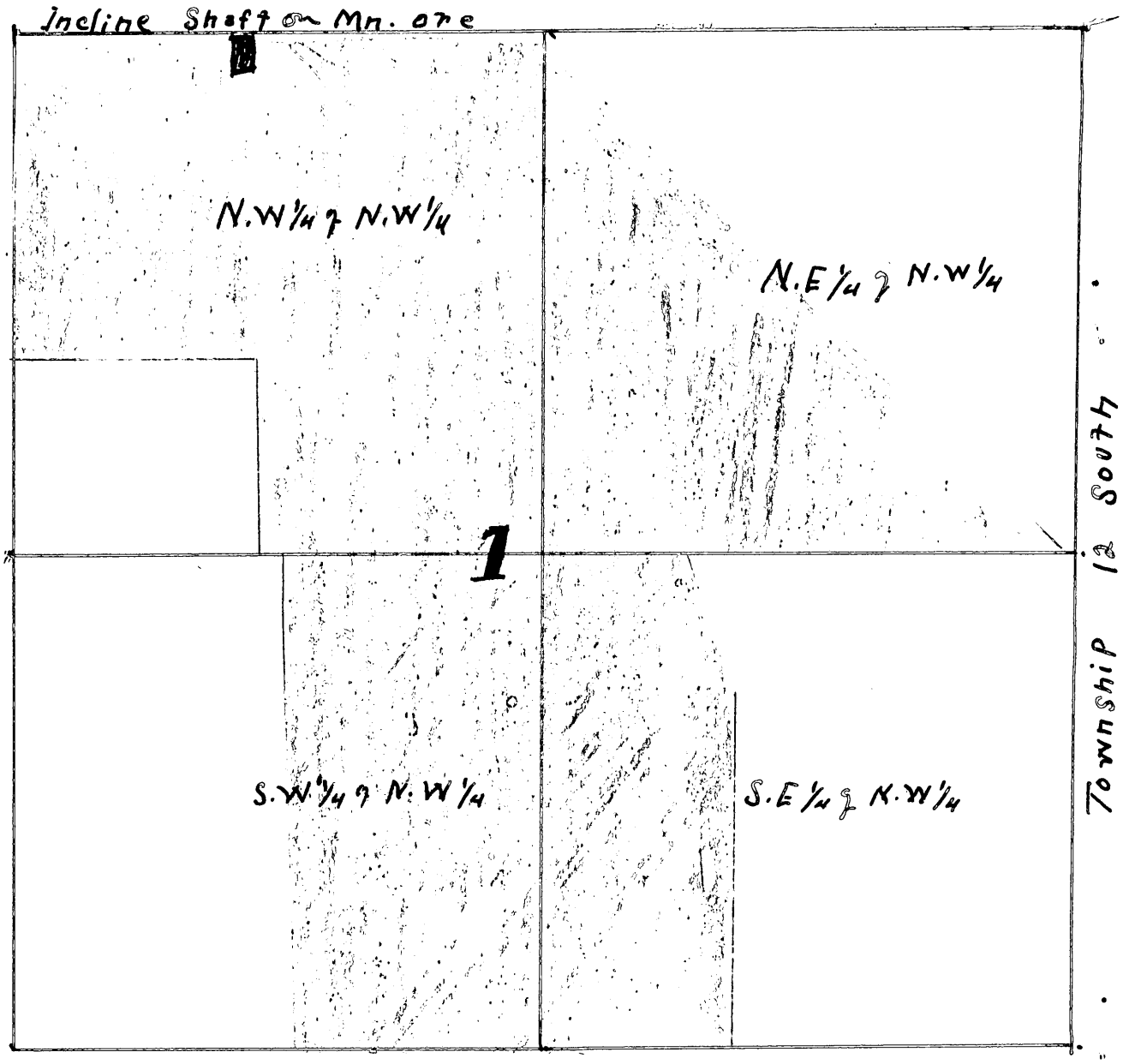
My Commission expires:
Sept. 30, 1952

RIDER

Property of R. R.(Bert)Vines and Pearl Vines(wife)

A part of the NW¼ of the NW¼ of Section 12 and a part of the SW¼ of Section 1, all in Township 12 Range 2E, as follows: Beginning at NW corner of the SW¼ of Section 1, thence South with Section line one half mile to SW corner of said quarter Section, thence a little East of South 28 rods to a rock corner on ditch, thence with ditch 28 rods, more or less, to rock corner on public road, thence with said Murphrees Valley road a NE direction about 700 feet to an old road running in a NW direction, thence with said road about 70 rods to another old road at the foot of mountain running in a NE direction, thence NE in a direct line about 80 rods to a Sycamore tree at a spring, thence a straight line running NE about 96½ rods to a rock corner at a fence on the top of Red Mountain, thence north along the fence to a rock corner on North boundary line of said SW¼ of Section 1, thence West with said line about 60 rods to point of beginning, containing in all about 75 acres, more or less, situated in Blount County, Alabama.

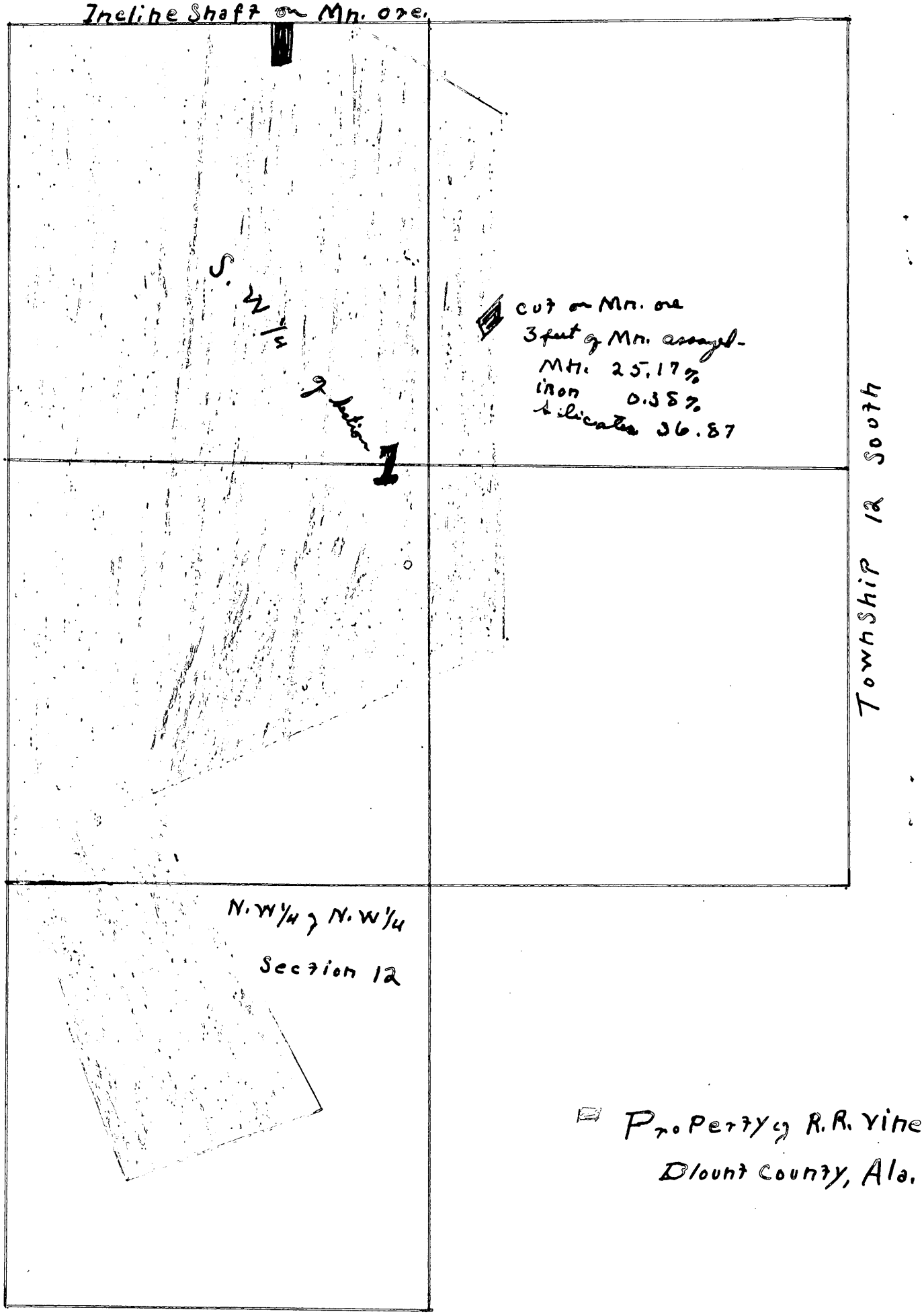
Range 2. East



Property of Elvin Vine

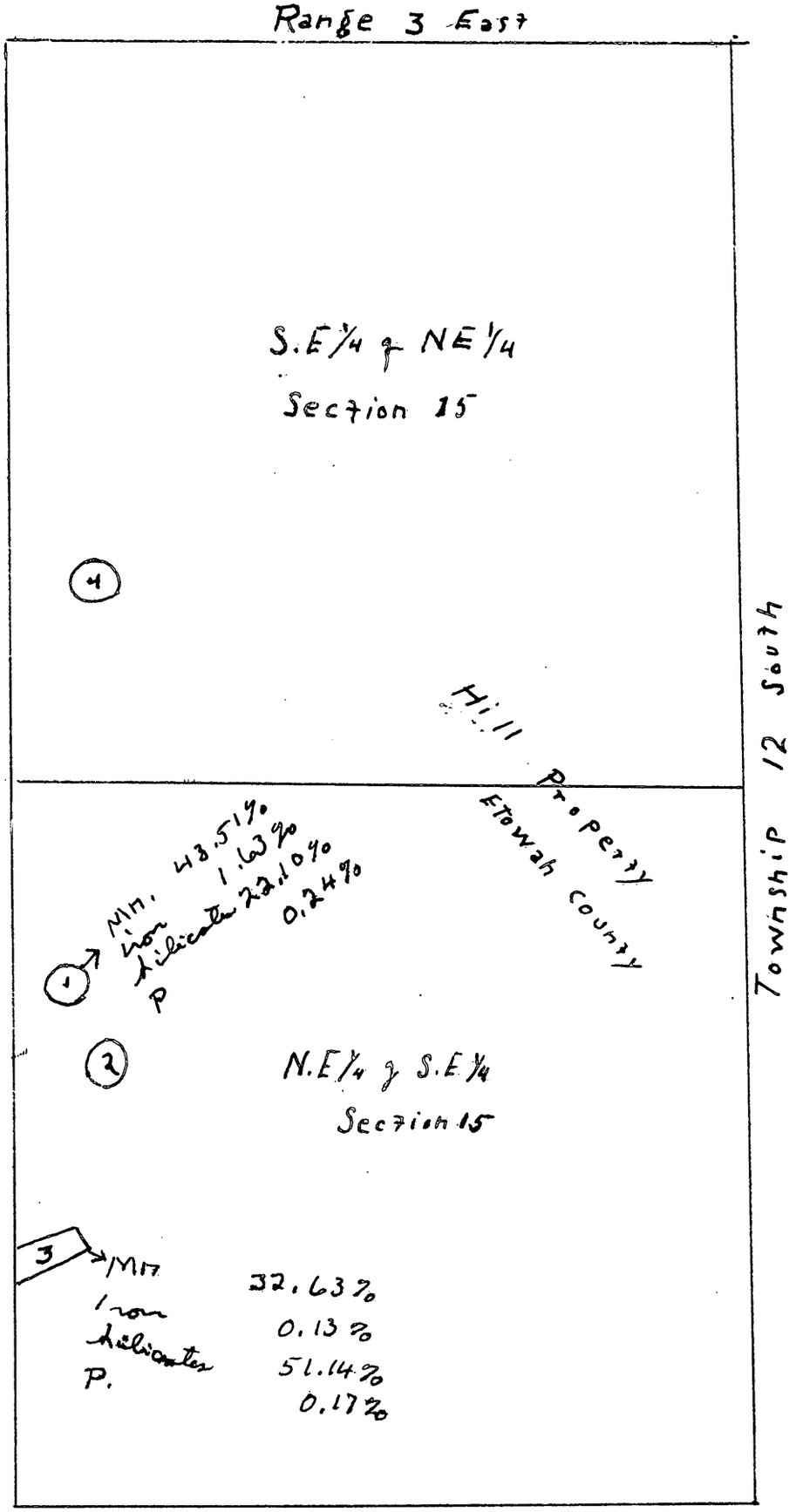
Blount County, Ala.

Range 2 East



Property of R.R. Vine
Blount County, Ala.

No 2.



1 – A hole 26 feet deep beginning to hit showings of manganese Assayed –

2 – A hole 20 feet deep a little manganese showings

3 – Cut about 10 feet deep and 20 feet long has good showings of manganese Assayed

4 – A hole about 25 feet deep just beginning to get showings of manganese

400

FILE COPY
SURNAME:

Chapman
Martin

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JAN 15 1953

Mr. Arthur J. Gutman
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. 2608 - Manganese
Alabama Manganese Corporation
Smith, Hill and Vine properties
Etowah & Blount Counties, Ala.

Dear Mr. Gutman:

Reference is made to your letter of December 3, 1952, requesting temporary withdrawal of your application for exploration assistance on the above-noted property.

In order to expedite any future application which you may make, we herewith remove your original application (DMEA-2608) from our active files, without prejudice, noting that the files thereof be held for future reference, and that your future application be given a new docket number.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (for) J. C. 1/15/53

Administrator

TLChapman/ls
1/15/53

CC: DOCKET
CODE 400
FIELD TEAM, REGION VII
ADMN. READ. FILE
N. B. MELCHER, USBM
M. D. CRITTENDEN, USGS

FERROUS METALS BRANCH

LAW OFFICES OF
GUTMAN & PROCTOR
409-410 PROFESSIONAL BUILDING
JACKSONVILLE 2, FLORIDA

ARTHUR J. GUTMAN
GEORGE L. PROCTOR

TELEPHONE 3-9646

December 3, 1952.

Mr. G. C. Selfridge, Chief,
Iron and Ferro-Alloy Division,
U. S. Dept. of the Interior,
Washington 25, D. C.

Re: Docket No. DMEA 2608 - Manganese
Smith, Hill and Vine Properties
Etowah and Blount Counties, Alabama

Dear Mr. Selfridge:

In view of the fact that it is most difficult to secure all the information you requested, would you please consider the above numbered application temporarily withdrawn, without prejudice to any possible future action?

Thank you sincerely for past favors and cooperation.

Very truly yours,

GUTMAN & PROCTOR

Arthur J. Gutman

Arthur J. Gutman

AJG/mj

BUREAU OF MINES
WASHINGTON, D. C.

DEC 5 9 38 AM '52

FILE COPY
SURNAME:

Chapman
Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

DEC 23 1952

Alabama Manganese Corporation
609 Professional Building
Jacksonville, Florida

Re: Docket No. DMEA 2608 - Manganese
Smith, Hill, and Vine properties
Etowah and Blount Counties, Ala.

Gentlemen:

On November 21, 1952, we wrote you in regard to additional information which you advised, on your visit to this office, you would send us. To date we have not had an answer to our letter and assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time, but if the promised information has not been received by January 22, 1952, we will remove your application from the active file and consider the matter closed.

Sincerely yours,

SIGNED

Administrator

12-23-52

TLChapman:ls 12/19/52

CC: Docket
Admn. Read. File
Field Team, Region 7
T. L. Chapman
G. C. Selfridge
N. B. Melcher, USBM
M. D. Crittenden USGS

Sept 7, 1952

Hold the attached denial until we hear from Mr. A. J. Gutman who called here Sept 16 and was advised that we must have a better answer to our letter of July 17 than his "Rider" of August 29. He was asked for map showing: Old workings, current workings and PROJECT workings and for cost estimate to suit project. Churn drilling was suggested.

Shovel & Compressor were questioned

WSM

Sept. 22, 1952

L. P. Davis came in and was asked for a map showing project and for cost estimates

WSM

	42
Less Sept	8
	34
Oct	31
Nov.	3

Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. DMEA-2608, Manganese
Smith, Hill & Vine Prospects
Etowah & Blount Counties, Alabama

Gentlemen:

Your application for exploration assistance and other information available to us in Washington have been carefully reviewed.

This information, while showing some spotted occurrences of ~~25 to 35 percent~~ manganese over throughout this area, indicates to us that the probability of opening up any large ore bodies of a minable grade is not sufficiently promising to justify Government participation. We regret therefore to inform you that your application is denied.

We wish to thank you for your interest in the Domestic Minerals Program and for bringing this property to our attention.

Sincerely yours,

PLC

Administrator

Memorandum

To: Administrator, I.D.E.Q.

From: Chm. & Pres. Alloys Division, I.D.E.Q.

Subject: Denial of exploration project in the amount of $23,985.00
Docket No. IDEQ 2608. Manganese.
Application of Alabama Manganese Corporation
Lease on properties of E.H. Vines, R.B. Vines and Bertie Hall.
Blount and Etowa Counties, Alabama

The denial of the subject application by this Division is based on the following information.

1. Manganese deposits of this district are associated with the Pratt Ferry Chert in Mississippian age.

2. The occurrences are in a bed from 10 to 30 feet below the surface with an average thickness of about 3 feet. Small lenses of ore are found throughout the area that can be mined selectively and have produced ore from 25 to 40 percent manganese.

3. The area has been worked for the last 50 years and has produced in that time about 10,000 long tons of ore averaging 35 percent manganese.

4. The deposits as a whole show only low values in manganese until

could not be mined economically.

5. The Commodity Division of the U.S. Geological Survey and the U.S. Bureau of Mines concur with this decision.

PLC GCS

FILE COPY 400
SURNAME:

Chapman
Selfridge

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

NOV 21 1952

Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. DMEA 2608 - Manganese
Smith, Hill and Vine Properties
Phosph and Floyd Counties, Alabama

Gentlemen:

No word has been received from you concerning the additional information which you advised, on your visit to this office, that you would send us.

If you wish that we continue with the processing of your application, please supply us with the promised information. If you do not desire to proceed with the application, will you please inform us by requesting that your application be withdrawn.

Sincerely yours,

George C. Selfridge

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

11-21-52

TLChapman'lm
11/20/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. VII
G. C. Selfridge
T. L. Chapman

IN REPLY REFER TO:

G-MD-CF

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

September 9, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Max D. Crittenden

Subject: DMEA 2608, Manganese Alabama Manganese Corporation Jacksonville, Florida

The following is a supplement to Mr. Pavlides' memorandum of July 10, 1952. I have reviewed the information submitted by the applicant on July 17 and August 29. The assays are of little value, except to indicate that it is possible to pick out hand specimens of ore containing 25 to 45 percent Mn. The maps serve to place the tracts in question accurately, and to identify them with areas described in earlier reports.

Unfortunately, none of the reports in the files of the Geological Survey give specific ore reserve estimates for these tracts. The Vines tract is probably but not certainly that referred to by the geologist (G. W. Stose) who examined the area in 1943, as the "Vines lands", and which he regarded as "probably not of commercial value". Nothing in the information submitted by the applicant appears to modify this conclusion.

The Hill tracts are part of an area referred to by Stose as the "Midvale properties". He regards most of the favorable ground here to have been systematically mined through numerous shafts 10-30 feet deep, the ground between being mined by room and pillar stopes.

The recent estimates by the operator of reserves exceeding 3 million tons containing more than 30 percent Mn are foundationless, and reflect adversely on the competence of the applicant. A further indication of the remoteness of such claims is the fact that the total production of the district to 1942 was only 7258 long tons of ore exceeding 35 percent Mn.

The fact that the applicant has not yet responded to your request for a definite statement as to the amount of work to be done and the exact area to be explored, also leads one to question the qualifications of the applicant.

Copy retained 400

Conclusion

The information available to the Geological Survey concerning the properties this applicant proposes to explore does not appear to warrant the expenditure of even a small part of the nearly $24,000 the applicant proposes to spend. Reserves of the entire district are believed to be less than the past production, and to range from a few hundred to a few thousand tons.

Max D. Crittenden Jr

IN REPLY REFER TO:

G-MD-CF

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

September 9, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Max D. Crittenden

Subject: DMEA 2608, Manganese — Alabama Manganese Corporation, Jacksonville, Florida

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MDCrittenden:gt

IN REPLY REFER TO:

G-MD-GP

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

September 9, 1952

Memorandum

To: George C. Selfridge, DMEA

From: Max D. Crittenden

Subject: DMEA 2608, Manganese Alabama Manganese Corporation
Jacksonville, Florida

The following is a supplement to Mr. Pavlides' memorandum of July 10, 1952. I have reviewed the information submitted by the applicant on July 17 and August 29. The assays are of little value, except to indicate that it is possible to pick out hand specimens of ore containing 25 to 45 percent Mn. The maps serve to place the tracts in question accurately, and to identify them with areas described in earlier reports.

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MDCrittenden:gt

Supplemental Rider

to

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103 In Re: ALABAMA MANGANESE CORPORATION
Docket # DMEA-2608

This additional information is forwarded this 29th day of August, 1952 in accordance with the request contained in the letter of DMEA addressed to applicant July 17, 1952.

Applicant first wishes to amend its original application by substituting the lease secured from William A. Smith with a new lease secured from R. B. Vines covering his property in Section 1, Township 12, Range 2E, Blount County, Alabama. That lease duly recorded had to be substituted since Smith refused to sign the owners consent to lien. Permission is therefore asked to remove the Smith property from this application and include instead the property of R. B. Vines on which the owner's consent to lien has been secured. Applicant, however, is perfectly willing and requests permission to consider the Smith property as part of this application even though the lien consent is not available at this time. Five(5) copies of the lease with R. B. Vines are enclosed herein for attachment to the original application.

Answering paragraph 1 of the Department's letter of July 17th: Giving in detail the amount of work required is virtually impossible to answer. Unquestionably, bull dozer work will be required to uncover the ore veins known to exist from 8 to 12 feet below the surface. There will have to be a grea t number of shallow shafts ranging in depth from 12 to 40 feet depending upon location and over-burden. These shafts will be from 5 feet wide to about 6 feet in length. Both Vine properties will have to be worked by incline shaft since the ore on this property has a pitch of about 30 degrees West, the strike of the main vein being north and south.

Attached hereto and made a part hereof are maps as requested by the Department.

Answering request # 2 of the July 17th letter, maps on the Hill, Elvin Vine and R. B. Vine properties show the location of the shafts, from which samples were taken, the assay results of which are noted on the maps.

Answering paragraph 3, the maps requested are herewith enclosed.

We will attempt to answer inquiries in paragraph 4 of the July 17 letter as follows: Mr. L. P. Davis, Vice-President of the applicant company who has been actively engaged in geological work for twenty years, has spent many months during the year 1952 actively surveying the property and supervising the shaft work and prospecting. Mr. B. L. Davis, whose report was attached to the original application herein

and is a graduate mining engineer, confirms the opinion of Mr. L. P. Davis. Based upon actual observations, it is the opinion of both geologists that the estimate of 3 million tons of 30% Manganese is modest. It is stated that the vein of ore is about 3 feet in depth and would cover an area of several miles in width. More precise information is exactly what is intended to be secured through the assistance sought in this application.

Referring to inquiry #5 of the July 17th letter, since no laboratory test has been made on this ore to determine the best method for dressing the ore, this question can not be answered. That, too, is what the applicant hopes to explore with the assistance of the Department of Interior as herein applied for.

Owners' consents to liens are herein enclosed as requested in paragraph 6 of the July 17th letter.

We trust that this now fully completes our application so that same may be processed with a view to expediting the exploration, which appears to be extremely important not only for the applicant but to the nation.

Respectfully submitted,

ALABAMA MANGANESE CORPORATION

By _____
Arthur J. Gutman, Secretary

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of BLOUNT, described ~~as follows~~

in a lease dated June 14, 1952, and recorded in Book 102, Page 547, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - $23,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Calvin H. Vines [Seal]

Evelyn Vines [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of BERCHAH, described ~~as~~ ~~follows~~

~~in a lease dated June 13, 1952, and recorded in Book 103, Page 23, official records of said County.~~

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA NATURALIZER CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - 023,935.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 30 day of July, 195 2.

R. B. Vines [Seal]

Pearl Vines [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of ETOWAH, described ~~as~~ ~~follows~~ 1/

in a lease dated June 13, 1952, and recorded in Book 102, Page 550, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - 23,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Bertha Hill [Seal]

Audrey Mae Hill [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

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LEASE AND OPTION TO PURCHASE

This Indenture of Lease and Option To Purchase, made and entered into this 13 day of June A. D. 1952, by and between R. B. Vines and wife, Pearl Vines, party of the first part of Blount County, Alabama, and ALABAMA MANGANESE CORPORATION, heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for and in consideration of the sum of One Dollar($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter described for the purpose of searching for manganese ore ~~and all other minerals and ores including oil and gas~~, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, ~~all such ores and minerals~~ any be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The party of the second part is hereby permitted to enter upon said lands and mine for ore only on such lands as no growing crop is standing or on land which has not been prepared for growing crops.

This contract shall be null and void if the second party should for any successive ninety day period fail to carry on some mining operation for ore herein. It shall also be null and void should said second party unreasonably fail to pay the royalties

hereinafter mentioned.

The lands herein referred to are situated in Blount County, Alabama, Section 1, Township 12, Range 2 E and are more specifically described in the Plat hereto attached and made a part hereof.

The party of the first part shall receive from the party of the second part a royalty of Ten Percent (10%) of the net sales price actually received by the second party for all ores and minerals mined and shipped from the described real estate and actually paid for by the purchasers thereof. Said royalties shall be due and payable to the first party within five days after the receipt by the second party of the payment for such sales and shipments.

The aforesaid royalty shall apply to manganese ore and any and all other ores or minerals that may be secured off or out of the lands herein described.

The option to purchase the lands herein described or any part thereof shall continue from one year only from the date above mentioned. Said option shall refer only to mineral rights and not to ownership of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive payment for such mineral rights so purchased for the sum of to agree on price later per acre, cash in advance.

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 13th day of June A. D. 1952.

A. M. Vines

Pearl Vines

ALABAMA MANGANESE CORPORATION

By L. P. Vines President

STATE OF ALABAMA

COUNTY OF Blount

I, Doris L. Hendrix, a Notary Public in and for said County and State, hereby certify that R. L. Vines & Pearl Vines whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 13th day of June 1952.

Doris L. Hendrix
Notary Public in and for
Blount County, State of
Alabama.

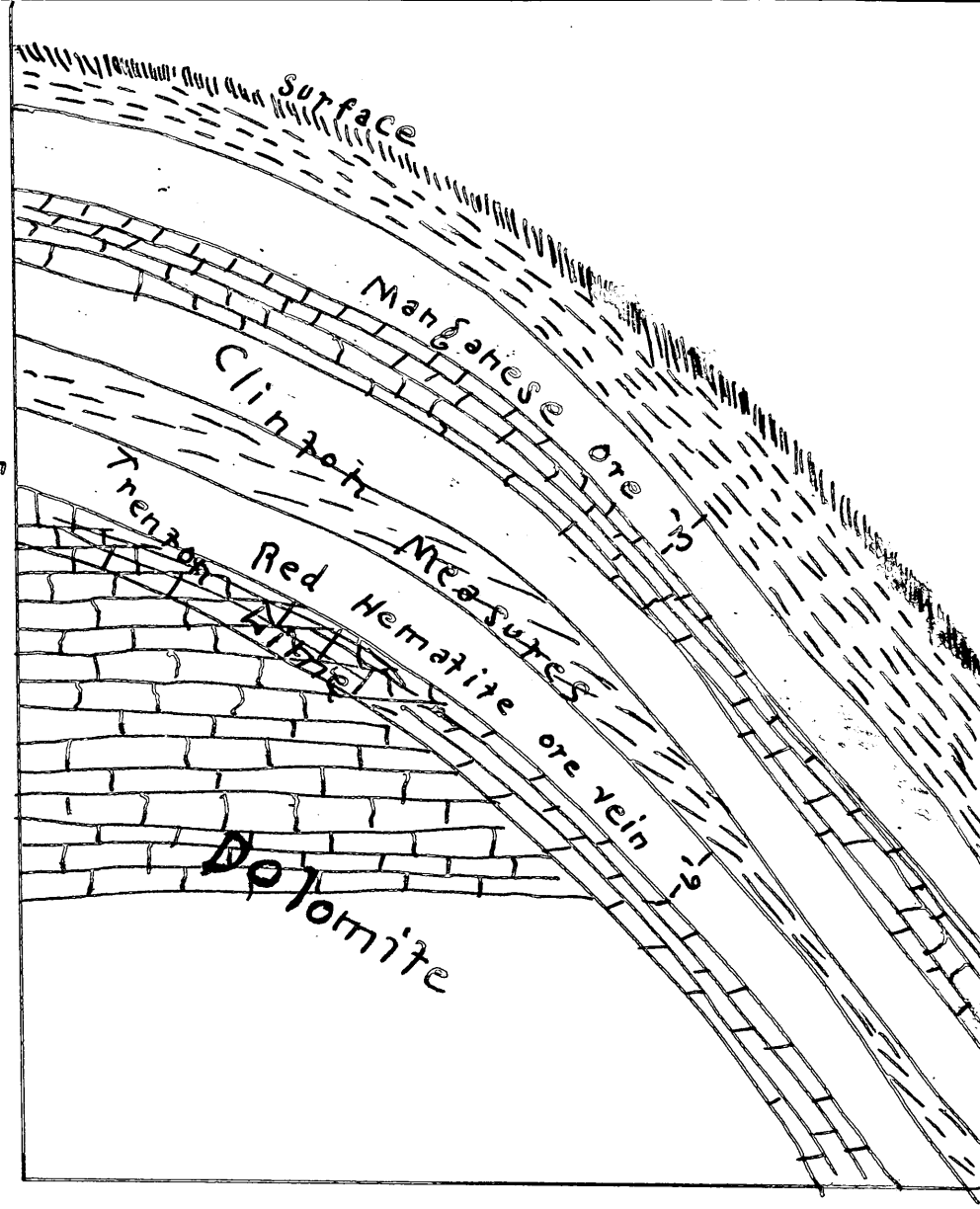
My Commission expires:
Sept. 30, 1952

ORDER

Property of M. H.(Bert)Vines and Pearl Vines(Wife)

A part of the NW¼ of the NW¼ of Section 12 and a part of the SW¼ of Section 1, all in Township 12 Range 2E, as follows: Beginning at NW corner of the SW¼ of Section 1, thence South with Section line one half mile to SW corner of said quarter Section, thence a little East of South 28 rods to a rock corner on ditch, thence with ditch 28 rods, more or less, to rock corner on public road, thence with said Murphrees Valley road a NE direction about 700 feet to an old road running in a NW direction, thence with said road about 70 rods to another old road at the foot of mountain running in a NE direction, thence NE in a direct line about 80 rods to a Sycamore tree at a spring, thence a straight line running NE about 96½ rods to a rock corner at a fence on the top of Red Mountain, thence north along the fence to a rock corner on North boundary line of said SW¼ of Section 1, thence West with said line about 60 rods to point of beginning, containing in all about 75 acres, more or less, situated in Blount County, Alabama.

Strike of Manganese ore vein is North and South
Pitch of ore about 30 degrees West.

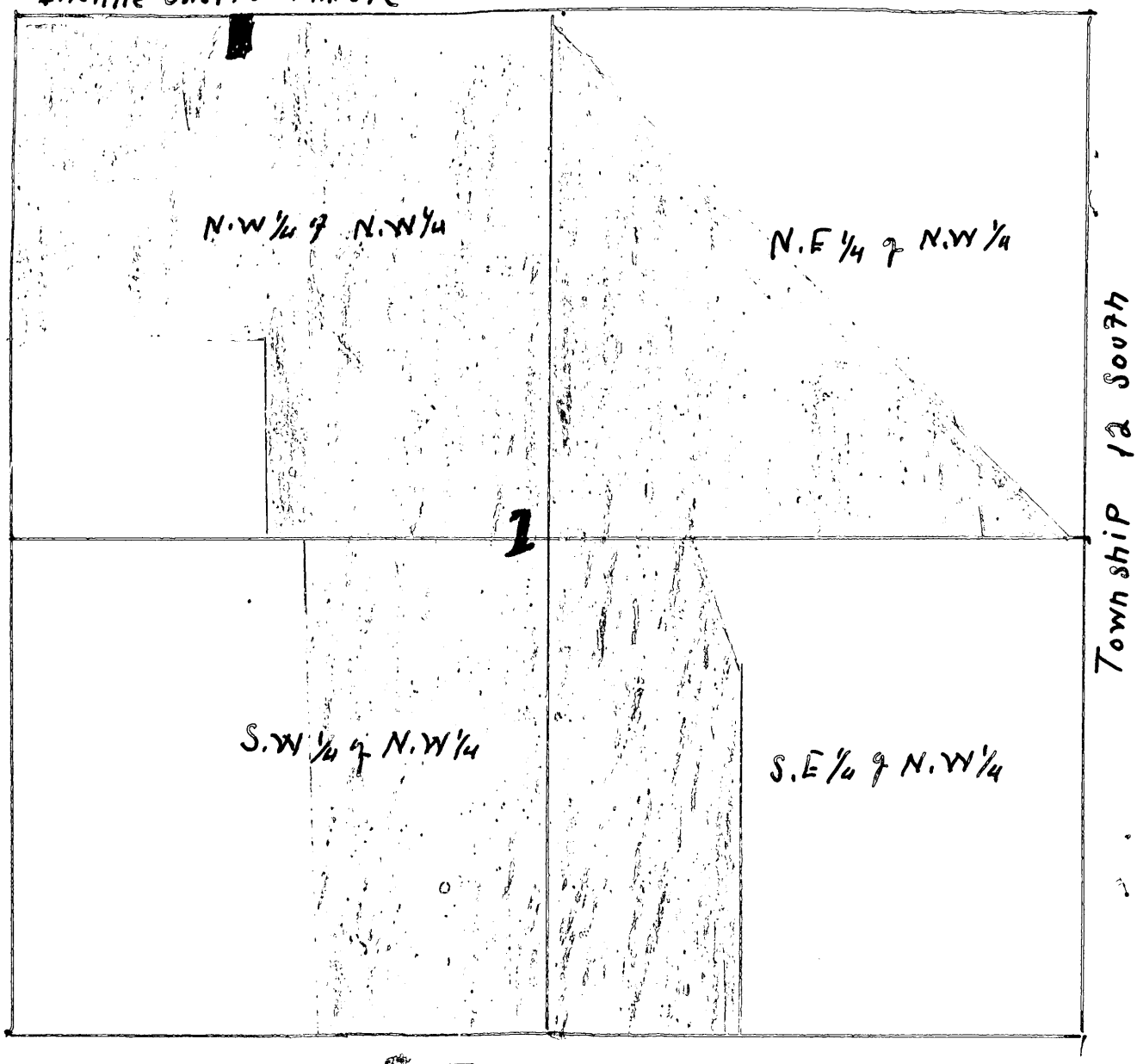


Cross Section of Manganese vein on Vine Property

Blount County, Ala.

Range 2 East

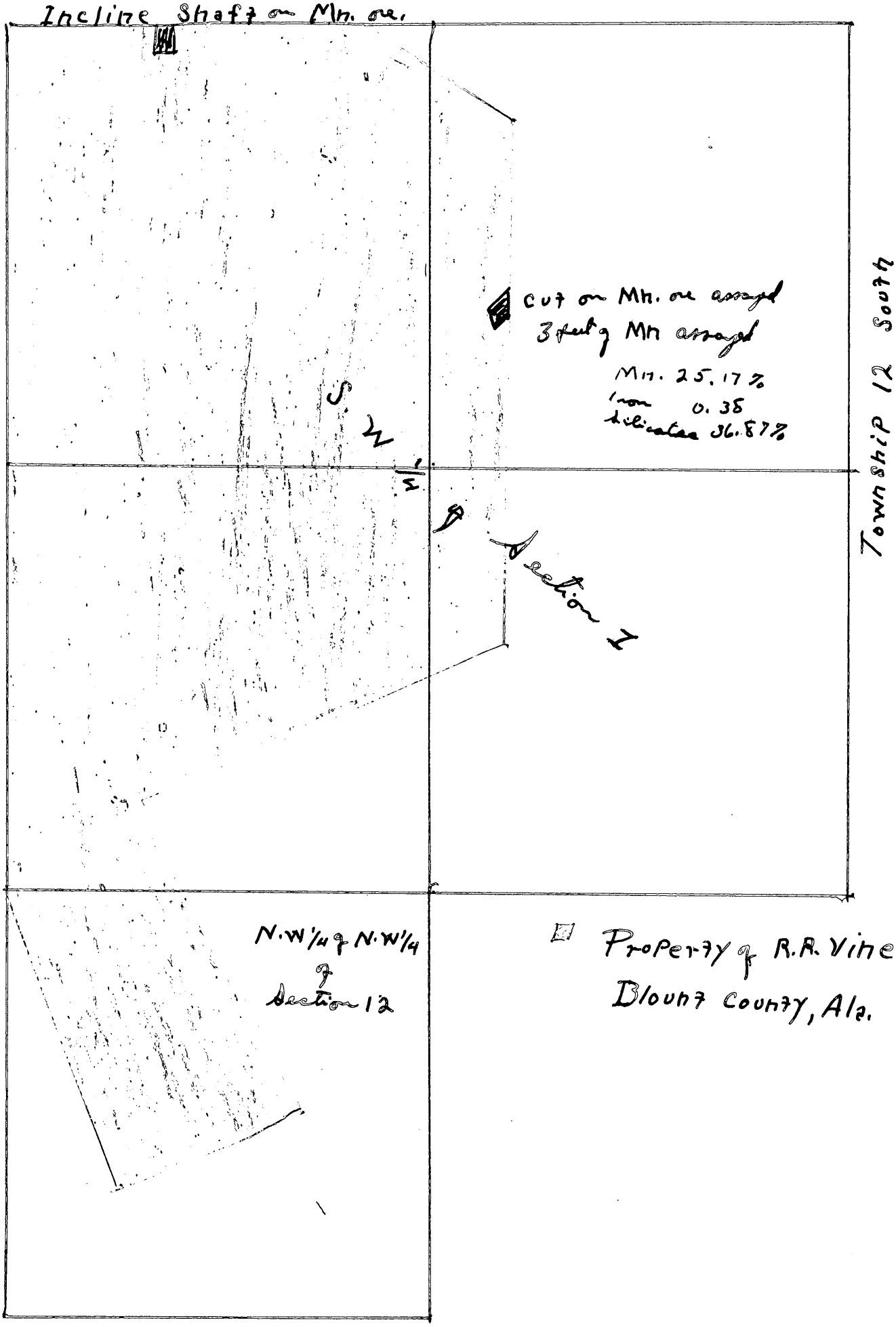
Incline Shaft on Mn. ore

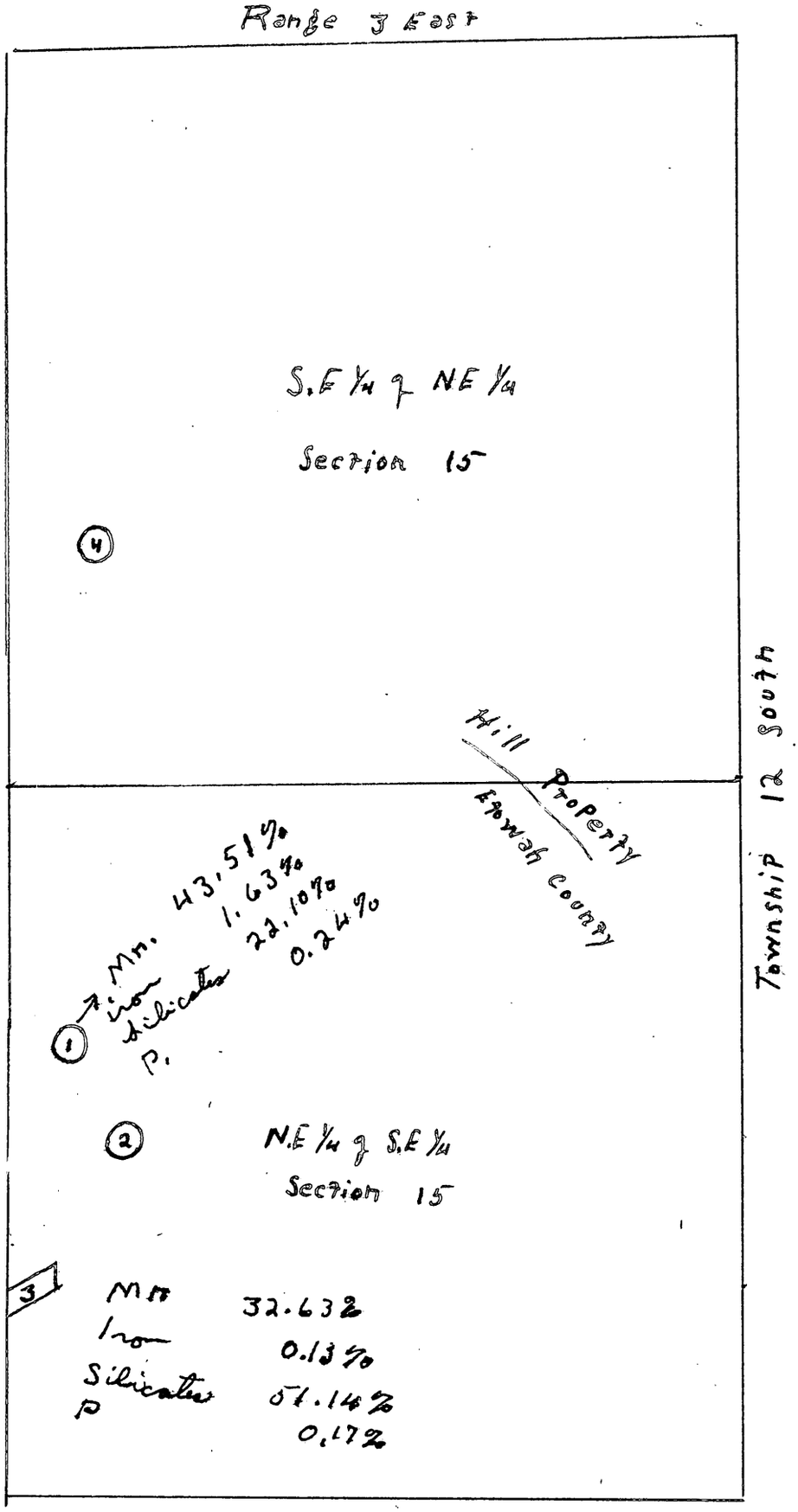


Property of Elvin Vine

Blount county Ala.

Range 2 East


Incline Shaft on Mn. ore.
Cut on Mn. ore assayed
3 feet of Mn assayed
Mn. 25.17%
Iron 0.38
Silicates 36.87%
S. W. 1/4 of Section 7
Township 12 South
N.W. 1/4 of N.W. 1/4 of Section 12
Property of R.R. Vine
Blount County, Ala.



1 - A shaft 26 feet deep beginning to hit showings of manganese - Assayed -

2 - A shaft 20 feet deep a little manganese showings

3 - Cut about 10 feet deep and 20 feet long has good showings of Manganese - Assayed

4 - A shaft about 25 feet deep just beginning to get showings of manganese.

MF 100

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7-18-52

REFERRED TO:

1. Code 400
2.
3.
4.

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: .....

Check (X) before the items needing attention.

R. E. ADAMS
Initials of sender.

GPO 16—63815-1

LAW OFFICES OF
GUTMAN & PROCTOR
409-410 PROFESSIONAL BUILDING
JACKSONVILLE 2, FLORIDA

ARTHUR J. GUTMAN
GEORGE L. PROCTOR

TELEPHONE 3-9646

7/22/52

July 17, 1952

Defense Minerals Exploration
Administration
Department of The Interior
Washington 25, D. C.

Subject: DMEA-2608
Alabama Manganese Corp.

Gentlemen:

Further supplementing the above numbered application, we enclose herewith three different analyses from the Southern Analytical Laboratory of three specimens of Manganese taken from our lease of properties. We feel that these analyses will prove of interest to your agency in determining the acceptability of the application. We would appreciate advice from you as to the progress being made at your earliest convenience, since we are anxious to proceed on the matter.

This letter is being written by the undersigned as counsel for the corporation.

Very truly yours,

GUTMAN & PROCTOR

Arthur J. Gutman

AJG/ms

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUL 18 1952

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34213 July 12, 19 52

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Smith--Upper Vein"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	32.63 %
Iron, Fe:	0.13 %
Silicates:	51.14 %
Aluminum; Al:	trace
Phosphorus, P:	0.17 %
Copper, Cu:	none
Lead, Pb:	none
Zinc, Zn:	none

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.5

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34213 July 12, 19 52

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Smith--Upper Vein"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	32.63 %
Iron, Fe:	0.13 %
Silicates:	51.14 %
Aluminum; Al:	trace
Phosphorus, P:	0.17 %
Copper, Cu:	none
Lead, Pb:	none
Zinc, Zn:	none

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.51

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34214 July 12, 1952

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Smith--Lower Vein"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	43.51 %
Iron, Fe:	1.63 %
Silicates:	22.10 %
Aluminum, Al:	0.83 %
Phosphorus, P:	0.24 %
Copper, Cu:	none
Lead, Pb:	none
Zinc, Zn:	none

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.51

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34214 July 12, 1952

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Smith--Lower Vein"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	43.51 %
Iron, Fe:	1.63 %
Silicates:	22.10 %
Aluminum, Al:	0.83 %
Phosphorus, P:	0.24 %
Copper, Cu:	none
Lead, Pb:	none
Zinc, Zn:	none

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.51

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34215 July 12, 1952

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Vine"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	25.17 %
Iron, Fe:	0.38 %
Silicates:	36.87 %
Aluminum, Al:	trace
Phosphorus, P:	0.13 %
Copper, Cu:	None
Lead, Pb:	None
Zinc, Zn:	None

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.51

SOUTHERN ANALYTICAL LABORATORY

128 TALLEYRAND AVENUE — P. O. BOX 628
JACKSONVILLE 1, FLORIDA
TELEPHONE 3-3431

Chemists and Engineers

ANALYSTS OF INDUSTRIAL MATERIALS
RESEARCH - TECHNICAL REPORTS

Laboratory No. 34215 July 12, 1952

Sample of Manganese Ore

Date Received July 8, 1952

For Alabama Manganese Corp.

Marks: "Vine"

CERTIFICATE OF ANALYSIS OR TESTS

Manganese, Mn:	25.17 %
Iron, Fe:	0.18 %
Silicates:	36.87 %
Aluminum, Al:	trace
Phosphorus, P:	0.13 %
Copper, Cu:	None
Lead, Pb:	None
Zinc, Zn:	None

Respectfully submitted,

SOUTHERN ANALYTICAL LABORATORY

BY Allen J. Weaver
ALLEN J. WEAVER

FORM 3-A 5M 5.51

Docket
FILE COPY 400
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

Chapman
Selfridge
JEJohnson

JUL 1 8 1952

Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Re: Docket No. DMEA 2608 - Manganese
Smith, Hill and Vine Properties
Etowah and Blount Counties, Alabama

Gentlemen:

Your application for exploration assistance on the above noted properties has been reviewed by the Iron and Ferro-Alloy Division of the Defense Minerals Exploration Administration.

We find that your application lacks the necessary information to proceed with the processing of your application. Hence, we suggest that you revise and supplement the present application with the following:

1. Give in detail the amount and type of work required such as pits or trenches, giving number, estimated depth, width and length. Also submit a map showing the proposed location of these pits or trenches.

2. Furnish maps on the Smith, Hill and Vine properties showing the location of the prospect shafts referred to, the location of samples and the assay results.

3. Furnish a more detailed map showing the location of Smith, Hill and Vine properties.

4. Supply more information as to the reserve estimates of about 3 million tons of 30 percent manganese, giving length, width and thickness of the ore bed or beds and the thickness of overburden. Also identify the "recent geological surveys" referred to.

5. A statement on the ore dressing method proposed and of the disposition of the product.

6. It will be necessary to furnish Owner's Consent to Lien with the application. Six signed copies are required from each of the lessors. We are enclosing 21 copies of MF-203 for this purpose.

Sincerely yours,

G. C. Selfridge, Chief
Iron and Ferro-Alloy Division

Enclosures

TLChapman'lm
7/15/52

cc: Admn. Reading File
Docket
N. B. Melcher, USBM
M. D. Crittenden, USGS
Field Team Reg. VII
G. C. Selfridge
T. L. Chapman

IN REPLY REFER TO:
JUL 11 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Memorandum July 10, 1952

To: George C. Selfridge

From: Louis Pavlides

Subject: DMEA - 2608, Alabama Manganese Corporation

The Alabama Manganese Corporation has submitted an application for aid in an exploration project the estimated cost of which is $23,985.

The location of the properties on the crude map submitted by the applicant is vague but they appear to lie in the area described by C. W. Stose of the U. S. Geological Survey in an open file report entitled, "Manganese Deposits near Walnut Grove, Etowah and Blount County, Alabama". The manganese deposits of this district are associated with the Fort Payne chert, of Mississippian Age, on the northwest limb of the Murphree Valley anticline. The ore consists of two types: (1) "hard ore" occurs in the lower beds of the Fort Payne chert which outcrops on the upper, steeper slopes of Red Mountain and consists of manganese oxide, chiefly pyrolusite which cements and partly replaces brecciated chert and is therefore a highly siliceous ore. It occurs as thin (1 to 6 inches thick) layers of ore bearing chert interbedded with relatively barren chert. The ore has to be mined by blasting. Run of the mill hard ore averages 15 to 23% Mn and 0.11% P. In order to market this ore it would probably require fine crushing of the chert and briquetting of the concentrate; (2) soft ore is mostly pulverent pyrolusite in chert and clay that are residual from the weathering of the upper half of the Fort Payne chert which is exposed on the lower, western slope of Red Mountain. The ore bearing layers vary from stringers to beds 3 feet thick. Ore has been concentrated by circulating ground water on low terraces on the northwest slope of Red Mountain. In the lowlands at the foot of the slope, it may be overlain by as much as 30 feet of clay overburden. The ore is difficult to mine and handle but is reputedly a direct shipping ore requiring no concentration.

The district had produced about 14,000 long tons as of 1941, containing from 25 to 51 percent of manganese. Most of this ore was marketed in the Birmingham area.

The physical description (item 4 of application) submitted by the applicant describes deposits on the land of W. A. Smith and Bertis Hill which property evidently lies within the district proper.

The applicant claims ore reserves in the vicinity of 3 million tons averaging 30 percent manganese and higher for these properties. I have not been able to find any reserve estimates for the district but the geologic character of the deposits suggests that the applicant's figure is excessive.

It is apparent from item 5b, that the applicant has included mining along with exploration and should be advised to make the necessary revisions in his application.

The weird, generalized and vague report on the manganese property in Blount County, Alabama by B. L. Davis leaves much to be desired, if one were to put it charitably. The location of this property on the applicant's map is practically useless. It may be the Vines property which G. W. Stose briefly makes reference to saying, "A small amount of hard ore was reported collected from the surface on the Vines and A. W. Oden lands 7 to 8 miles northeast of Oneata. These deposits are in the Fort Payne chert, southwest of the proved manganese ore bodies and are probably not of commercial value."

Recommendations: The applicant should be requested to revise and supplement the present application with the following:

(1) Eliminate mining costs from the application. This would dispense with the request for a power shovel, bulldozer, ore shed, tool house and probably the air compressor and pumps. The labor and miscellaneous costs would also have to be revised accordingly.

(2) Furnish maps on the W. A. Smith property giving the location of the 15 prospect shafts, the location of the samples and the assays of each, the exact area to be prospected and location of the proposed prospect shafts. These maps should be on a scale of 100 or 200 feet to the inch.

(3) Furnish a more detailed map showing the location of both the Smith and Vine properties.

(4) Supply more information as to their reserve estimates of about 3 million tons of + 30 percent manganese ore and also identify the "recent geological surveys" they refer to.

(5) Furnish a more detailed map showing the location of the Vines property, as well as maps on 100 or 200 feet to the inch showing the location of exploration shafts put down on this property as well as indicate the location of the planned prospect shafts. Location and assay of sampling also should be posted on such maps.

(6) A statement on the ore dressing method proposed and of the disposition of the product.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 2 1952

Supplemental Rider

to

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103 In Re: ALABAMA MANGANESE CORPORATION
Docket # DMEA-2608

This additional information is forwarded this 29th day of August, 1952 in accordance with the request contained in the letter of DMEA addressed to applicant July 17, 1952.

Applicant first wishes to amend its original application by substituting the lease secured from William A. Smith with a new lease secured from R. B. Vines covering his property in Section 1, Township 12, Range 2E, Blount County, Alabama. That lease duly recorded had to be substituted since Smith refused to sign the owners consent to lien. Permission is therefore asked to remove the Smith property from this application and include instead the property of R. B. Vines on which the owner's consent to lien has been secured. Applicant, however, is perfectly willing and requests permission to consider the Smith property as part of this application even though the lien consent is not available at this time. Five(5) copies of the lease with R. B. Vines are enclosed herein for attachment to the original application.

Answering paragraph 1 of the Department's letter of July 17th: Giving in detail the amount of work required is virtually impossible to answer. Unquestionably, bull dozer work will be required to uncover the ore veins known to exist from 8 to 12 feet below the surface. There will have to be a grea t number of shallow shafts ranging in depth from 12 to 40 feet depending upon location and over-burden. These shafts will be from 5 feet wide to about 6 feet in length. Both Vine properties will have to be worked by incline shaft since the ore on this property has a pitch of about 30 degrees West, the strike of the main vein being north and south.

Attached hereto and made a part hereof are maps as requested by the Department.

Answering request # 2 of the July 17th letter, maps on the Hill, Elvin Vine and R. B. Vine properties show the location of the shafts, from which samples were taken, the assay results of which are noted on the maps.

Answering paragraph 3, the maps requested are herewith enclosed.

We will attempt to answer inquiries in paragraph 4 of the July 17 letter as follows: Mr. L. P. Davis, Vice-President of the applicant company who has been actively engaged in geological work for twenty years, has spent many months during the year 1952 actively surveying the property and supervising the shaft work and prospecting. Mr. B. L. Davis, whose report was attached to the original application herein

and is a graduate mining engineer, confirms the opinion of Mr. L. P. Davis. Based upon actual observations, it is the opinion of both geologists that the estimate of 3 million tons of 30% Manganese is modest. It is stated that the vein of ore is about 3 feet in depth and would cover an area of several miles in width. More precise information is exactly what is intended to be secured through the assistance sought in this application.

Referring to inquiry #5 of the July 17th letter, since no laboratory test has been made on this ore to determine the best method for dressing the ore, this question can not be answered. That, too, is what the applicant hopes to explore with the assistance of the Department of Interior as herein applied for.

Owners' consents to liens are herein enclosed as requested in paragraph 6 of the July 17th letter.

We trust that this now fully completes our application so that same may be processed with a view to expediting the exploration, which appears to be extremely important not only for the applicant but to the nation.

Respectfully submitted,

ALABAMA MANGANESE CORPORATION

By Arthur J. Gutman

Arthur J. Gutman, Secretary

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of BLOUNT, described ~~as~~ ~~follows~~

in a lease dated June 14, 1952, and recorded in Book 102, Page 547, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - $23,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Edwin H. Vesser [Seal]

Evelyn Vesser [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of ETOWAH, described ~~as~~ ~~xxxxxxxx~~

~~in a lease dated June 13, 1952, and recorded in Book 103, Page 23, official records of said County.~~

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - $23,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 30 day of July, 1952

R. B. Vines [Seal]

Pearl Vines [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of ALABAMA, County of ETOWAH, described ~~as~~ ~~follows~~ 1/

in a lease dated June 13, 1952, and recorded in Book 102, Page 550, official records of said County.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ ALABAMA MANGANESE CORPORATION

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ - - - $23,985.00 - - -, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 29 day of July, 1952.

Burton Hill [Seal]

Andrew Mac Hill [Seal]

[Seal]

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

LEASE AND OPTION TO PURCHASE

This Indenture of Lease and Option To Purchase, made and entered into this 13 day of June A. D. 1952, by and between R. B. Vines and wife, Pearl Vines, party of the first part of Blount County, Alabama, and ALABAMA MANGANESE CORPORATION, heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for andin consideration of the sum of One Dollar($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter described for the purpose of searching for manganese ore ~~and all other minerals and ores, including oil and gas,~~ and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, ~~all such ores, minerals, oils and gases that~~ may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The party of the second part is hereby permitted to enter upon said lands and mine for ore only on such lands as no growing crop is standing or on land which has not been prepared for growing crops.

This contract shall be null and void if the second party should for any successive ninety day period fail to carry on some mining operation for ore herein. It shall also be null and void should said second party unreasonably fail to pay the royalties

hereinafter mentioned.

The lands herein referred to are situated in Blount County, Alabama, Section 1, Township 12, Range 2 E and are more specifically described in the rider hereto attached and made a part hereof.

The party of the first part shall receive from the party of the second part a royalty of Ten Percent (10%) of the net sales price actually received by the second party for all ores and minerals mined and shipped from the described real estate and actually paid for by the purchasers thereof. Said royalties shall be due and payable to the first party within five days after the receipt by the second party of the payment for such sales and shipments.

The aforesaid royalty shall apply to manganese ore and any and all other ores or minerals that may be secured off or out of the lands herein described.

The option to purchase the lands herein described or any part thereof shall continue from one year only from the date above mentioned. Said option shall refer only to mineral rights and not to ownership of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive payment for such mineral rights so purchased for the sum of to agree on p rice laterper acre, cash in advance.

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 13th day of June A. D. 1952.

R. B. Vines

Pearl Vines

ALABAMA MANGANESE CORPORATION

By L. P. Davis
Vice-President

STATE OF ALABAMA

COUNTY OF Blount

I, Doris B. Hendrix, a Notary Public in and for said County and State, hereby certify that R. B. Vines & Pearl Vines whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 13th day of June 1952.

Doris B. Hendrix
Notary Public in and for
Blount County, State of
Alabama.

My Commission expires:
Sept. 30, 1952

RIDER

Property of R. R.(Bert)Vines and Pearl Vines(wife)

A part of the NW¼ of the NW¼ of Section 12 and a part of the SW¼ of Section 1, all in Township 12 Range 2E, as follows: Beginning at NW corner of the SW¼ of Section 1, thence South with Section line one half mile to SW corner of said quarter Section, thence a little East of South 28 rods to a rock corner on ditch, thence with ditch 28 rods, more or less, to rock corner on public road, thence with said Murphrees Valley road a NE direction about 700 feet to an old road running in a NW direction, thence with said road about 70 rods to another old road at the foot of mountain running in a NE direction, thence NE in a direct line about 80 rods to a Sycamore tree at a spring, thence a straight line running NE about 96½ rods to a rock corner at a fence on the top of Red Mountain, thence north along the fence to a rock corner on North boundary line of said SW¼ of Section 1, thence West with said line about 60 rods to point of beginning, containing in all about 75 acres, more or less, situated in Blount County, Alabama.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Memorandum July 10, 1952

To: George C. Selfridge

From: Louis Pavlides

Subject: DMEA - 2608, Alabama Manganese Corporation

The Alabama Manganese Corporation has submitted an application for aid in an exploration project the estimated cost of which is $23,985.

The location of the properties on the crude map submitted by the applicant is vague but they appear to lie in the area described by C. W. Stose of the U. S. Geological Survey in an open file report entitled, "Manganese Deposits near Walnut Grove, Etowah and Blount County, Alabama". The manganese deposits of this district are associated with the Fort Payne chert, of Mississippian Age, on the northwest limb of the Murphree Valley anticline. The ore consists of two types: (1) "hard ore" occurs in the lower beds of the Fort Payne chert which outcrops on the upper, steeper slopes of Red Mountain and consists of manganese oxide, chiefly pyrolusite which cements and partly replaces brecciated chert and is therefore a highly siliceous ore. It occurs as thin (1 to 6 inches thick) layers of ore bearing chert interbedded with relatively barren chert. The ore has to be mined b blasting. Run of the mill hard ore averages 15 to 23% Mn and o.11% P. In order to market this ore it would probably require fine crushing of the chert and briquetting of the concentrate; (2) soft ore is mostly pulverent pyrolusite in chert and clay that are residual from the weathering of the upper half of the Fort Payne chert which is exposed on the lower, western slope of Red Mountain. The ore bearing layers vary from stringers to beds 3 feet thick. Ore has been concentrated by circulating ground water on low terraces on the northwest slope of Red Mountain. In the lowlands at the foot of the slope, it may be overlain by as much as 30 feet of clay overburden. The ore is difficult to mine and handle but is reputedly a direct shipping ore requiring no concentration.

The district had produced about 14,000 long tons as of 1941, containing from 25 to 51 percent of manganese. Most of this ore was marketed in the Birmingham area.

The physical description (item 4 of application) submitted by the applicant describes deposits on the land of W. A. Smith and Bertis Hill which property evidently lies within the district proper.

The applicant claims ore reserves in the vicinity of 3 million tons averaging 30 percent manganese and higher for these properties. I have not been able to find any reserve estimates for the district but the geologic character of the deposits suggests that the applicant's figure is excessive.

It is apparent from item 5b, that the applicant has included mining along with exploration and should be advised to make the necessary revisions in his application.

The generalized and vague report on the manganese property in Blount County, Alabama by B. L. Davis leaves much to be desired, if one were to put it charitably. The location of this property on the applicant's map is practically useless. It may be the Vines property which G. W. Stose briefly makes reference to saying, "A small amount of hard ore was reported collected from the surface on the Vines and A. W. Oden lands 7 to 8 miles northeast of Oneata. These deposits are in the Fort Payne chert, southwest of the proved manganese ore bodies and are probably not of commercial value."

Recommendations: The applicant should be requested to revise and supplement the present application with the following:

(1) Eliminate mining costs from the application. This would dispense with the request for a power shovel, bulldozer, ore shed, tool house and probably the air compressor and pumps. The labor and miscellaneous costs would also have to be revised accordingly.

(2) Furnish maps on the W. A. Smith property giving the location of the 15 prospect shafts, the location of the samples and the assays of each, the exact area to be prospected and location of the proposed prospect shafts. These maps should be on a scale of 100 or 200 feet to the inch.

(3) Furnish a more detailed map showing the location of both the Smith and Vine properties.

(4) Supply more information as to their reserve estimates of about 3 million tons of + 30 percent manganese ore and also identify the "recent geological surveys" they refer to.

(5) Furnish a more detailed map showing the location of the Vines property, as well as maps on 100 or 200 feet to the inch showing the location of exploration shafts put down on this property as well as indicate the location of the planned prospect shafts. Location and assay of sampling also should be posted on such maps.

(6) A statement on the ore dressing method proposed and of the disposition of the product.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

Memorandum July 10, 1952

To: George C. Selfridge

From: Louis Pavlides

Subject: DMEA - 2608, Alabama Manganese Corporation

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The district had produced about 14,000 long tons as of 1941, containing from 25 to 51 percent of manganese. Most of this ore was marketed in the Birmingham area.

The physical description (item 4 of application) submitted by the applicant describes deposits on the land of W. A. Smith and Bertis Hill which property evidently lies within the district proper.

The applicant claims ore reserves in the vicinity of 3 million tons averaging 30 percent manganese and higher for these properties. I have not been able to find any reserve estimates for the district but the geologic character of the deposits suggests that the applicant's figure is excessive.

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The vague, generalized and vague report on the manganese property in Blount County, Alabama by B. L. Davis leaves much to be desired, if one were to put it charitably. The location of this property on the applicant's map is practically useless. It may be the Vines property which G. W. Stose briefly makes reference to saying, "A small amount of hard ore was reported collected from the surface on the Vines and A. W. Oden lands 7 to 8 miles northeast of Oneata. These deposits are in the Fort Payne chert, southwest of the proved manganese ore bodies and are probably not of commercial value."

Recommendations: The applicant should be requested to revise and supplement the present application with the following:

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(3) Furnish a more detailed map showing the location of both the Smith and Vine properties.

(4) Supply more information as to their reserve estimates of about 3 million tons of + 30 percent manganese ore and also identify the "recent geological surveys" they refer to.

(5) Furnish a more detailed map showing the location of the Vines property, as well as maps on 100 or 200 feet to the inch showing the location of exploration shafts put down on this property as well as indicate the location of the planned prospect shafts. Location and assay of sampling also should be posted on such maps.

(6) A statement on the ore dressing method proposed and of the disposition of the product.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2608
Metal or Mineral
Date Received 7-7-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Alabama Manganese Corporation, 409 Professional Bldg., Jacksonville Fla. - a corporation organized under the laws of Alabama. President, Jack Rodriguez, 221 E. 3rd St.; V-Pres. L. P. Davis, 221 E. 3rd St.; Treasurer, Norton Turbow, 3601 Hendricks Ave; Secretary, A. J. Gutman, 409 Professional Bldg., all in Jacksonville, Florida.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract.
For answer to this we attached copies of existing leases

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
Lessee of all lands referred to

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 1952

16—66551-1

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Manganese Ore

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 14 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated July 2, 1952

ALABAMA MANGANESE CORPORATION
(Applicant)

By L. P. Davis Vice president

409 Professional Building
Jacksonville, Florida

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103

In re: Alabama Manganese Corporation

4. (a) This Company has sunk approximately 15 shallow shafts to a depth of 18 to 25 feet during the past two months. These shafts are located on the property of William A. Smith and Bertis Hill, the legal description of which property is set forth in the attached leases under instruction #3 herein. The mine workings are easily accessible for examination purposes from Alabama Highway 78, approximately 2 miles West of Walnut Grove, Alabama.

(b) Approximately 10,000 tons of manganese ore, averaging better than 40% and ranging in grade from 37% to 79% manganese ore, was taken from these properties between the years 1929 and 1939. It is estimated that the ore reserves on these properties, based on recent geological surveys, would run in the neighborhood of three million tons of manganese ore, of an average better than 30% with large reserves of high grade ore which will assay as high as 75% or better.

(c) The geological measures are the lower Missippian and Clinton Limestone of the Silurean Age. These measures contain manganese veins, one in the lower Missippian and one in the upper Clinton lime.

Attached, hereto, is a copy of Geologic Report prepared by B. L. Davis, mining engineer, Class of 1901 - Colorado School of Mines, Golden, Colorado, whose present address is Winnemucca, Nevada, who made a personal survey and whose report of which is attached as aforesaid.

(d) The project is very easily accessible from a well paved highway and is four miles from a siding of the Louisville and Nashville Railroad. The property is located approximately 2 miles from Walnut Grove, Alabama and about 15 miles from the city of Gadsden, Alabama.

(e) There is an abundance of manpower readily available, plenty of water, electric power lines on the properties and all materials and supplies readily available.

5.(b) Most of the work will be open pit mining which will be done with a bulldozer and power shovel; also some shallow shaft work from twenty to thirty feet deep to locate pocket of manganese.

Attached, hereto, and marked Exhibit A is a sketch of the property showing the cross sections of the present mine workings and the proposed exploration work.

(c) The work on this project started with shallow shaft mining about April 2[illegible], 1952 and has continued from that date up to and including June 21, 1952. It is impossible to determine a completion period because the exploration work and actual mining will go on indefinately.

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MP-103 In re: Alabama Manganese Corporation

6. (a)	Power Shovel, two(2) weeks @ $500.00 per week	$1,000.00
	Bulldozer, two(2) weeks @ $500.00 per week	1,000.00
(b)	Labor. 24 men @ $1.00 per hour for six(6) weeks	5,760.00
	Six(6) weeks supervision by mining foreman @ $150.00	900.00
	Six(6) weeks general supervisor @ $150.00	900.00
	Two(2) weeks mining engineer @ $250.00	500.00
	Two(2) weeks geological consultant @ $500.00	1,000.00
(c)	1 Air Compressor for drilling operations	6,000.00
	6 water pumps @ $350.00	2,100.00
	Miscellaneous hand tools	400.00
(d)	Miscellaneous hand tools	200.00
(e)	None	
(f)	Shed for storing ore as accumulated before loading on railroad will be constructed at a cost of	1,200.00
	Tool House	400.00
(g)	Miscellaneous:	
	Analytical work	800.00
	Accounting	400.00
	Workman compensation and employers liability insurance	540.00
	Payroll Taxes	135.00
	Attorneys' fees	750.00
		$23,985.00

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

State of Alabama
County of Etowah

This agreement entered into by William A. Smith, party of the first part and L. P. Davis, party of the second part as follows:

FIRST: I, William A. Smith have this day leased the following:

The Northwest quarter of the Southeast quarter and the SW quarter of the SE quarter, less 3 acres on the South side of the Walnut Grove-Cullman highway, section 15, Township 11, Range 3 east, containing 77 acres more or less. All lands lying and being in Etowah County, Alabama. All mineral interest reserved.

Also: all of minerals, mineral and mining rights and interest in and under and upon the NW quarter of the SE quarter of Section 15 in Township 11, South of Range 3, East of Huntsville, Meridian, Etowah County, Alabama. Also: SW¼ of SE¼ Section 15, Township 11, Range 3 East, to L. P. Davis for the purpose of mining for ore.

SECOND: I, William A. Smith, shall receive 10% royalty on all ores mined and shipped on the aforesaid real estate. Such royalty shall be paid to said William A. Smith on the first day and the fifteenth day of each month after the beginning of the first ore shipped.

THIRD: L. P. Davis, party of the second part is hereby permitted to enter upon the aforesaid real estate and mine for ore only on such real estate which there is not a growing crop or land which is prepared for growing crop.

FOURTH: This contract is null and void if L. P. Davis fails to mine after 90 days failure to mine for ore, also null and void for failure to pay royalty as heretofore mentioned.

Witness our hand and seal this April 18, 1952.

William A. Smith
Party of the first part

L. P. Davis
Party of the Second part

(Name illegible)
Witness

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

REPORT ON MANGANESE PROPERTY IN BLOUNT COUNTY, ALABAMA

Location:

This property is located on Red Mountain in the Northern part of Blount County, Alabama, about eight miles from Oneonta.

Red Mountain has a strike in a Northeast and Southwest direction, it derives its name from a large vein of Red Hematite iron ore, this iron ore extends through the entire length of the mountain.

Originally the manganese vein also extended over a large part of the mountain, especially all the higher portions covered by the upper part of the Clinton formation.

Geology:

The geological measures on this part of Red Mountain are of the Silurian Age. This age includes the Clinton formation. This formation is the main mineralized section of the Silurian Age, contains the manganese and the Red Hematite ores.

The manganese ores were formed within the upper part of the Clinton measures, with the iron ore in the Central part, about two hundred below the manganese vein.

Property:

The vines land and the adjoining property extend from the foot of the mountain on the Northwest side, extending over the apex and the Southeast side of the mountain.

These lands are the only large acreage that contains the manganese ores as they were originally formed. Other sections erosions and disintergration of the measures have removed the upper Clinton formations and the manganese vein.

Area:

These lands contain quite a large acreage of the manganese ore and a large tonnage is available for mining. In fact, the amount of ore that can be mined justifies the installation of a crushing and concentrating plant. This will insure a large tonnage of very high grade of Pyrosulate manganese , eliminating most of the Silica contents.

This is the same manganese vein that has been mined and shipped from Walnut Grove, There erosions from rains carried the metal partly down the side of the mountain separating the Silica and leaving a concentrate of high grade manganese.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

By installing a plant on the vines property you will be able to recover a still higher grade manganese than was shipped from the operation at Walnut Grove; and with the tonnage of ore available for crushing and concentrating you will have an ore suitable to be sold to the chemical industry at the hightest price, and can be assured of a large profit.

D. L. Davis, Engr.

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building, Jacksonville, Florida

LEASE ~~AND OPTION TO PURCHASE~~

This Indenture of Lease and Option to Purchase, made and entered into this 14 day of June A. D. 1952, by and between Elvin H. Vines & wife, Evelyn Vines, party of the first part of Blount County, Alabama, and Alabama Manganese Corp. heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for and in consideration of the sum of One Dollar ($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter descibed for the purpose of searching for manganese ore ~~and all other minerals and ores, including oil and gas~~, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, all such ores, minerals, ~~oil and gas~~ that may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The lands herein referred to are situated in Blount County, Alabama, Section 1, Township 12, Range 2 East and are more specifically described in the rider hereto attached and made a part hereof.

The party of the second part agrees to pay as a royalty to the party of the first part $1.25 per ton for manganese actually delivered sold and paid for. All royalties shall be payable within five days after receipt of payment therefore by the party of the second part.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building, Jacksonville, Florida

~~The option to purchase the lands hereinabove described or any part thereof shall continue for one year from the date hereof. Said option shall refer only to the mineral rights and not to surface rights of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive royalty on all of the mineral rights so purchased for the term of 99 years.~~

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 14 day of June A. D. 1952.

Elvin H. Vines

Evelyn Vines

Alabama Manganese Corporation

By L. P. Davis

Vice-President

STATE OF ALABAMA

COUNTY OF Blount

I, N. Lafon, a Notary Public in and for said County and State, hereby certify that Elvin H. Vines and wife, Evelyn Vines whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 14 day of June 1952

N. Lafon
Notary Public in and for Blount County, State of Alabama.

My Commission expires:

5/30/53

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building, Jacksonville, Florida

RIDER

Property of Elvin Vines and Evelyn Vines, his wife.

Fifteen(15) acres evenly off of the East Side of the SW$\frac{1}{4}$ of the NW$\frac{1}{4}$, also the East half of the NW$\frac{1}{4}$ of the NW$\frac{1}{4}$; the NW$\frac{1}{4}$ of the NW$\frac{1}{4}$ of the NW$\frac{1}{4}$; the SW diagonal half of the NE$\frac{1}{4}$ of the N W$\frac{1}{4}$ and about 5 acres in the SW corner of SE$\frac{1}{4}$ of NW$\frac{1}{4}$, the top of Red Mountain being the line, all in Section 1, Township 12, Range 2E. Also the surface right in and to all that part of Section 1, Township 12, Range 2E lying north of the bluff of Red Mountain containing 13 acres, more or less, and containing in all above described lands 83 acres more or less.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

LEASE AND OPTION TO PURCHASE

This Indenture of Lease and Option to Purchase, made and entered into this 13 day of June A. D. 1952, by and between Bertis Hill and wife, Audrey Mae Hill, party of the first part of Etowah County, Alabama, and Alabama Manganese Corp. heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for and in consideration of the sum of One Dollar ($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter descibed for the purpose of searching for manganese ore and all other minerals and ores, including oil and gas, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, all such ores, minerals, oils and gases that may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The lands herein referred to are situated in Etowah County, Alabama, Section 15, Township 11, Range 3E and are more specifically described in the rider hereto attached and made a part hereof.

The party of the second part agrees to pay as a royalty to the party of the first part ~~$1.25~~ 10% per ton* for manganese or other minerals actually delivered sold and paid for. All royalties shall be payable within five days after receipt of payment therefore by the party of the second part.

*of the current market price or of the actual price obtained whichever is larger

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

The option to purchase the lands and mineral rights herein described or any part thereof shall continue from one year only from the date above mentioned. Said option shall refer ~~only to~~ to land and mineral rights and ~~not~~ to ownership of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive payment for such mineral rights so purchased for the sum of - - - $250.00 - - - per acre, cash in advance.

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 13 day of June A. D. 1952.

Bertis Hill

Audrey Mae Hill

Alabama Manganese Corp.

By L. P. Davis

STATE OF ALABAMA

COUNTY OF Etowah

I, Coy Sheltin, a Notary Public in and for said County and State, hereby certify that Bertis Hill and Audrey Mae Hill whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 13 day of June 1952

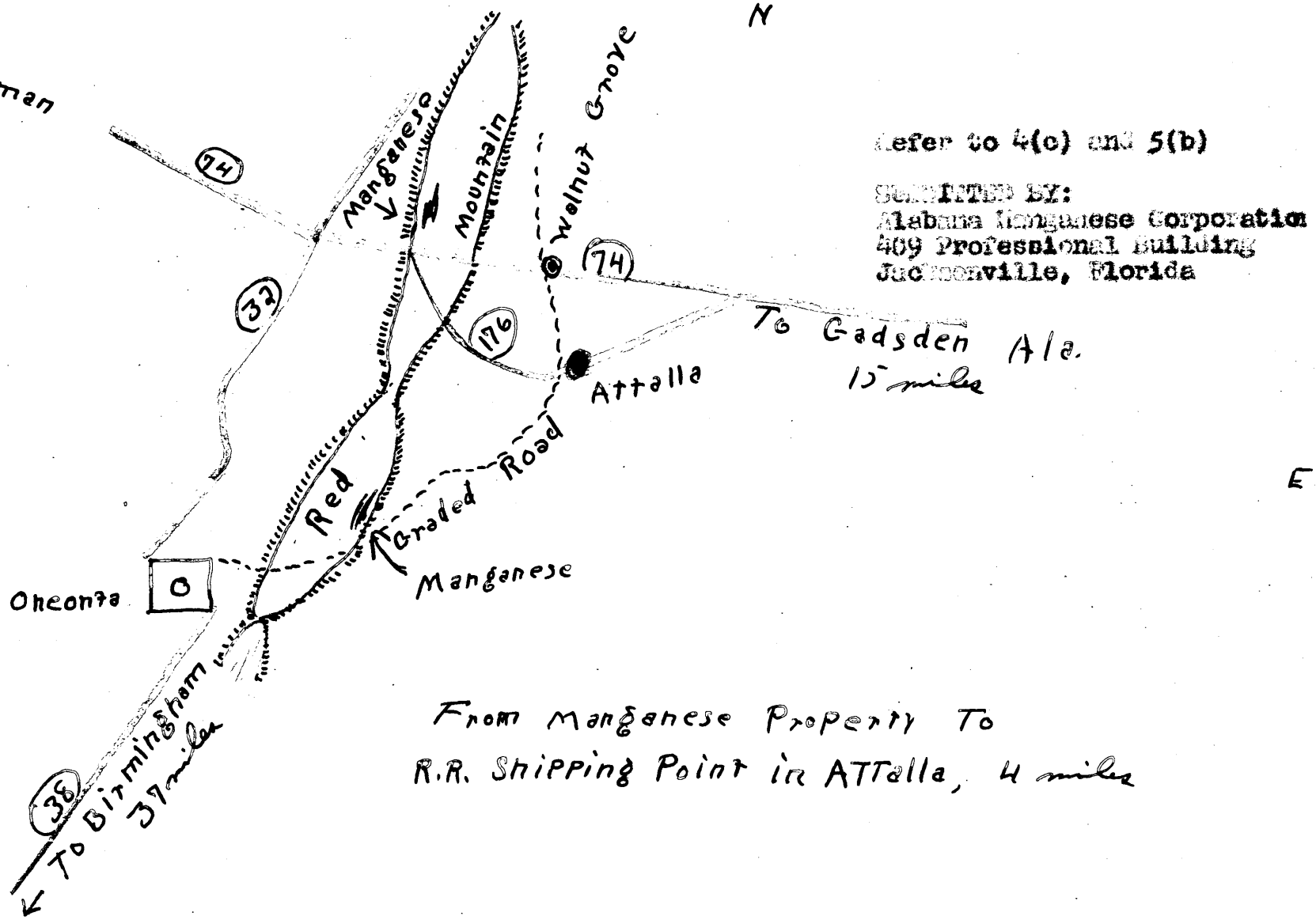
Coy Sheltin
Notary Public in and for Etowah County, State of Alabama.

My Commission expires:
10/15/53

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

RIDER

The NE¼ of the SE¼ in Section 15, Township 11, Range 3East containing 40 acres more or less. Also, the SE¼ of the NE¼ of Section 15, Township 11, Range 3 East, 40 acres more or less, situated in Etowah County, Alabama, totaling about 80 acres.



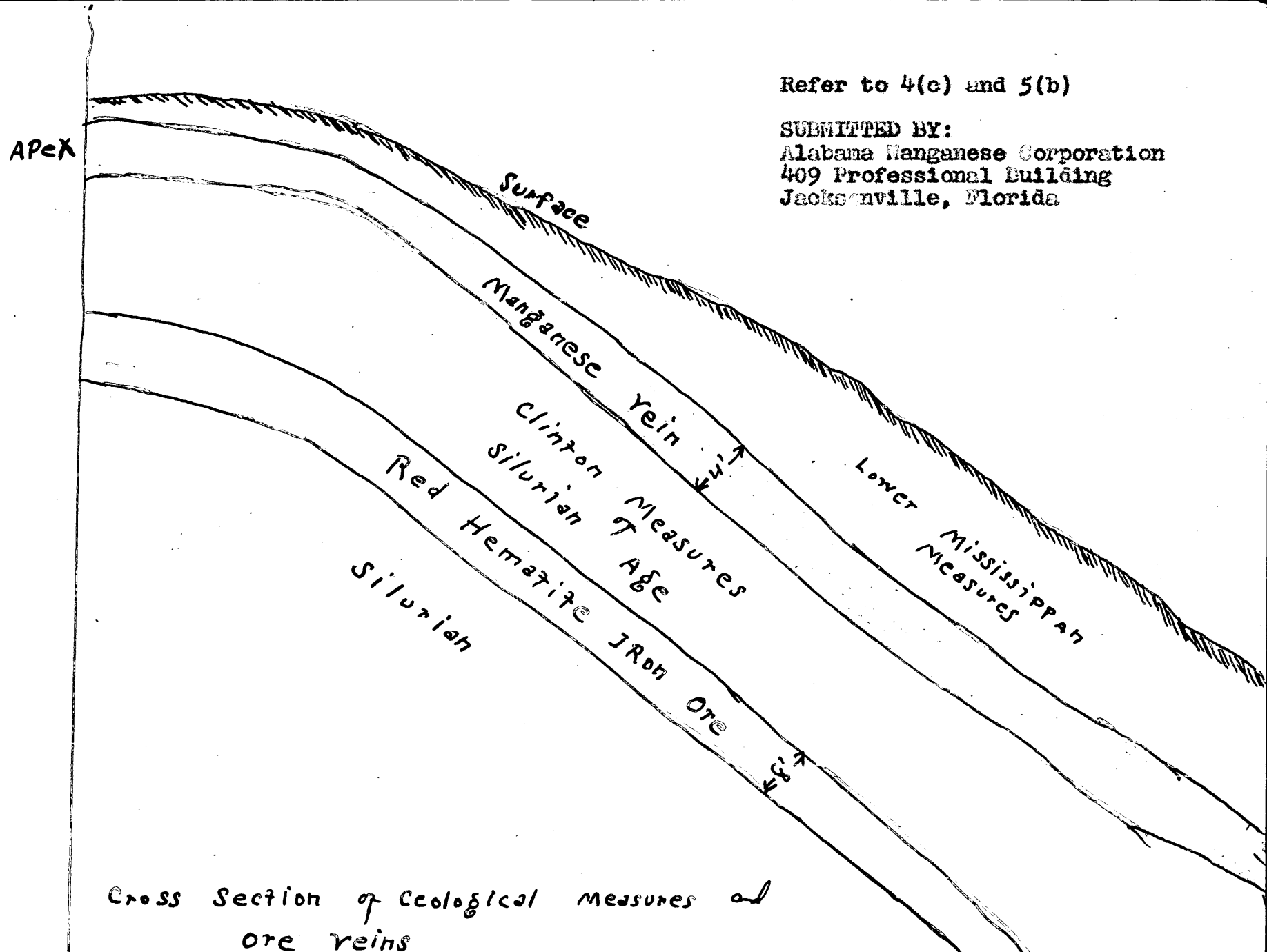
From Manganese Property To
R.R. Shipping Point in ATTalla, 4 miles

Refer to 4(c) and 5(b)

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Refer to 4(c) and 5(b)

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida



Cross Section of Geological Measures and Ore Veins

EXPLORATION

Subject: DMEA-2608
Re: Exploration Loan
July 8, 1952

Mr. L. P. Davis, Vice President
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

My dear Mr. Davis:

This will acknowledge receipt of your application dated July 2, 1952, for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2608 and referred to the Iron and Ferro-Alloys Division.

Kindly refer to DMEA-2608 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Administrative Officer

7862

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. DMEA-2608
Metal or Mineral
Date Received 7-7-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Alabama Manganese Corporation, 409 Professional Bldg., Jacksonville Fla. - a corporation organized under the laws of Alabama. President, Jack Rodriguez, 221 E. 3rd St.; V-Pres. L. P. Davis, 221 E. 3rd St.; Treasurer, Morton Turbow, 3601 Hendricks Ave; Secretary, A. J. Gutman, 409 Professional Bldg., all in Jacksonville, Florida.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

For answer to this we attached copies of existing leases

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

Lessee of all lands referred to

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 - 1952

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Manganese Ore

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 14 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated July 2, 1952

ALABAMA MANGANESE CORPORATION
(Applicant)

By L. P. Davis Vice President
409 Professional Building
Jacksonville, Florida

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103

In re: Alabama Manganese Corporation

4. (a) This Company has sunk approximately 15 shallow shafts to a depth of 18 to 25 feet during the past two months. These shafts are located on the property of William A. Smith and Bertis Hill, the legal description of which property is set forth in the attached leases under instruction #3 herein. The mine workings are easily accessible for examination purposes from Alabama Highway 78, approximately 2 miles West of Walnut Grove, Alabama.

(b) Approximately 10,000 tons of manganese ore, averaging better than 40% and ranging in grade from 37% to 79% manganese ore, was taken from these properties between the years 1929 and 1939. It is estimated that the ore reserves on these properties, based on recent geological surveys, would run in the neighborhood of three million tons of manganese ore, of an average better than 30% with large reserves of high grade ore which will assay as high as 75% or better.

(c) The geological measures are the lower Missippian and Clinton Limestone of the Silurean Age. These measures contain manganese veins, one in the lower Missippian and one in the upper Clinton lime.

Attached, hereto, is a copy of Geologic Report prepared by B. L. Davis, mining engineer, Class of 1901 - Colorado School of Mines, Golden, Colorado, whose present address is Winnemucca, Nevada, who made a personal survey and whose report of which is attached as aforesaid.

(d) The project is very easily accessible from a well paved highway and is four miles from a siding of the Louisville and Nashville Railroad. The property is located approximately 2 miles from Walnut Grove, Alabama and about 15 miles from the city of Gadsden, Alabama.

(e) There is an abundance of manpower readily available, plenty of water, electric power lines on the properties and all materials and supplies readily available.

5.(b) Most of the work will be open pit mining which will be done with a bulldozer and power shovel; also some shallow shaft work from twenty to thirty feet deep to locate pocket of manganese.

Attached, hereto, and marked Exhibit A is a sketch of the property showing the cross sections of the present mine workings and the proposed exploration work.

(c) The work on this project started with shallow shaft mining about April 28, 1952 and has continued from that date up to and including June 21, 1952. It is impossible to determine a completion period because the exploration work and actual mining will go on indefinately.

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

RIDER TO UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

FORM: MF-103 In re: Alabama Manganese Corporation

6. (a)	Power Shovel, two(2) weeks @ $500.00 per week	$1,000.00
	Bulldozer, two(2) weeks @ $500.00 per week	1,000.00
(b)	Labor. 24 men @ $1.00 per hour for six(6) weeks	5,760.00
	Six(6) weeks supervision by mining foreman @ $150.00	900.00
	Six(6) weeks general supervisor @ $150.00	900.00
	Two(2) weeks mining engineer @ $250.00	500.00
	Two(2) weeks geological consultant @ $500.00	1,000.00
(c)	1 Air Compressor for drilling operations	6,000.00
	6 water pumps @ $350.00	2,100.00
	Miscellaneous hand tools	400.00
(d)	Miscellaneous hand tools	200.00
(e)	None	
(f)	Shed for storing ore as accumulated before loading on railroad will be constructed at a cost of	1,200.00
	Tool House	400.00
(g)	Miscellaneous:	
	Analytical work	800.00
	Accounting	400.00
	Workman compensation and employers liability insurance	540.00
	Payroll Taxes	135.00
	Attorneys' fees	750.00
		$23,985.00

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

State of Alabama
County of Etowah

This agreement entered into by William A. Smith, party of the first part and L. P. Davis, party of the second part as follows:

FIRST: I, William A. Smith have this day leased the following:

The Northwest quarter of the Southeast quarter and the SW quarter of the SE quarter, less 3 acres on the South side of the Walnut Grove-Cullman highway, section 15, Township 11, Range 3 east, containing 77 acres more or less. All lands lying and being in Etowah County, Alabama. All mineral interest reserved.

Also: all of minerals, mineral and mining rights and interest in and under and upon the NW quarter of the SE quarter of Section 15 in Township 11, South of Range 3, East of Huntsville, Meridian, Etowah County, Alabama. Also: SW$\frac{1}{4}$ of SE$\frac{1}{4}$ Section 15, Township 11, Range 3 East, to L. P. Davis for the purpose of mining for ore.

SECOND: I, William A. Smith, shall receive 10% royalty on all ores mined and shipped on the aforesaid real estate. Such royalty shall be paid to said William A. Smith on the first day and the fifteenth day of each month after the beginning of the first ore shipped.

THIRD: L. P. Davis, party of the second part is hereby permitted to enter upon the aforesaid real estate and mine for ore only on such real estate which there is not a growing crop or land which is prepared for growing crop.

FOURTH: This contract is null and void if L. P. Davis fails to mine after 90 days failure to mine for ore, also null and void for failure to pay royalty as heretofore mentioned.

Witness our hand and seal this April 18, 1952.

William A. Smith
Party of the first part

L. P. Davis
Party of the Second part

(Name illegible)
Witness

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

REPORT ON MANGANESE PROPERTY IN BLOUNT COUNTY, ALABAMA

Location:

This property is located on Red Mountain in the Northern part of Blount County, Alabama, about eight miles from Oneonta.

Red Mountain has a strike in a Northeast and Southwest direction, it derives its name from a large vein of Red Hematite iron ore, this iron ore extends through the entire length of the mountain.

Originally the manganese vein also extended over a large part of the mountain, especially all the higher portions covered by the upper part of the Clinton formation.

Geology:

The geological measures on this part of Red Mountain are of the Silurian Age. This age includes the Clinton formation. This formation is the main mineralized section of the Silurian Age, contains the manganese and the Red Hematite ores.

The manganese ores were formed within the upper part of the Clinton measures, with the iron ore in the Central part, about two hundred below the manganese vein.

Property:

The vines land and the adjoining property extend from the foot of the mountain on the Northwest side, extending over the apex and the Southeast side of the mountain.

These lands are the only large acreage that contains the manganese ores as they were originally formed. Other sections erosions and disintergration of the measures have removed the upper Clinton formations and the manganese vein.

Area:

These lands contain quite a large acreage of the manganese ore and a large tonnage is available for mining. In fact, the amount of ore that can be mined justifies the installation of a crushing and concentrating plant. This will insure a large tonnage of very high grade of Pyrosulate manganese , eliminating most of the Silica contents.

This is the same manganese vein that has been mined and shipped from Walnut Grove, There erosions from rains carried the metal partly down the side of the mountain separating the Silica and leaving a concentrate of high grade manganese.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

By installing a plant on the vines property you will be able to recover a still higher grade manganese than was shipped from the operation at Walnut Grove; and with the tonnage of ore available for crushing and concentrating you will have an ore suitable to be sold to the chemical industry at the hightest price, and can be assured of a large profit.

B. L. Davis, Engr.

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

LEASE ~~AND OPTION TO PURCHASE~~

This Indenture of Lease and Option to Purchase, made and entered into this 14 day of June A. D. 1952, by and between Elvin H. Vines & wife, Evelyn Vines, party of the first part of Blount County, Alabama, and Alabama Manganese Corp., heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for and in consideration of the sum of One Dollar ($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter descibed for the purpose of searching for manganese ore ~~and all other minerals and oil including oil and gas~~, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, all such ores, minerals, ~~oil and gas~~ that may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The lands herein referred to are situated in Blount County, Alabama, Section 1, Township 12, Range 2 East and are more specifically described in the rider hereto attached and made a part hereof.

The party of the second part agrees to pay as a royalty to the party of the first part $1.25 per ton for manganese actually delivered sold and paid for. All royalties shall be payable within five days after receipt of payment therefore by the party of the second part.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

~~[illegible] part [illegible] said option shall be exercised only [illegible] rights [illegible] purchased [illegible] payment for such mineral rights so purchased [illegible] per acre, cash [illegible]~~

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 14 day of June A. D. 1952.

Elvin H. Vines

Evelyn Vines

Alabama Manganese Corporation

By L. P. Davis
Vice-President

STATE OF ALABAMA

COUNTY OF Blount

I, N. Lafon, a Notary Public in and for said County and State, hereby certify that Elvin H. Vines and wife, Evelyn Vines whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 14 day of June 1952

N. Lafon
Notary Public in and for
Blount County, State
of Alabama.

My Commission expires:
5/50/53

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

RIDER

Property of Elvin Vines and Evelyn Vines, his wife.

Fifteen(15) acres evenly off of the East Side of the SW¼ of the NW¼, also the East half of the NW¼ of the NW¼; the NW¼ of the NW¼ of the NW¼; the SW diagonal half of the NE¼ of the N W¼ and about 5 acres in the SW corner of SE¼ of NW¼, the top of Red Mountain being the line, all in Section 1, Township 12, Range 2E. Also the surface right in and to all that part of Section 1, Township 12, Range 2E lying north of the bluff of Red Mountain containing 13 acres, more or less, and containing in all above described lands 83 acres more or less.

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

LEASE AND OPTION TO PURCHASE

This Indenture of Lease and Option to Purchase, made and entered into this 13 day of June A. D. 1952, by and between Bertis Hill and wife, Audrey Mae Hill, party of the first part of Etowah County, Alabama, and Alabama Manganese Corp. heirs, executors, successors and assigns, party of the second part.

WITNESSETH:

Party of the first part, for and in consideration of the sum of One Dollar ($1.00) receipt is hereby acknowledged and further consideration of rents, royalties, hereinafter mentioned does hereby lease and option for sale to said second party, heirs, successors, executors and assigns, the right of entering in and upon the lands hereinafter descibed for the purpose of searching for manganese ore and all other minerals and ores, including oil and gas, and of conducting, mining, drilling and quarrying operations to such an extent as the second party may deem advisable for a period of six years from this date and does hereby grant and convey to the said party of the second part, heirs, executors, successors and assigns, all such ores, minerals, oils and gases that may be mined in and under said lands hereinafter described during said term: but not to hold possession of any of said lands for any other purpose, the second party further agreeing to not damage in any way any building presently existing on said lands, unless prior written consent thereto is first received from the party of the first part in which event proper compensation will first be agreed upon.

The lands herein referred to are situated in Etowah County, Alabama, Section 15, Township 11, Range 3 E and are more specifically described in the rider hereto attached and made a part hereof.

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* of the current market price or of the actual price obtained, whichever is larger

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

The option to purchase the lands and mineral rights herein described or any part thereof shall continue from one year only from the date above mentioned. Said option shall refer ~~only~~ to land and mineral rights and ~~not~~ to ownership of the land and in the event said option to purchase is exercised, the party of the first part shall be entitled to receive payment for such mineral rights so purchased for the sum of - - - $250.00 - - - per acre, cash in advance.

The party of the second part shall be permitted to erect such structures and buildings as may be necessary for the proper carrying on of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 13 day of June A. D. 1952.

Bertis Hill

Audrey Mae Hill

Alabama Manganese Corp.

By L. P. Davis

STATE OF ALABAMA

COUNTY OF Etowah

I, Coy Sheltin, a Notary Public in and for said County and State, hereby certify that Bertis Hill and Audrey Mae Hill whose names are signed to the foregoing conveyance, and who are known to me, acknowledged before me on this day, that, being informed of the contents of the conveyance, they executed the same voluntarily on the day the same bears date.

Given under my hand this 13 day of June 1952

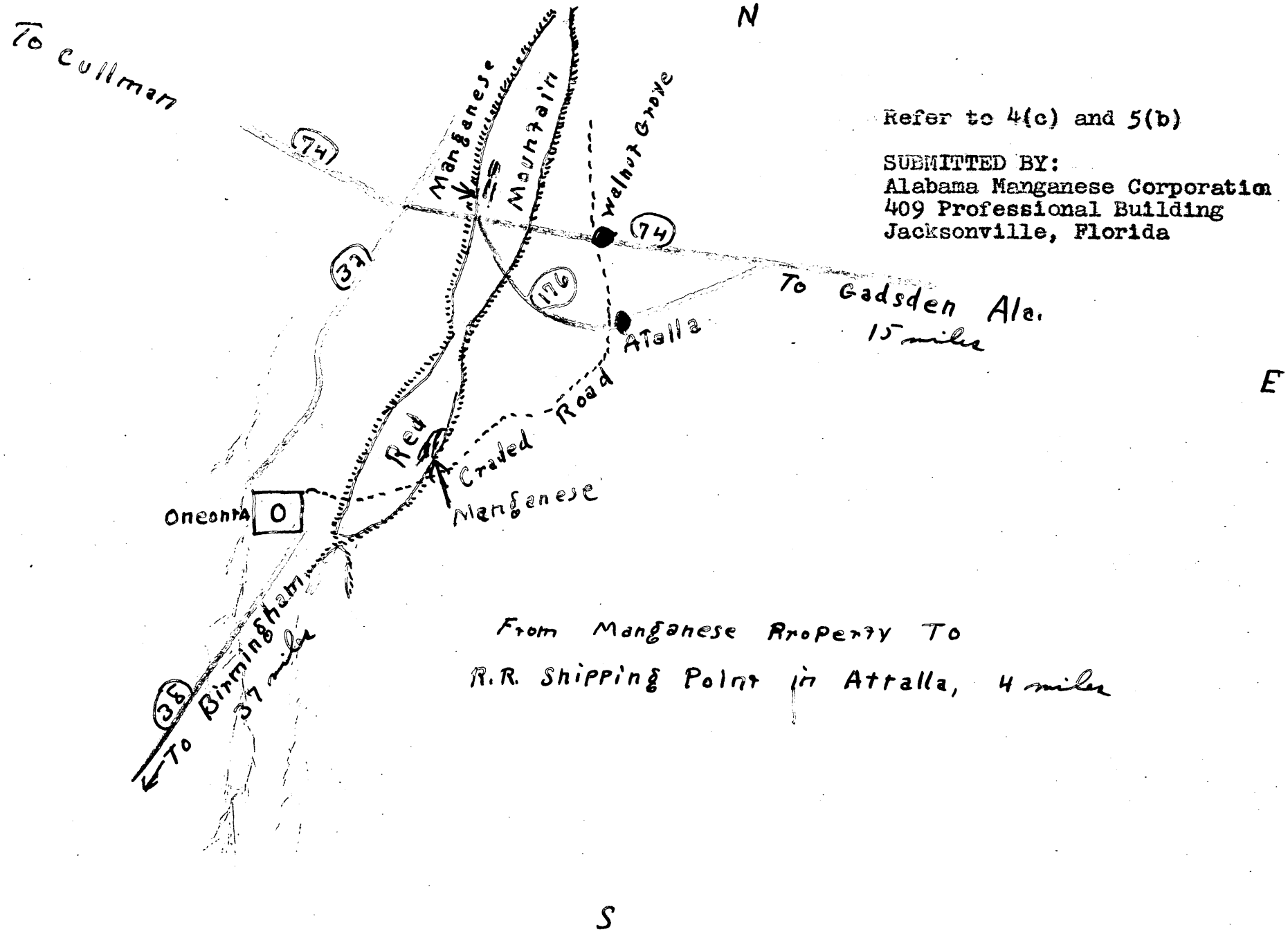
Coy Sheltin
Notary Public in and for
Etowah County, State
of Alabama.

My Commission expires:
10/15/53

SUBMITTED BY: Alabama Manganese Corporation, 409 Professional Building
Jacksonville, Florida

RIDER

The NE¼ of the SE¼ in Section 15, Township 11, Range 3 East containing 40 acres more or less. Also, the SE¼ of the NE¼ of Section 15, Township 11, Range 3 East, 40 acres more or less, situated in Etowah County, Alabama, totaling about 80 acres.

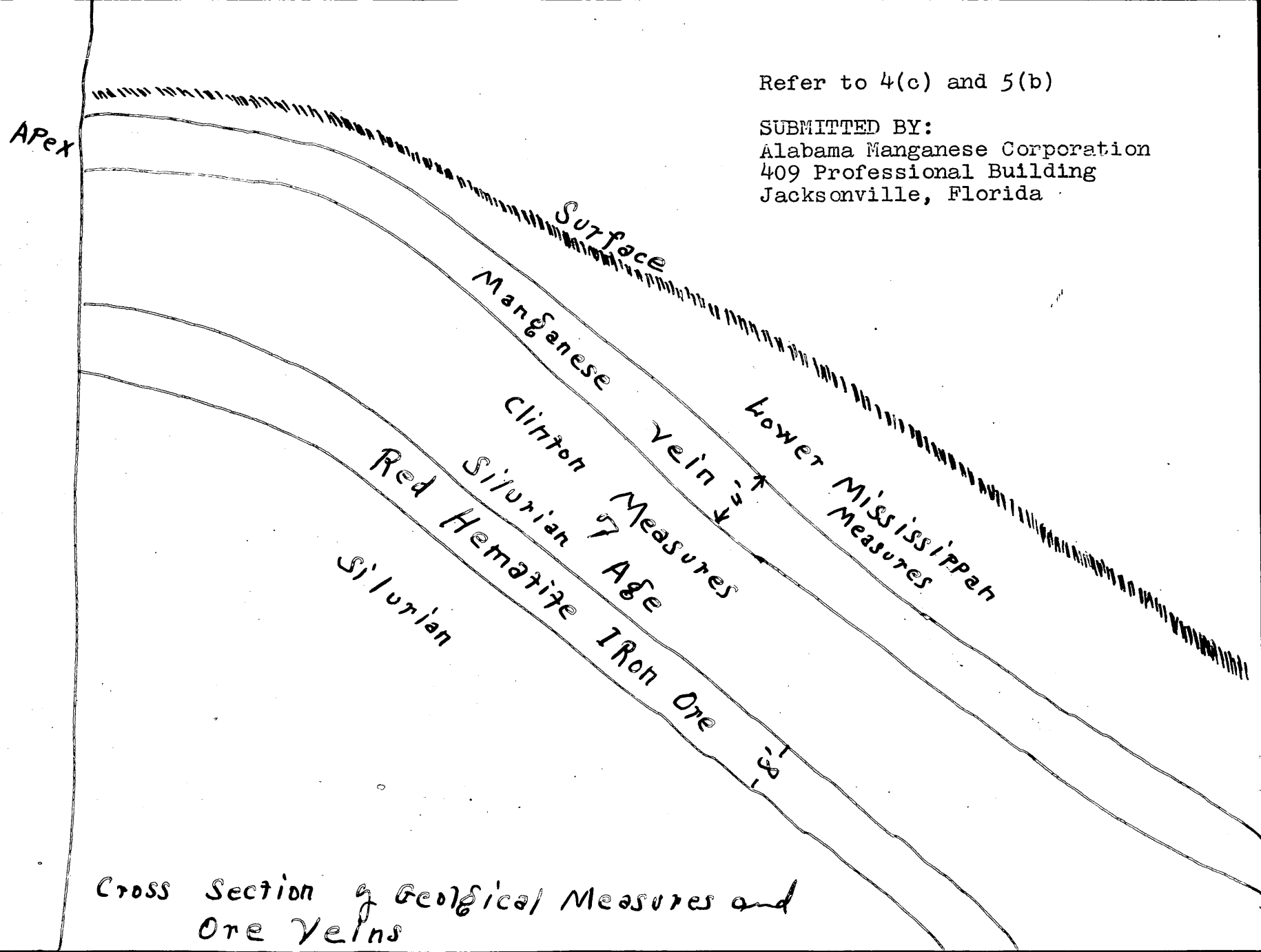


Refer to 4(c) and 5(b)

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

Refer to 4(c) and 5(b)

SUBMITTED BY:
Alabama Manganese Corporation
409 Professional Building
Jacksonville, Florida

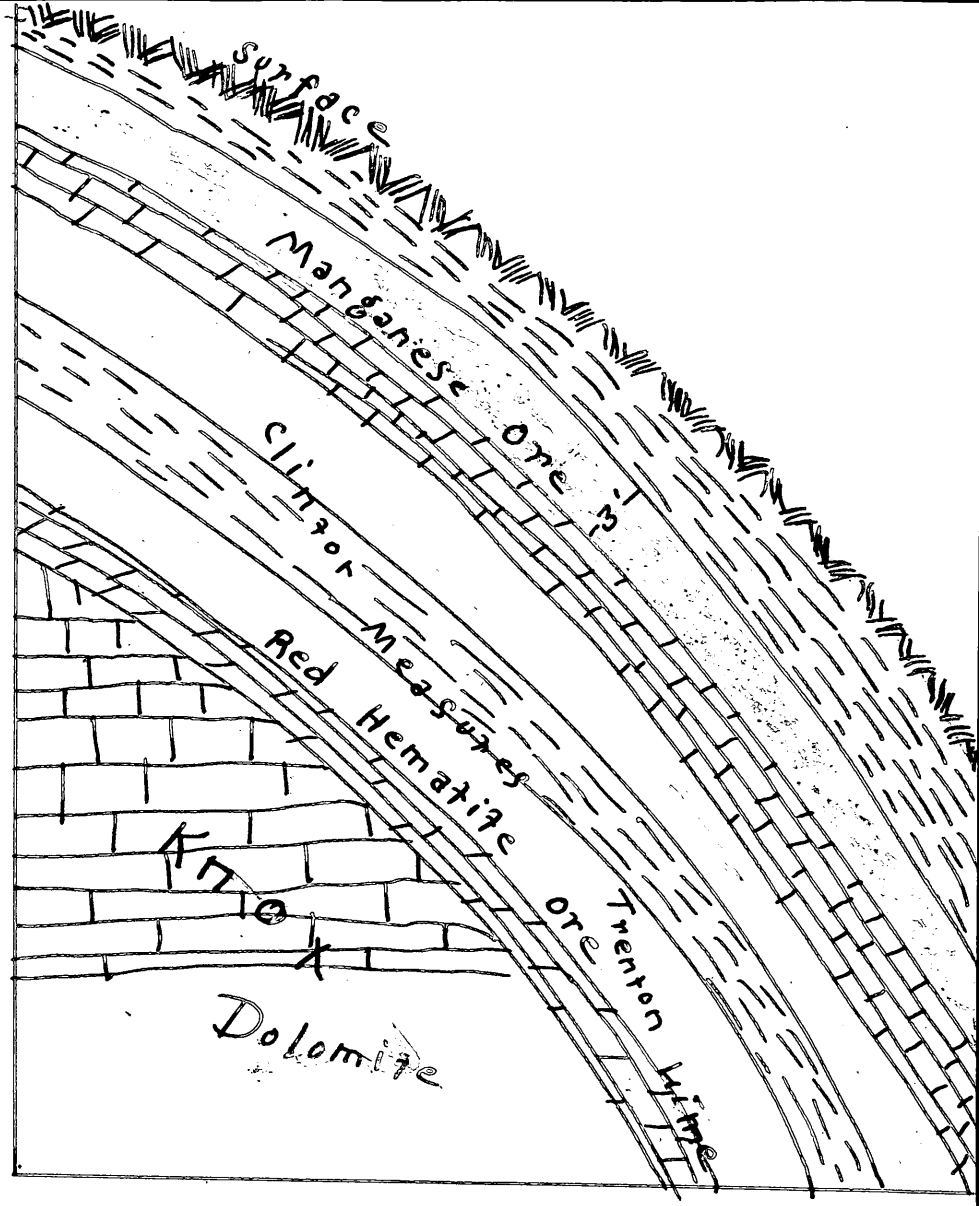


Cross Section of Geological Measures and Ore Veins

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
157 HOWARD ST.
Spokane 8, Wash.
OFFICIAL BUSINESS

Chairman, Operatin
Defense Minerals E
Department of the
Washington 25, D.

Strike of Manganese ore vein
is North and South
Pitch of ore is about 30 Degrees. West



Cross Section

of

Manganese vein on

Vine's property

Blount County, Ala.

Range 2 East

Incline Shafton Manganese Ore

NW 1/4 of NW 1/4
Section 1

NE 1/4 of NW 1/4
Section 1

NO. 2

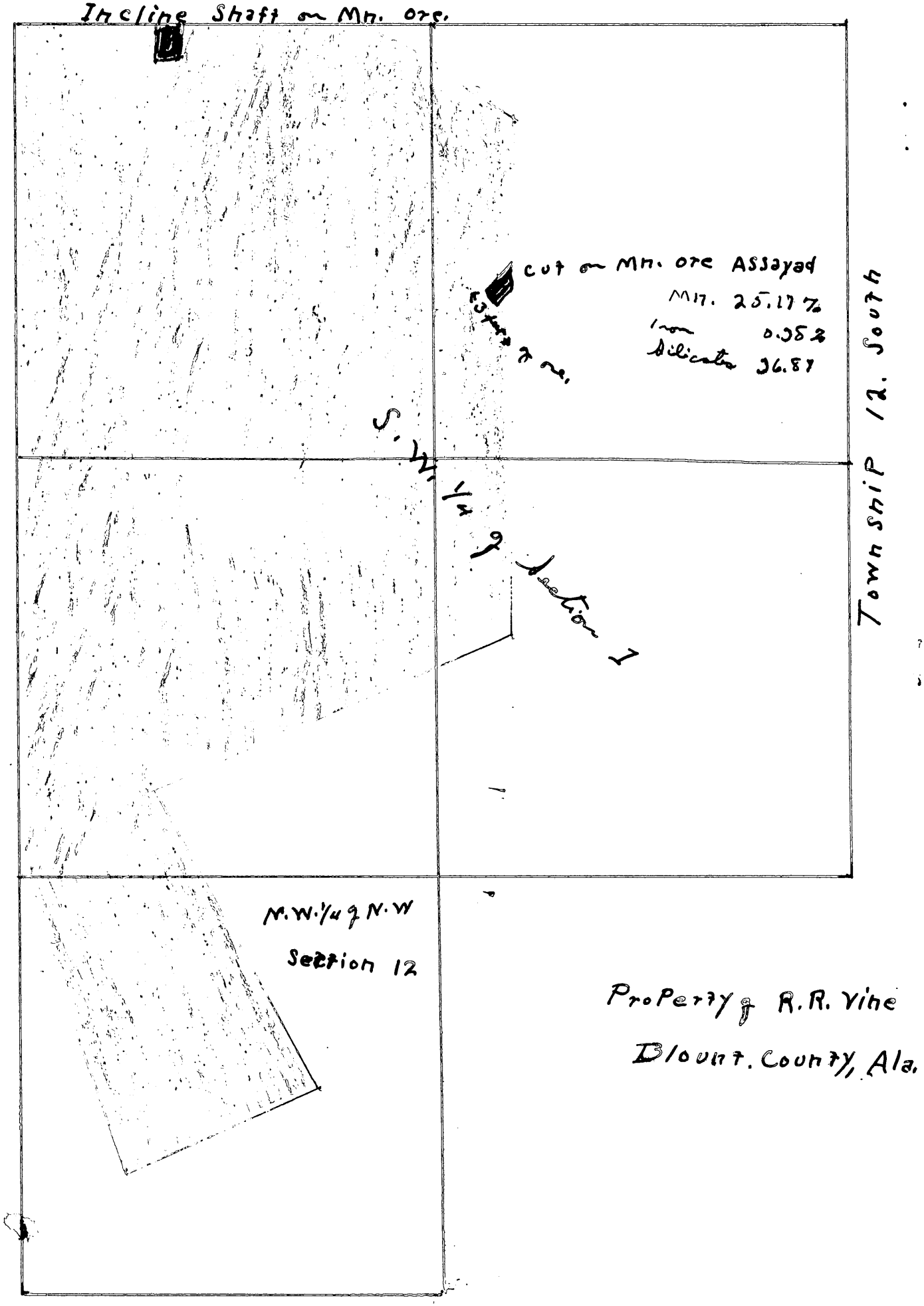
Township 12 South

SW 1/4 of NW 1/4
Section 1

SE 1/4 of NW 1/4
Section 1

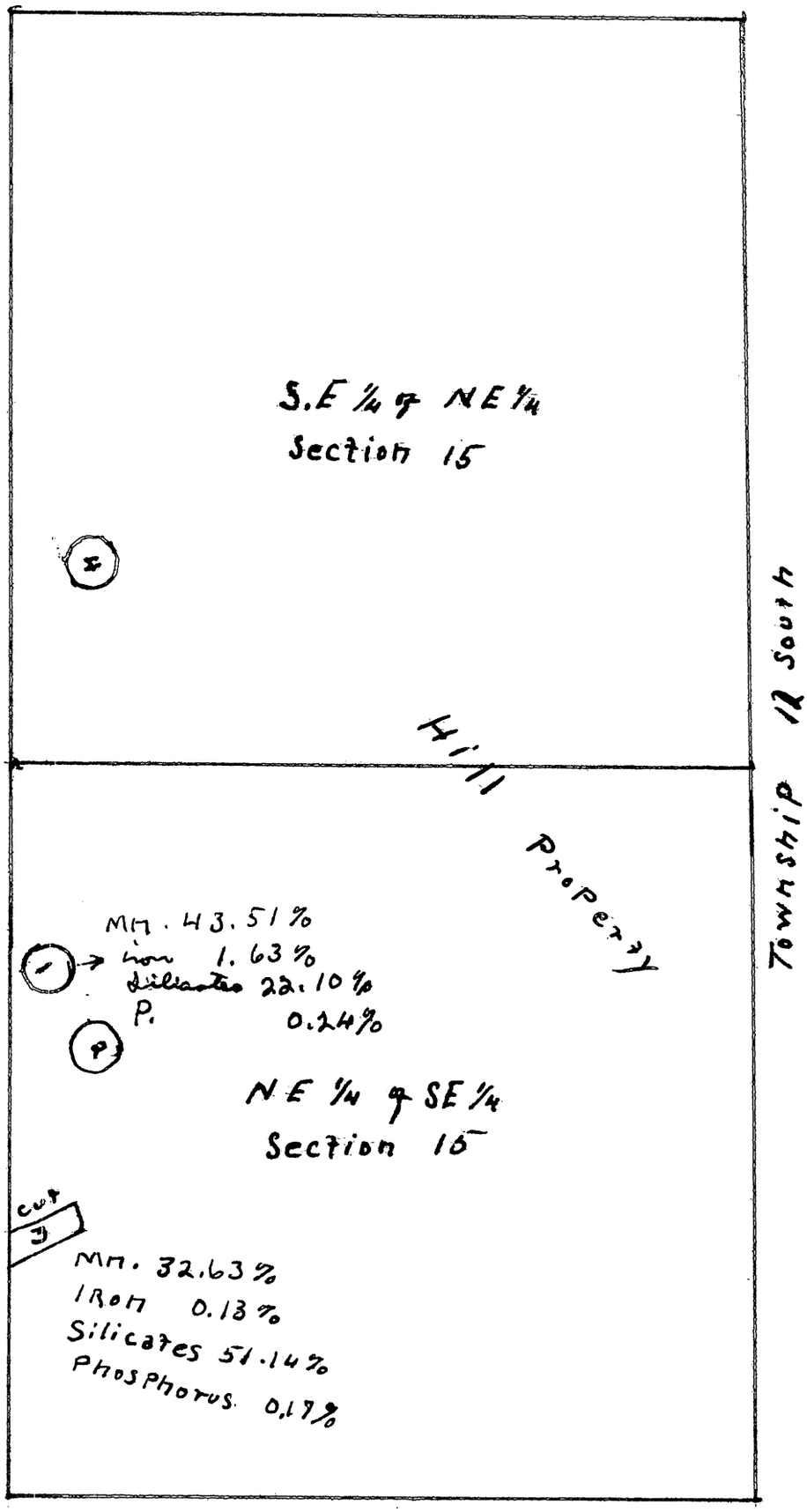
Property of Elvin Vines
Blount County Ala.

Range 2 East


Incline Shaft on Mn. ore.
cut on Mn. ore Assayed
Mn. 25.17 %
Iron 0.95 %
Silicates 36.87
Estimated one.
S. 1/2 of 1/4 of Section 1
Township 12. South
N.W. 1/4 of N.W
Section 12
Property of R.R. Vine
Blount. County, Ala.

Range 3 East

No. 2

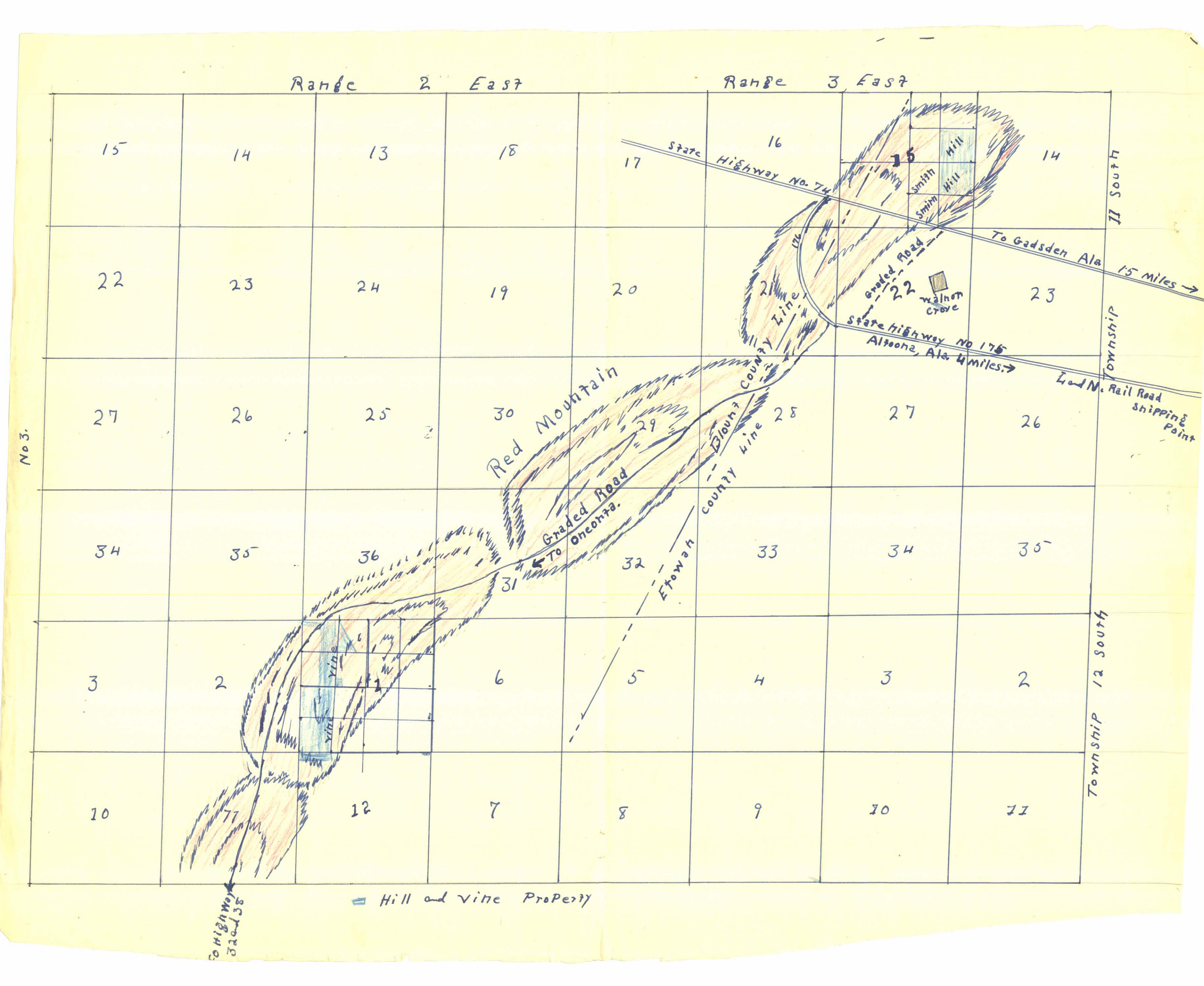


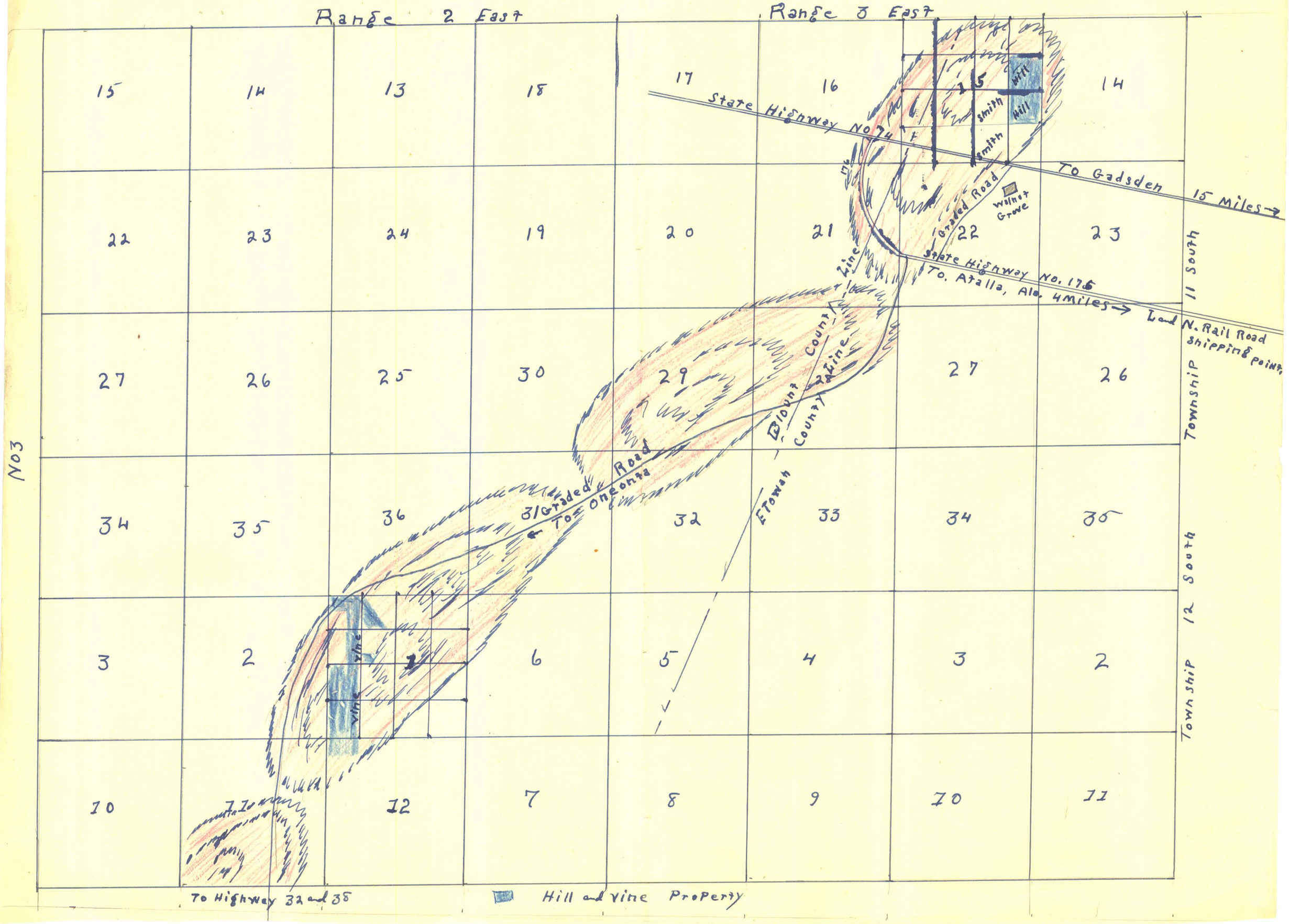
1 - Shaft 26 feet deep, just beginning to hit some manganese, Assayed - Mn. 43.5

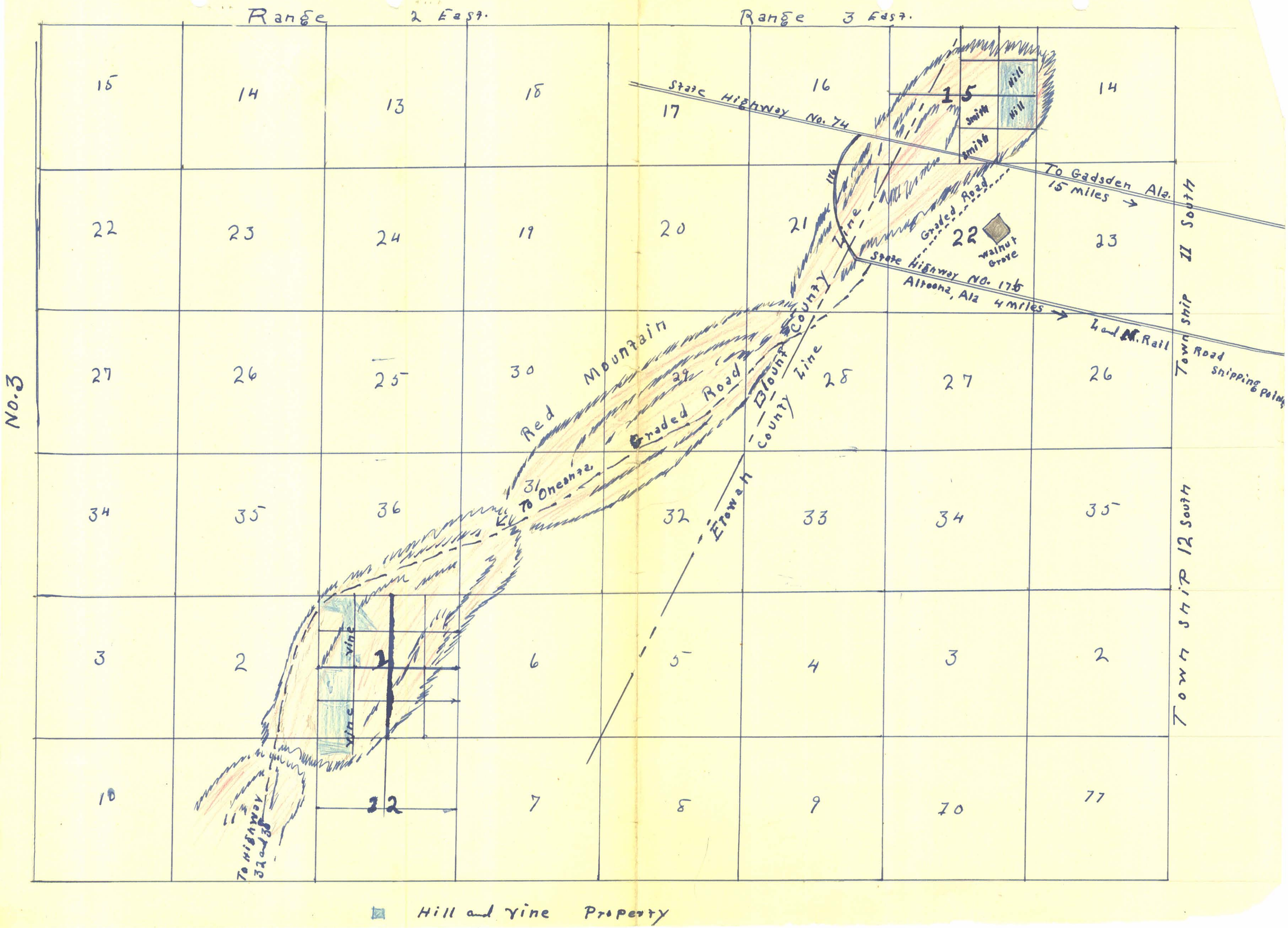
2 - Shaft about 20 feet deep a little manganese showing - Assayed -

3 - Cut about 10 feet deep and 20 feet long has good showing of manganese mixed with chert

4 - Shaft about 25 feet deep just beginning to get showings of manganese, No. assay yet.


Range 2 East
Range 3 East
15
14
13
18
17
16
15
14
State Highway No. 74
Smith Hill
Smith Hill
II South
To Gadsden Ala 15 Miles →
22
23
24
19
20
21
Graded Road
22
walnut Grove
23
State Highway No 175
Altoona, Ala 4 miles →
L and N. Rail Road
Shipping Point
Township
27
26
25
30
29
28
27
26
Red Mountain
County Line
Blount County Line
Etowah County
34
35
36
31
32
33
34
35
Graded Road
To Oneonta.
3
2
1
6
5
4
3
2
Township 12 South
10
11
12
7
8
9
10
11
No 3.
To Highway 32 and 38
Hill and Vine Property


Range 2 East
Range 3 East
15
14
13
18
17
16
15
14
State Highway No 74
Hill
Hill
Smith
Smith
To Gadsden 15 Miles
22
23
24
19
20
21
22
23
Graded Road
Walnut Grove
State Highway No. 176
To. Atalla, Ala. 4 Miles
Land N. Rail Road shipping point
Township 11 South
27
26
25
30
29
27
26
Blount County Line
Blount County Line
Graded Road
To Oneonta
34
35
36
31
32
33
34
35
Etowah
3
2
6
5
4
3
2
Vine
Vine
10
11
12
7
8
9
10
11
Township 12 South
To Highway 32 and 38
Hill and Vine Property
No3



Hill and Vine Property