DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA DMX Docket No. 2365

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as
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: USGS, USBM, & Region III

To:	CODE 700 Rm. 4640	Date	2-5-52
To:	F. L. KNOUSE	Date	2-12-52
To:	~~(1) Mr. Johnson Rm 3624~~	Date	
To:	~~(2) Mr. Nelson Rm. 4616~~	Date	
To:	~~(3) Operating Com. 4624~~	Date	
To:	(4) Mr. Eckis 4640	Date	
To:	Operating Com.	Date	8-13-52
To:	Mittendorf	Date	
To:	Mail & Files	Date	
To:	Op Com	Date	8-
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

FILE COPY
SURNAME:

T.O.
F.L. Greene
Ellis
Lemmon
Johnson
F.J. Morris

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG 14 1952

Joe [illegible], President
[illegible]-Corral Gold Mining Company
[illegible] Tenth Street
[illegible]c mond, California

Re: Docket No. [illegible]-2365 (Copper)
[illegible] Chamberlain Group of Claims
[illegible]ierra County, California

Dear [illegible]

Reference is made to your application for Government aid on the captioned project in the amount of $32,5[illegible].00.

Projects approved by the Defense Minerals Exploration Administration must, in our judgment, show definite promise of yielding material of acceptable grade and in quantities that will significantly improve the mineral supply position for the National Defense Program.

A careful study of your application and data available to this Agency, and an examination of the property concerned reveal that the probability of disclosing minable reserves by your proposed exploration program is not considered sufficiently promising to justify Government participation. Under these circumstances, we regret to advise that your application for exploration aid is denied.

If additional work on your property reveals information which makes the project feasible, an application may be submitted for consideration.

Sincerely yours,

C. O. Mittendorf (for) S.N. 8-14-52

Acting Administrator

F.E.Knouse/jem
8/11/52
cc to: Adm. Reading File
Docket
Messrs. CHJohnson-3621
Ned Nelson-4216 GSA
Ellis Knouse
Opr. Committee
Field Team, Region III (2)

8/13/52 gla

IN REPLY REFER TO:

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

Memorandum August 12, 1952

To: E. W. Ellis

From: N. E. Nelson

Subject: DMEA 2365 (Copper) Sierra-Monarch Gold Mining Company, Sierra Co., California

Mr. R. R. Trengove's, Bureau of Mines, report of July 18, 1952 has been reviewed.

One might think this applicant was more interested in prospecting a gold vein than in finding copper ore. However, the conclusions of the engineer apply either way and the denial recommendation is well taken.

N. E. Nelson

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8/11/52 gla

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

August 11, 1952

Memorandum

To: E. W. Ellis, DMEA

From: C. A. Johnson, Bureau of Mines

Subject: DMEA - 2365 (Copper) Sierra Monarch Gold Mining Company
Shawrock group, Sierra County, California

I have reviewed the report by Trengove dated July 18, 1952, and will be glad to concur in a denial of the application on grounds of insufficient prospective findings to justify exploration.

C. H. Johnson
C. H. Johnson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 11 1952

Copy to - Mr. Nelson, USGS
Minerals Division
Mr. Johnson
Base Metals Branch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

August 11, 1952

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C. H. JOHNSON

C. H. Johnson

CHJohnson:ks

Copy to - Mr. Nelson, USGS
Minerals Division
Mr. Johnson
Base Metals Branch
Files

AUG 11 1952

2nd copy Field Report

8/11/52 gla

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 29, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA, Interior Building, Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region III

Subject: Docket DMEA 2365 (Copper), Sierra-Monarch Gold Mining Company, Shamrock Group of Claims, Sierra County, Calif.

Reference is made to your letter, dated February 19, 1952, requesting either a field examination of the Shamrock Group of Claims or a recommendation without a field examination, based on information available to this office.

Attached are four copies of a report - DMEA-2365, Sierra-Monarch Copper Co., Sierra County, Calif. by Russell R. Trengove, Mining Engineer, U. S. Bureau of Mines, dated July 18, 1952

According to the examining engineer, the copper deposits are situated in a gold mining district. The applicant believed that a shipment of copper ore had been made from his property. The copper occurs in lenses erratically spaced in the mineralized zone.

The engineer was unable to determine the size of the lenses but believed that the potential tonnage of copper ore was too small to be of interest. He has recommended that the request for Government assistance be denied.

The docket is being returned herewith.

H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachments
Copy to E. H. Bailey, USGS

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 4 1952

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

Office of
Executive Officer
DMEA Field Team
Region III

1012 Flood Building
870 Market Street
San Francisco 2, Calif.

July 29, 1952

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H. C. Miller
Executive Officer
DMEA Field Team, Region III

Attachments
Copy to E. H. Bailey, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-2365, Sierra-Monarch Copper Co.

Sierra County, Calif.

Russell R. Trengove, Mining Engineer
U. S. Bureau of Mines

July 18, 1952

Reviewed by
DMEA OPERATING COMMITTEE
8-8-52
(date)

DMEA-2565, Sierra-Monarch Copper

Sierra County, Calif.

SUMMARY, CONCLUSION, and RECOMMENDATIONS

The Sierra-Monarch copper deposit, situated about four miles north of Sierra City, Calif., was examined by an engineer of the U. S. Bureau of Mines in June 1952. The purpose of the examination was to determine if the potential ore reserves would justify the approval of an application for aid for an exploration project pursuant to Mineral Order 5, under the Defense Production Act of 1950. The estimated cost of the project is $32,500.

The copper deposit is situated in a gold mining district. According to the California Bureau of Mines, a small shipment of high-grade copper ore was made from this vicinity prior to 1902 by G. Zuver. The applicant believes that the shipment was made from his deposit.

Figure 2 shows the extent of copper mineralization and the analyses of the Bureau engineer's samples. No attempt has been made to explore the mineralization at depth. The copper occurs in lenses erratically spaced in the mineralized zone. Except for No. 1 sample taken 15 feet outside of the portal of the adit, the results of the sampling are not impressive. The Bureau engineer was unable to ascertain the extent of the lenses because of the track and muck between the ties but the potential tonnage is too small to be of interest.

It is recommended that the request for Government assistance be denied.

INTRODUCTION

An application for Government loan under Sec. 302 of the Defense Production Act of 1950 was made by Joe B. Powell, President, Sierra-Monarch Gold Mining Company, a California corporation, on January 28, 1952. The application for aid for an exploration project pursuant to Mineral Order 5, for an estimated cost of $52,500, percentage of Government participation 50%, was given docket No. DMEA-2565.

An examination of the Sierra-Monarch deposit was made by an engineer of the Bureau of Mines in June 1952. He was accompanied by the president and the company superintendent.

LOCATION AND PHYSICAL FEATURES

Figure 1 shows the location of the Sierra-Monarch deposit. The claims lie on the south slope of the Sierra Buttes, four miles by road northwest of Sierra City. Sierra City is situated in the south-central portion of Sierra County, 13 miles by road east of Downieville along the North Fork Yuba River. The district is very rugged and mountainous. Sierra City is in the narrow valley of the North Fork Yuba River at an elevation of 4300 feet. It lies at the southern base of the Sierra Buttes, which rise to an elevation of 8615 feet in a distance of two miles.

To reach the property, turn north from main street of Sierra City and travel a distance of about four miles over a narrow mountain truck trail to an elevation of about 8000 feet. The region has warm summers but the winters bring heavy rainfall and snow, making the property inaccessible in winter. Water for mining purposes would have to be hauled to the property from Sierra City.

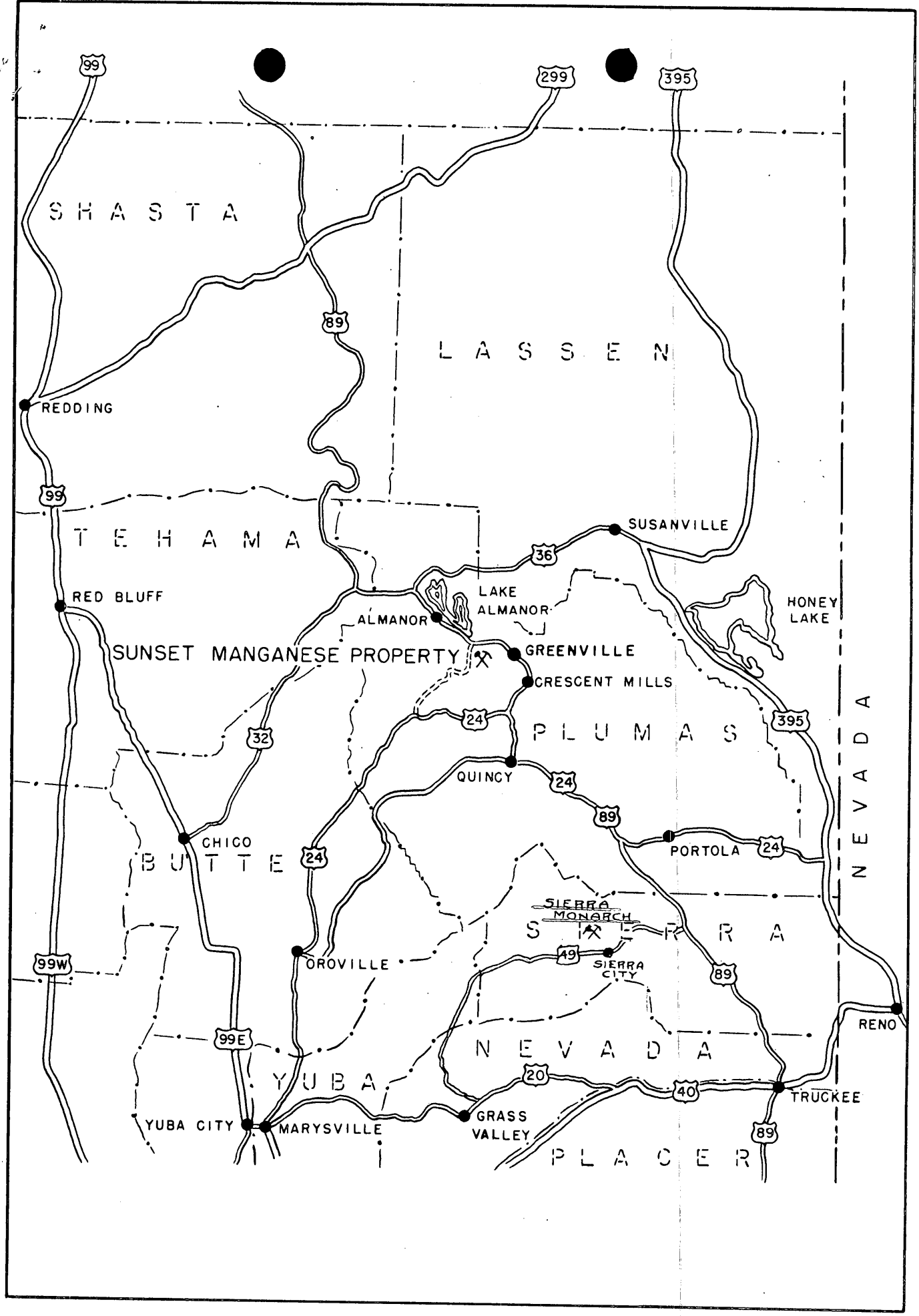


Figure 1.- Location map.

Buildings and facilities situated on the Monarch property, one and one quarter miles from the site of proposed development, would be made available for project work.

Equipment at the copper deposits comprises an Ingersoll Rand portable compressor 160 c.f.m., with air lines and receiver and one Atlas rock drill with pneumatic pusher and all necessary drill steel.

PROPERTY AND OWNERSHIP

The Sierra-Monarch Gold Mining Company are the owners of 24 unpatented lode mining claims and two millsites, all being contiguous and adjacent mining locations comprising a single mine, known as the Shamrock Group of Quartz Claims. Mr. Joe B. Powell, a realtor at 709 Tenth Street, Richmond, Calif., is President and Mr. Lewell G. Pulver is Superintendent.

HISTORY AND PRODUCTION

The copper deposit is situated in the Sierra Buttes Gold Mining District in T. 20 N., R. 18 E. According to the California Bureau of Mines, a small shipment of high-grade copper ore was made from this vicinity prior to 1902 by G. Zuver. The applicant believes that the shipment was made from this property.

GEOLOGY

The country rock consisting of slate, schist, greenstone, serpentine and quartz is badly broken. The lenses of copper sulphide have a more or less vertical attitude and bears about N 20° W. The footwall is a quartz vein and the hanging wall is schist. These formations lie between two limestone dikes.

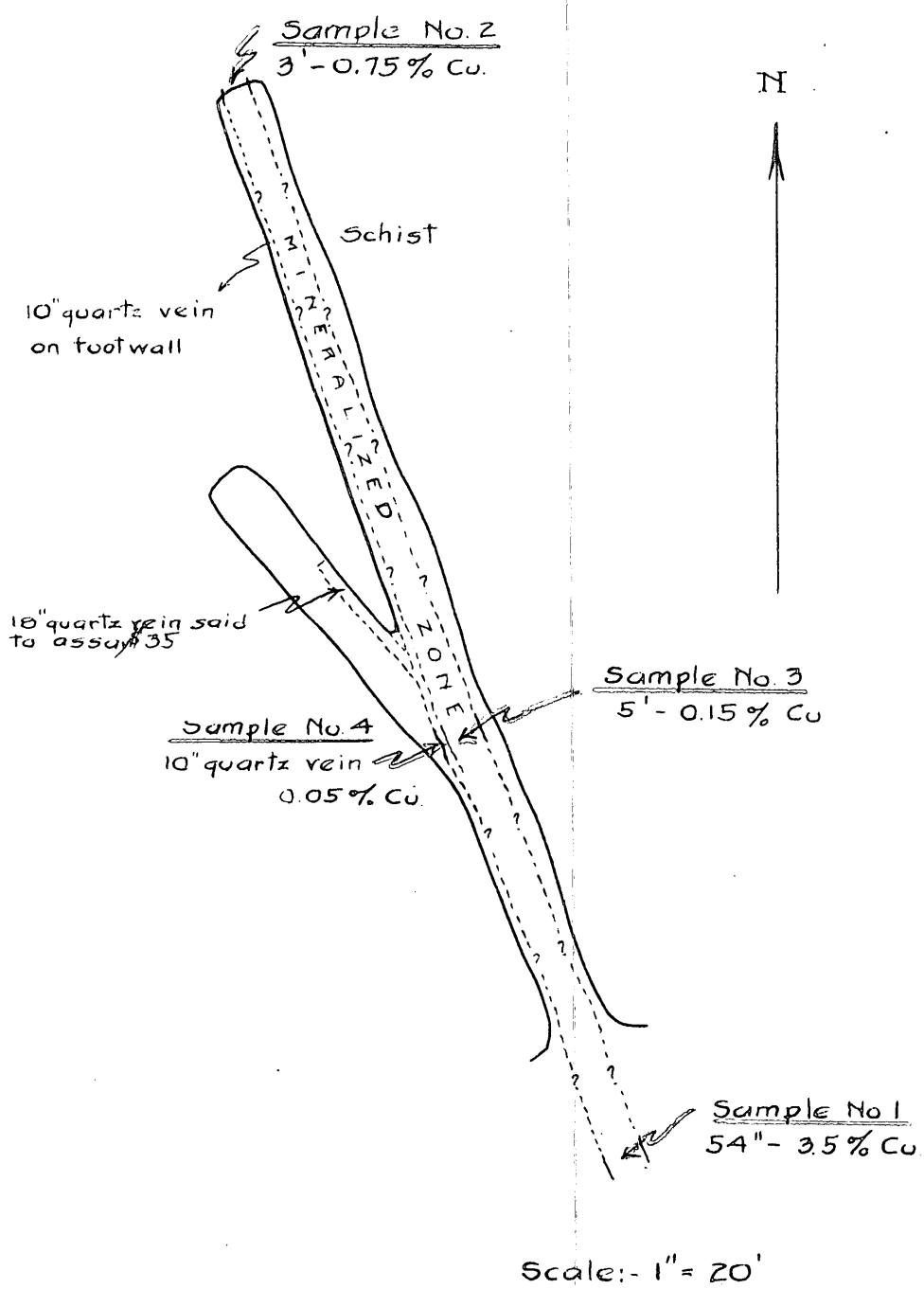
ORE DEPOSIT

Exploration to date (fig. 2) comprises an adit, 93 feet in length with a crosscut from the adit bearing N 40° W for a distance of 33 feet. In this crosscut, a gold-bearing quartz vein, said to assay $35 in gold, cuts off abruptly. The copper mineralization extends from a point 15 feet outside of the portal of the adit to face, a distance of 108 feet. Samples taken by the Bureau engineer ranges in copper content from 0.08% to 3.50%, with traces of gold and silver. Small lenses of copper sulphides, chalcopyrite and bornite, occur erratically in the mineralized zone. No attempt has been made to explore the mineralization at depth.

CONCLUSIONS AND RECOMMENDATIONS

The occurrence of copper sulphides-lenses erratically spaced in a narrow mineralized zone - and the grade and extent of the copper mineralization are not impressive. No effort has been made by the applicant to explore below the floor of the adit.

It is recommended that the request for Government assistance should be denied.



Sample No.	% Cu.	Oz. Au./T	Oz. Ag./T
1	3.50	0.005	0.2
2	0.75	Trace	0.2
3	0.15	0.005	0.3
4	0.05	0.13	0.3

FIG 2 SIERRA MONARCH COPPER, SIERRA CO. CALIF

1st Copy
Field Report

8/4/52 glu

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION III

DMEA-2365, Sierra-Monarch Copper Co.

Sierra County, Calif.

Russell R. Trengove, Mining Engineer
U. S. Bureau of Mines

July 18, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 4 1952

DMEA-2365, Sierra-Monarch Copper

Sierra County, Calif.

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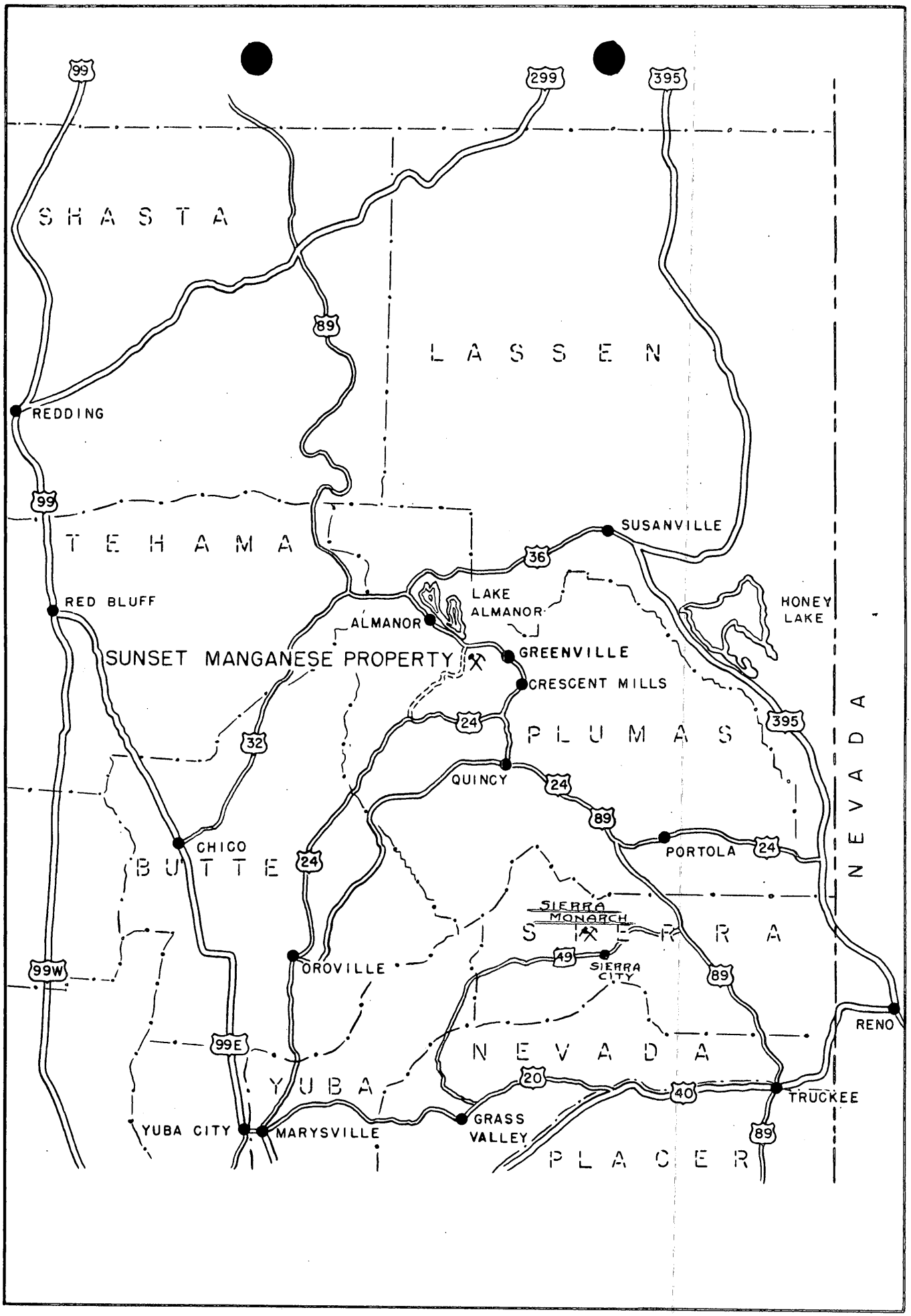

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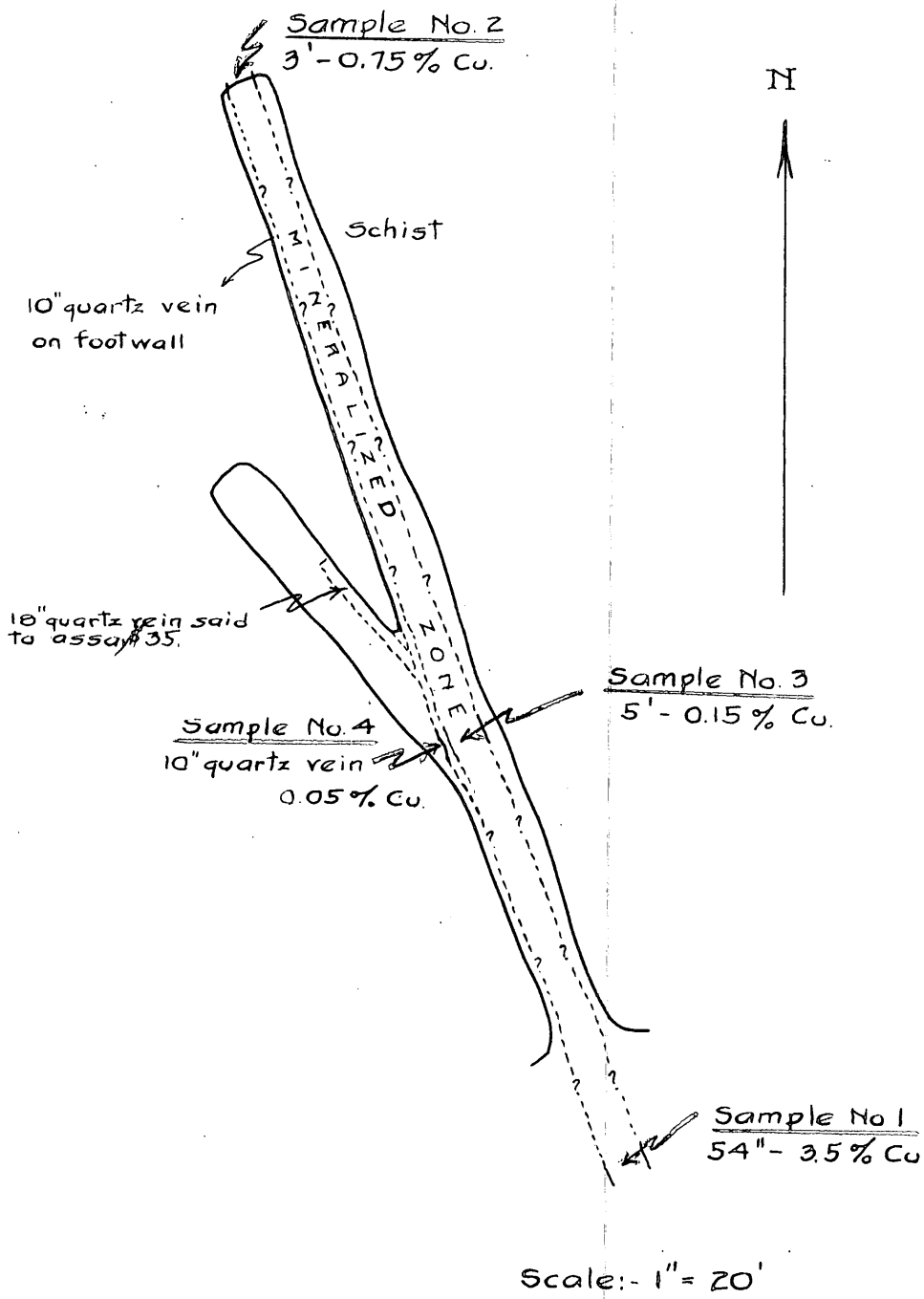

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FIG. 2 SIERRA MONARCH COPPER, SIERRA CO., CALIF

UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Mines
Washington 25, D.C.

February 8, 1952

Memorandum

To: E. W.Ellis, DMEA

From: C. H. Johnson, Bureau of Mines

Subject: DMEA 2365 - Sierra Monarch Gold Mining Company, Richmond, California; Copper Property in Sierra Co., California

The subject application has been reviewed by Mr. L. L. Farnham on my behalf, and I concur in his opinion that the information submitted scarcely justifies an examination. I will be glad to concur either in a denial, if you so decide, or in a referral to the field office with a request for an opinion, which may or may not require field examination depending upon the judgment of the field engineers.

/s/ C. H. Johnson

C. H. Johnson

Copy to Mr. Nelson, U.S.G.S.
Minerals Division
Base Metals Branch
Files

c
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p
y

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

February 7, 1952

Memorandum

To: Mr. E. Wm. Ellis

From: Mr. N. E. Nelson

Subject: DMEA-2865, Sierra-Monarch Gold Mining Company, Sierra City, Sierra County, California

The data furnished with this application indicates a discovery, from which a good specimen was obtained, has been made. Beyond that one cannot be certain, but it would seem the initial program is out of proportion. Certainly no shaft should be sunk if it is possible to drift on the vein and it might be well to delay that until some stripping is done, followed perhaps by diamond drilling.

If the applicants will agree to a more realistic work program, an examination by the field team should be in order.

Ned E. Nelson
Geologist

JOE B. POWELL, President

DMEA-2365

Refer to	Noted	Date
Answered		

SIERRA-MONARCH GOLD MINING COMPANY

(A California Corporation)

Sierra City, Sierra County, California

Richmond Office: 709 Tenth Street - Phone BEacon 4-8951

January 29, 1952

Defense Minerals Exploration Administration
Washington 25, D.C.

Gentlemen:

Please find inclosed application for government aid for a copper exploration project.

I talked with Mr. Miller and Mr. Ricker of the Defense Minerals Office, located at 1012 Flood Building, San Francisco, California, today, and was informed the proper procedure is to send the applications to you.

We are interested in exploring a copper deposit—the vein that has been exposed assays 21% and is approximately one foot in width at the surface. We believe this warrants investigation and if our proposed plan of exploration is not in line with your engineers, we will be glad to follow your instructions.

The property is located on the sunny side of the mountain and engineers should be able to look at the property on or before the latter part of March.

Your earliest cooperation will be appreciated.

Yours very truly,

SIERRA-MONARCH GOLD MINING COMPANY

Joe B. Powell

Joe B. Powell, President

JBP:rs

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-2365
Metal or Mineral
Date Received 2-4-52
Amount $
Participation (Government %)

Sierra-Monarch Gold Mining Company
700 Tenth Street
Richmond, California

Name and address of applicant

Date January 28, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

DEPARTMENT OF THE INTERIOR
RECEIVED
FEB 4 1952

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

SIERRA-MONARCH GOLD MINING COMPANY (Name of Company)

By Joe B. Powell (Signature of authorized official)

President

January 28, 1952 (Date)

(Title)

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—64067-2

SIERRA-MONARCH GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

1. (a). Shamrock Group of Claims located in the Sierra Buttes Mining District. Total of 26 claims.

(b). Copy of Lease submitted herewith.

(c) Henry Grattan Claim, Daniel O'Connell Claim located in Sections 19, 29 and 30, Township 20 N., Range 12E, Sierra County, being a portion of the Shamrock Group of Claims.

2. (a). Copper, gold, silver. Possibility of platinum, tungsten and sheelite.

(b). Predominating rock structures consist of serpentine, chloritized slates and schists with two lime dykes outcropping near the strike of two veins running parallel, one being a quartz vein, the other being a high-grade copper vein. There are considerable outcroppings of mariposa slate, green diorite, greenstone, diorite and diabose.

Several assays were taken from the O'Connell Claim where there appears to be an outcropping of high-grade copper. Assays ranging from 21% to 24% have been taken on this copper ore body. This ore body appears to be widening with depth. As the funds that were available were designated for use in developing and prospecting the quartz veins in the Monarch property, we have done very little exploration work on this copper vein, which was encountered in driving a tunnel on the quartz vein in doing our assessment work. The vein was only six inches wide--curiosity made us go down on the vein approximately three feet. It was definitely widening out and was approximately one foot in width and assayed 22% in copper. It is believed by our mining engineer, Chas. Scott Haley, that the parallel quartz vein will also turn into copper as it is also carrying a small amount of copper content, bornite and chalcopyrite.

At two other places on this property, it is evident that copper ore is in existence.

According to information we have been able to gather from the California Bureau of Mines in one of their publications, a considerable amount of high-grade copper ore has been shipped from this vicinity. Prior to 1902, G. Zuver shipped ore from this area and it is thought this ore came from the Shamrock Group of Claims as information shows it was shipped from Section 19, Township 20N, Range 12E.

The copper ore is in the form of malakite (malachite), chalcopyrite, bornite, chalcocite, chryscolla and some azurite.

Sierra-Monarch Mining Co.
709 - 10th St. Rich., Calif.

ASSIGNMENT OF LEASE AND OPTION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, JOE B POWELL and IRENE L. POWELL, do hereby sell, assign, transfer and set over, and by this instrument have sold, assigned, transferred and set over, unto the SIERRA-MONARCH GOLD MINING COMPANY, A California corporation, all of their right, title and interest in and to that certain lease and option made and entered into May 25, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, therein designated OWNERS and JOE B. POWELL AND IRENE L. POWELL, therein designated Lessees, on the SHAMROCK GROUP OF QUARTZ CLAIMS, and recorded May 26, 1951, at Page 127, Liber 3 of Official Records of Sierra County, California; the assignee herein, SIERRA-MONARCH GOLD MINING COMPANY, agrees to keep and perform all of the covenants and conditions mentioned in said lease and option to be performed on the part of the Lessees therein, assignors therein, and further assigning all privileges, benefits and advantages to us therein granted and conveyed.

IN WITNESS WHEREOF, the assignors have hereunto executed this agreement this 22nd dy of June, 1951.

(Signed) Joe B. Powell

Irene L. Powell

Accepted:

SIERRA-MONARCH GOLD MINING COMPANY,
A California Corporation

By (signed) Joe B. Powell
President

Attest: (Signed) Ruth M. Severns, Secretary

This Agreement made and entered into this 25th day of May, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, his wife, of the town of Downieville, Sierra County, California, hereinafter referred to as "OWNERS" and Joe B. Powell and Irene L. Powell, his wife, of the City of Richmond, Contra Costa County, California, hereinafter referred to as "Lessee", and hereafter the word "Lessee" shall include both singular and plural, and the masculine and feminine.

W I T N E S S E T H

WHEREAS, the Owners are vested with the title and entitled to the sole and exclusive possession, except as to the paramount title of the United States, to those certain unpatented lode mining claims and mill sites, situated in the SIERRA BUTTES MINING DISTRICT, County of Sierra, State of California, comprising a total of twenty-six (26) claims, all being contiguous and adjacent mining locations comprising a single mine, known as the SHAMROCK GROUP OF QUARTZ CLAIMS, designated and described as follows:

NAME OF CLAIM	RECORDING REFERENCE Volume and Page of "Quartz Claims" Volume	Page
J. M. PLUNKETT	———	———
J. K. PLUNKETT EXTENSION	———	———
T. J. CLARK	———	———
T. J. CLARK EXTENSION	———	———
HIBERNIA	———	———
MUNSTER BOY	———	———
C. S. PARNELL	———	———
PATRICK PEARSE	———	———
RODGER CASEMENT	———	———
W. E. GLADSTONE	———	———
ROBERT EMMETT	———	———
PATRICK SARSFIELD	———	———
JOHN McBRIDE	———	———
WOLFE TONE	———	———
DUBLIN	———	———
PEARSE EXTENSION	———	———
SINN FEIN	———	———
GLADSTONE EXTENSION	———	———
HENRY GRATTAN	———	———
ST PATRICK SONS	———	———
THOS. KENT	———	———
ODONOVAN ROSSA	———	———
DANIEL O'CONNELL	———	———
O'CONNELL EXTENSION	———	———
GRATTAN MILLSITE	———	———
EMMET MILL SITE	———	———

AND WHEREAS, it is the desire of the LESSEE to take possession of and lease said mining claims (as hereinabove described) and to prospect, work, develope and mine the same for the gold ores and other minerals which are or may be hereafter found therein, with the view to the purchase thereof;

NOW, THEREFORE, the said OWNERS do hereby lease, let and demise to the LESSEE for the period ending on the first day of July, 1956, together with the right to the sole and exclusive possession (except as to the paramount title of the United

States) all of said hereinabove described mining claims and mill sites, and the whole thereof, with the appurtenances and water rights, thereto appertaining, together with the OPTION to purchase the same for the full purchase price of EIGHTY THOUSAND ($80,000) dollars, without interest, to be paid and payable on or before the 1st day of July, 1956, in lawful money of the United States of America, subject to the option of said LESSEE to extend the term of this lease and the time of said payments an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

In consideration of the premises and the mutual covenants and agreements herein contained the parties hereto agree as follows:

1. The term of this lease shall be for the period beginning from the date hereof and ending on the first day of July, 1956, or until the earlier termination of this lease, as hereinafter provided, subject to the option of said LESSEE to extend said term an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

2. The LESSEE is expressly granted the right to enter upon the demised premises and to mine and explore the same and to take, remove and dispose of any and all metals or minerals (organic or inorganic) and whether existing as placer, lode or other type of deposit on or beneath the surface of said property, so long as this lease shall be and remain in full force and effect; said mining operations to be conducted by the Lessee, may be either by underground or open pit, or caving methods, or any other method selected by the LESSEE as the most practical, expedient and economical method to be pursued in the extraction and recovery of minerals in or on said lands, or any extralateral rights, appertaining thereto.

In the conduct of said mining operations the LESSEE shall have the right and privilege of using all roads, water and water rights, ditch and ditch rights now on said premises or appurtenant thereto, and shall have the further privilege of erecting other and additional improvements, buildings and structures and of installing such equipment, pipe lines, mills, power lines and appliances as he may find proper. All mining operations, however, shall at all times be conducted and carried on in a good and miner-like fashion and in accordance with established and accepted methods and practices, and not otherwise.

The OWNERS, or their duly appointed agent or representative, shall have the privilege of entering into and inspecting said property, and all buildings, improvements and workings for the purpose of ascertaining the manner in which the LESSEE is carrying on said operations.

3. As long as this lease remains in effect, the LESSEE agrees to pay the OWNERS, a MINIMUM ROYALTY, or rental, for the use and occupation of the demised premises, as follows:

The sum of Fifty ($50.00) dollars per month, payable monthly in advance on the first day of each month for the period commencing July 1, 1951.

4. The LESSEE agrees, so long as this lease remains in effect, if he elects to conduct mining operations on the demised premises, without being under compulsion of so doing, that he will pay to the OWNERS, in addition to the foregoing stipulated minimum royalty, an EARNED ROYALTY as follows:

Ten (10%) percent of the gross value, as hereafter provided and limited, on all gold or silver mined or produced from said demised premises, or any part thereof.

If the LESSEE shall mill or reduce or otherwise beneficiate gold or silver

ores mined from said property, he shall ship all bullion to the United States Mint at San Francisco, California. All gold or silver concentrates or gold or silver ores not milled, or reduced by the LESSEE shall be shipped to the Selby Smelting Works of California, or other recognized custom mills or smelters.

Within ten (10) days after the receipt by the LESSEE of the mint, smelter or mill payments for said shipments the LESSEE shall pay to the OWNERS the hereinabove stated royalty on the gross value of said gold or silver ores minted, smelted or treated, as aforesaid, as evidenced by the mint, mill or smelter returns after deducting therefrom the mint or smelter charges or refining costs, including shipping and insurance costs in the case of gold or silver bullion shipped from ores treated and beneficiated on the demised premises, together with any State or Federal charges, commissions, seigniorage or taxes (including severance taxes) now or hereafter imposed by authority of the federal government of the United States or the State of California directly relating to the production, purchase, sale or other disposition of gold or silver bullion, but excluding any milling charges made by custom mills.

All payments made on account of royalty, as above provided, shall be accompanied by mint, smelter or refining returns, evidencing the gross proceeds of all gold or silver ores mined or produced from said properties, and sold and disposed of, as aforesaid.

The LESSEE shall be responsible for the payment of the aforesaid royalty on all gold or silver ores from and after all "clean-ups" and for any losses thereof, either in transit or while held at the mine, awaiting shipment.

5. All royalty payments made hereunder, either as MINIMUM ROYALTIES or EARNED ROYALTIES, shall be a credit in full on account of the purchase price to be paid for the demised premises, as hereinabove set forth.

6. ALL EARNED ROYALTIES paid during any calendar month shall be a credit on the MINIMUM ROYALTY payment due on the 1st day of the next succeeding month but shall not be cumulated or carried forward to succeeding months, if said EARNED ROYALTY payments exceed the amount on the next monthly accruing MINIMUM ROYALTY payment.

7. The removal of ore and placing the same in stockpile upon the demised premises shall not be deemed a removal or shipment subject to royalty payments, and said royalty shall only accrue when said ores are shipped or treated from stockpile.

8. All tailings, waste material, by-products or other ores or minerals recovered from or in association with said gold or silver ores shall become the property of the LESSEE, without other obligation than the payment of the above specified royalty on gold or silver ores shipped or removed from said property or milled or treated, as aforesaid.

9. The OWNERS shall have the right, through their representatives, or in person to be present at each and every cleanup of gold ores taken or extracted from said property whenever such cleanup shall be made on the premises or on any adjacent or contiguous properties acquired by the LESSEE and used in connection with the properties herein described. The LESSEE shall give notice to the OWNERS, upon written request, of the time of said cleanups.

The OWNERS, or their representatives, shall likewise have access to all shipping and refining returns, mill or production records, or other records giving information on the amount of gold or silver ores reduced, extracted or

recovered by the LESSEE from said mining ground and the proceeds thereof and the LESSEE shall, at all times, maintain said records, or true copies thereof, within the State of California.

10. The LESSEE shall furnish the OWNERS true and correct copies of all maps, reports, drilling records, and assay and sampling reports and records made by or for the LESSEE in respect to the mining operations conducted hereunder. Likewise LESSEE shall furnish the OWNERS with monthly progress reports and at convenient intervals, but at least every six months, a map showing the extent and nature of all mine explorations and development.

The OWNERS may at any and all times during the term of this agreement, maintain an observer or observers on said properties with the right on the part of said observer or observers to the free and unrestricted entry into all mine workings including the right to take reasonable samples and make any desired surveys or maps, and said observers may act to protect the OWNERS' interest against "hi-grading" and the LESSEE agrees to cooperate in said efforts. Said observers shall be paid for by the OWNERS and be maintained on said premises upon the sole responsibility of the OWNERS and the LESSEE shall in no manner be responsible for the safety of said observers. The said observers shall at all times conduct themselves so as not to interfere with the operations or working of said mine by the LESSEES.

11. Commencing with the first day of March , 1951, the LESSEE shall pay, prior to delinquency, all taxes thereafter levied or assessed against said lands, including any ores or concentrates stockpiled on said property or any personal property situated thereon, or any improvements now or hereafter erected or placed thereon during the life of this agreement. The LESSEE shall pay said taxes in addition to all other moneys agreed to be paid hereunder (which tax payments shall not be a credit on the purchase price of said properties) and in the event of a cancellation or surrender of this lease the LESSEE shall pay the pro-rata amount due for said taxes to the date of such surrender or cancellation, except as to any personal property, equipment or ores which the LESSEE shall remove from said property (having the right herunder to effect said removal) as to which he shall pay the taxes in full.

12. Should there be a cessation of work, on and after July 1, 1952, in respect to the demised premises at any time for a period of twenty (20) days prior to the first day of any month due to strikes, fire, flood or other casualty or by war (declared or undeclared), riot, governmental restrictions or control over essential materials, the MINIMUM ROYALTY payment due on the first day of the succeeding month shall be waived and excused. Work related solely to the repair of damage occasioned by the stated casualties shall be deemed a cessation of labor in respect to the mining projects contemplated by this agreement.

For the period ending June 30, 1952, the MINIMUM ROYALTIES provied for herein shall be paid irrespective of the foregoing contingencies.

13. There is granted to the LESSEE the free and unrestricted use of any waters on or appurtenant to said lands, whether in the form of springs, percolating waters or other sources of supply.

14. This lease shall not be assigned without the prior written consent of the OWNERS, and no interest therein or thereunder shall be assigned, transferred or granted without such prior written consent, except that this lease may be assigned to a corporation, now or hereafter to be incorporated to undertake the mining projects contemplated by this agreement on condition that said corporation assumes and agrees in writing, to perform all the terms and conditions of this agreement, and delivers to the OWNERS a duly executed copy of said assumption of liability.

15. There is granted to the LESSEE the right to dump waste materials or tailings on the surface of the demised premises, or any adjacent lands acquired by the LESSEE, to erect restraining dams in connection with the storage and restraint of mine tailings, to build reservoirs and store water, and to stockpile or otherwise deposit ores, concentrates or other products from mining operations conducted on said premises.

16. There is likewise granted to the LESSEE the right to use any standing timber on said lands for mining purposes or domestic use on the demised premises, it being expressly agreed that none of said timber shall be moved or disposed of for use elsewhere than on said demised lands.

17. The LESSEE covenants and agrees to perform the necessary annual labor or improvements to be made, as required by the mining laws of the United States and the State of California, in respect to said hereinabove described unpatented lode mining claims to the extent of One Hundred ($100.00) Dollars in value on each of said claims. Said assessment work (annual labor or improvements) shall be commenced each year not later than the 1st day of June (including June 1st, 1951) and thereafter diligently and continuously carried to completion. The LESSEE shall record proper proofs of labor in connection with said annual work in the office of the County Recorder, Sierra County, California, immediately upon the completion of said work.

The foregoing annual labor shall be undertaken, as hereinabove prescribed, by June 1st of each year during the term of this lease, unless, prior to June 1st a moratorium has been enacted by the Congress of the United States, suspending said annual labor, in which case said LESSEE may claim the benefit of said moratorium in lieu of the performance of said annual labor (assessment work).

No extension for the time of commencing said annual labor beyond the 1st day of July of any year shall excuse or discharge the LESSEE of his obligation to start the performance of said annual labor prior to June 1st, and carry the same to diligent and continuous completion.

18. The LESSEE shall and does hereby assume and agree to save the OWNERS harmless from all claims and demands, including court costs and attorneys' fees, arising against said property, or the OWNERS, by reason of injuries to the person or property of others arising from (a) the possession of said demised premises by the LESSEE, (b) the mining or other operations thereon by the LESSEE or any contractor, agent or representative of the LESSEE and (c) from any improvements, buildings, structures, reservoirs, tailings ponds, machinery or equipment erected or constructed or maintained on the demised premises by the LESSEE.

19. The OWNERS and the demised premises shall not be liable nor responsible for any work, labor or repairs of whatever kind or character done or performed in, on or upon said properties during the life of this agreement by the LESSEE, his agents, assigns, sub-tenants or successors, or for any material or materials furnished to be used or used in, on, upon or in connection with the working of said properties, as aforesaid, nor the rental or other obligations incidental to the use of any machinery or equipment used in or about said property or the mining operations conducted thereon.

The LESSEE shall pay all charges and expenses of each and every nature for which he shall become expressly or impliedly liable in anywise connected with the working of said properties, and will protect and save harmless the said properties from all claims and liens of each and every nature arising from any act or omission of the LESSEE.

The LESSEE shall pay for all power, or water supplied at his special

instance or request to be used on or in connection with the herein demised premises, or any other properties used in connection therewith.

20. The OWNERS herein shall have the right to enter upon said demised premises at any and all times and to post thereon a notice (as provided in Section 1192 of the Code of Civil Procedure of the State of California) that neither they nor the said hereinabove described properties will be responsible or liable for any work or labor done or performed thereon at the direction of the LESSEE, or any agent, representative, grantee or successor of the LESSEE, upon, in, about or in the improvement of said demised premises, or any part thereof.

21. The said LESSEE promises and agrees, as soon as work shall be commenced by any employee upon said property under this agreement, to procure and carry a policy of insurance for the protection of the parties hereto for any injury or injuries to employees under the Workmen's Compensation Insurance and Safety Act of the State of California, and under the Acts amendatory thereto, and to carry the same as his own proper charge and expense.

22. The LESSEE may acquire in his own name any other property, water rights, mill sites, tailings sites and mining lands, whether adjacent or contiguous to the properties herein described, and whether used as appurtenant or in connection therewith, without claim or right thereto or therein by the OWNERS, which said lands, mining properties and water rights shall be held, used and possessed by the LESSEE independently and beyond the scope of the terms and conditions of this agreement, subject only to the reciprocal mining rights granted by paragraph 23 hereof.

23. It is mutually agreed by and between the OWNERS and the LESSEE that for the purpose of enabling the LESSEE to carry on to the best advantage and with greater economy and convenience the mining and development of the ores or other minerals existing upon, in or under the mining premises hereinabove described, or existing upon, in or under any adjacent lands or mining ground which the LESSEE may now, or hereafter, own or acquire or from which he may now or hereafter have the right to so mine and remove minerals, that the LESSEE shall have the right and privilege, if he so elects, to gain access to, and when gained by him to remove the ores or minerals from, in, under or upon the said hereinabove described premises and/or such adjoining lands through any tunnel or tunnels, shaft or shafts, workings, or openings, whether located upon the said mining premises hereinabove described, or upon any such adjacent lands. And for such purposes the LESSEE shall have the right to drive tunnels or make openings (including the extension of open pits) from said mining premises herein described into and upon such adjacent lands, or from such adjacent lands into said herein described mining premises; it being understood that gold or silver ores mined from the premises herein described shall at all times be kept separate from gold or silver ores mined from any such adjacent lands so far as may be necessary for the purposes of ascertaining the royalty due thereon and ores from the demised premises shall not be commingled with ores from other lands owned or controlled by the LESSEE.

24. The LESSEE agrees that all operations conducted on or about said leased premises for the development, mining and milling of said ores during the term hereof shall be conducted in compliance with all laws now or hereafter in effect of the UNITED STATES and the STATE OF CALIFORNIA, and all rules and regulations of governmental authorities and commissions having jurisdiction over such operations.

25. The LESSEE may, at any time during the term of this lease, and at his own cost and expense, make application for, in the name of the OWNERS, of a patent to the whole of said unpatented mining claims, or may make successive applications therefor as to any portion or number of said mining claims. The OWNERS agree to cooperate with the LESSEE in said application or applications for a patent and to promptly execute, upon demand, all records and proofs necessary therefor.

26. The LESSEE may at any time, during the term herein stated, surrender this lease and agreement, together with the possession of said properties hereinabove described, upon the giving of sixty (60) days written notice to that effect to the OWNERS and thereupon be relieved of all future obligations hereunder, including the payment of any moneys becoming due and payable thereafter, but such surrender shall not release the LESSEE from any obligation or liability theretofore incurred by him hereunder.

27. Whenever the LESSEE has paid to the OWNERS the sum of Five Thousand ($5,000.00) Dollars as a credit on account of the above stated purchase price of the mining claims herein described, the OWNERS will deposit, upon the written request of the LESSEE, with any bank or title company designated by the LESSEE, a good and sufficient deed conveying to the LESSEE, or his nominee, or assignee, all of the hereinabove described property with the appurtenances and water rights thereto belonging, freeand clear of all liens and/or encumbrances and adverse claims of any kind or character, except the following:

(a) The paramount title of the United States, if said mining claims remain unpatented.

(b) Any lien or claim applying or existing from any act done or suffered by the LESSEE.

(c) All taxes assumed hereunder by the LESSEE.

(d) Existing rights of way for roads, trails, ditches, and utility rights of way.

Said deed will be deposited, as aforesaid, with appropriate instructions to said escrow holder, to deliver said deed to the LESSEE, or his nominee or assignee, upon the payment in full, according to the terms hereof, of the total purchase price hereinabove named for said properties.

28. Time is of the essence of this lease.

29. Each and every agreement, covenant, term or conditions herein contained on the part of the LESSEE to be kept or performed shall be and it is hereby made a condition of this agreement and in the event that the LESSEE shall fail or refuse to keep or perform any agreement, covenant, term or condition set forth herein for thirty (30) days after written notice of default specifying the particulars of said alleged default, the OWNERS may at their option, with written notice to the LESSEE, and without waiving any other rights hereunder, or at law, or against the LESSEE arising from any such default terminate this agreement and with or without process of law, expel, remove and put out the LESSEE from the possession of the hereinabove described mining claims and property; but such termination shall not release the LESSEE from any obligation or liability theretofore incurred by him under the provisions hereof.

A waiver of one default by the OWNERS shall not be deemed to be a waiver of any other default.

Should any such default be by its nature not capable of being remedied

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within said thirty (30) day period, then and in that event, such alleged default shall be deemed cured in the event the LESSEE commences to remedy such default within said thirty (30) day period and thereafter diligently prosecutes the same to completion.

The Notice of Default herein provided to be given shall not apply to the payment of MINIMUM or EARNED ROYALTIES due hereunder and in the event of the failure or neglect of the LESSEE to pay said MINIMUM or EARNED ROYALTIES within ten (10) days of the time herein stipulated for the payment of said royalties, the OWNERS may forthwith cancel this lease agreement without other or prior notice.

30. In the event of the termination of this contract as aforesaid, or by limitation of time, or otherwise, the LESSEE may remove all machinery and equipment, including underground and surface pumps, rails, air and compressor pipes, leaching tanks, tools, supplies and other personal property whatsoever which may HEREAFTER be placed on said property by the LESSEE; said removal to be accomplished within sixty (60) days (weather and road conditions permitting) after the termination of this contract as aforesaid - it being distinctly agreed and understood between the parties hereto that any of the following improvements hereafter placed upon said property shall remain thereon and be surrendered therewith, to-wit: all buildings, warehouses, assay offices, bunkers for the storing of ore, flumes, ditches and wood sluice boxes constructed on said property, any wooden gallows or head frames to any shaft situated thereon; and, as to any underground works, all ladders, underground bunkers and all underground timbering affixed to and a part of said mine.

In the event of the termination of this contract, as aforesaid, all sums of money theretofore paid to the OWNERS shall be regarded as liquidated damages for the prior use and occupation of said mining ground and shall be so retained by the OWNERS, without claims or demands therefor by the LESSEE.

31. Whenever this lease is terminated by its expiration or by the action of the parties hereto or by operation of law, LESSEE shall and will peacefully and quietly leave, surrender and yield up said premises unto the OWNERS and said LESSEE, at the request of the OWNERS, covenants and agrees to execute to said OWNERS a quitclaim deed in respect to the properties herein described releasing, quitclaiming and surrendering said properties, and the whole thereof, from the provisions of this agreement and any cloud upon the title arising therefrom.

32. Any notice which is herein provided may or shall be given by either party to the other shall be deemed to have been duly given when enclosed in a sealed envelope and deposited in the United States Mail, postage prepaid and registered, addressed to the parties hereto as follows:

To the OWNERS, Teresa and Antone Lavezzola
Downieville, Sierra County, California;

To the LESSEE, Joe B. Powell, P.O.Box 1867,
Richmond, California.

33. Providing that the LESSEE has fully performed all of the terms and conditions of this agreement on his part to be performed, the option is hereby granted to the LESSEE to extend this lease agreement for an additional term of five (5) years ending on the 1st day of July, 1961. LESSEE shall give sixty (60) days prior written notice to the OWNERS of his intention to extend the term of this lease as herein provided.

If, upon the expiration of said additional term, ending on the 1st day of July, 1961, the LESSEE is engaged in the mining and production of commercially

profitable ores, from the demised premises, or other properties owned or controlled by the LESSEE and used in connection with the demised premises, or is engaged in development work with a view to developing commercially profitable ores, then this lease agreement shall be further extended, without further notice, if the LESSEE is not in default thereunder, until (a) the payment in full of the purchase price hereinabove named for said premises or (b) the exhaustion of commercially profitable ores or (c) the abandonment of the mining projects contemplated by this agreement.

34. This agreement shall inure to the benefit of and shall bind the successors, heirs, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement, IN DUPLICATE, the day and year first hereinabove written.

(SIGNED) ANTONE LAVEZZOLA

TERESA LAVEZZOLA

JOE B POWELL

IRENE L. POWELL

(Notarized signatures)

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Cal.

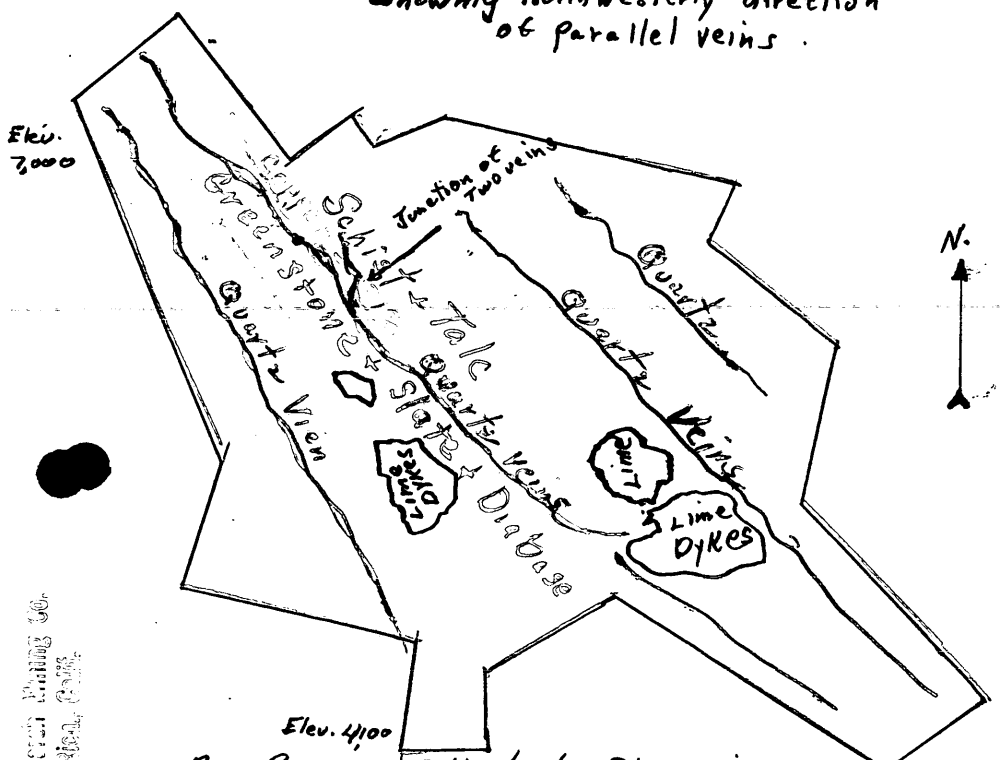
3. (a). We propose to follow this ore body to a depth of one hundred feet and to drive approximately four hundred feet into the side of the mountain, which is at a 45° incline. As there is evidence on the surface following this mineralized zone, showing the existence of copper, gangue and hematite, it is felt by the mine management that this should be explored. By driving into the side of the mountain a distance of four hundred feet, we will gain approximately 300 feet of orebacks which could be mined readily if this ore body is in existence. After the shaft has been sunk one hundred feet and ore has been encountered, a drift should be driven out to side of mountain for air and drainage.

Approximate cost:

Installation of Equipment (including head frame)	$ 4,000.00
Sinking 100 feet (5 x 8 in the clear)	7,000.00
Drift North 400 feet (Including hoisting expense)	12,000.00
Drift to Surface for air	4,500.00
Reserve for Contingencies	5,000.00
	$32,500.00

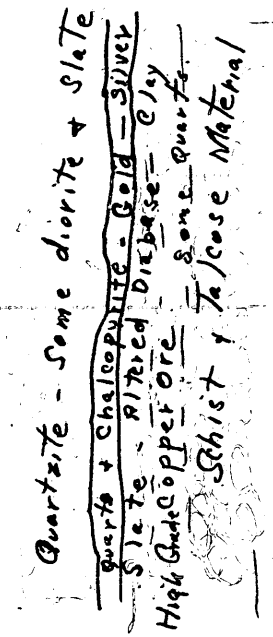
(b). Because of the funds available by our company, we would like to have at least two years time in proving up our objective. We would like to start operating on or before June 1, 1952.

Shamrock Group of Claims
27 Claims in all
Showing Northwesterly direction of parallel veins.



A Rough Sketch Showing Veins

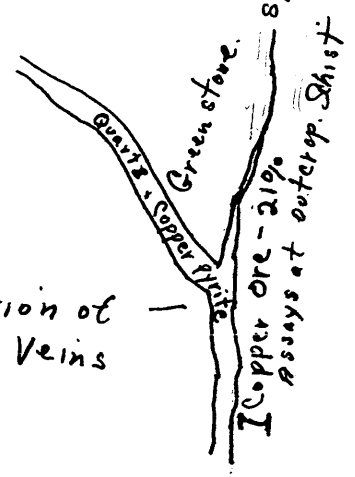
Cross Section of Exposed Vein.



All types of Non-Metallic Minerals
Clays, Serpentines + Calcium Deposits

Not an Exact Sketch of Cross section

Top View of Veins



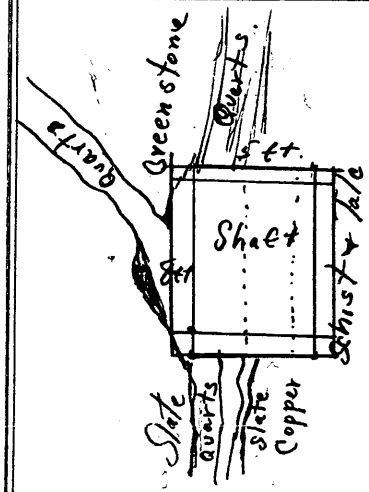
Junction of Two Veins

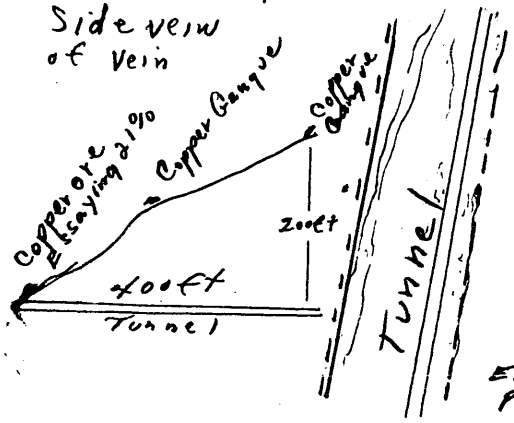
Propose to sink a 100 ft shaft near the Junction of these Two veins.

Propose to drive a 400 ft drift into side of Mountain following Copper zone.

Proposed Tunnel Top Veiw of Vein

Side veiw of Vein





Elevation at end of 400 Horizontal Shaft approx 6700 ft.

Elevation at Portal 6500 ft.

Shaft to be sank 100 ft. on Junction of vein or Near by, however, Our Engineer will advise the Company as to exact Spot.

We propose to follow the Copper Mineralized Zone a distance of 400 ft. with a horizontal tunnel as the surface indicates an ore body ahead.

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Calif.

5. The following buildings and facilities located on the Monarch property, one and one-quarter miles from site of proposed development, to be used in this operation:

Bunkhouse
Blacksmith Shop
Dynamite Storage Magazine
Machine Shop
Storage Shed
Mill Building
Large supply of water and timber

All in useful and operable condition--estimate maintenance $50.00 per month.

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6. Possibly a compressor building and small storage building--approximate cost $500.00.

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7.	(a).	Bimco Rockershovel.	Monthly Rental $253.75.
	(b).	Two storage tanks for fuel and water.-	Approximate Cost $ 200.00.
		Small winlass or hoist, or air tugger. (Cost of this will depend on the rake of the ore body and speed in which our exploration work will be carried out due to the fact we may be able to get by with a hand winlass).	" " " 1000.00.
		Sump pump to be used in event water is encountered.	Approximate Cost $ 150.00
			(These costs are approximated- will purchase second-hand if possible).
	(c).	Ingersoll Rand portable compressor 160 CFM (with air lines and receiver tank)	Monthly Rental $150.00.
		Atlas rock drill with pneumatic pusher and all necessary drill steel	" " $ 75.00

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8. Two to three miners - $12.00 per day, time and a half for overtime

General manager
(Part-time) - To be arranged.

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9. Consulting Engineer - Semi-monthly inspections, $150.00 per month.

Materials and Supplies:

Mining Timbers	$ 200.00
Caps	25.00
Dynamite	300.00
Fuses	50.00
Gas and Oil	3500.00
Carbide	50.00
Rails	300.00
Bolts, Spikes, Nails for timbering and installing rails	100.00
Assaying	200.00
Accounting	Nil
Power	Above
Water--installing tank and hauling necessary water for wet drill	200.00
Incidentals	100.00
Total	$ 5025.00

SIERRA MONARCH GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

10. (a). One-half of costs less rental allowed on equipment owned by us.

(b). Yes.

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St.,Richmond,Calif.

11. Due to location where the copper ore was discovered, considerable amount of time and money will be required to maintain the road. As our project progresses, a larger area will have to be cleared from the side of the mountain for additional buildings.

DMEA-2865

JOE B. POWELL, President

VERNON W. BERGSTROM, Vice President

WALTER NIS, Secretary-Treasurer

SIERRA-MONARCH GOLD MINING COMPANY

(A California Corporation)

Sierra City, Sierra County, California

Richmond Office: 709 Tenth Street - Phone BEacon 4-8951

January 29, 1952

Defense Minerals Exploration Administration
Washington 25, D.C.

Gentlemen:

Please find enclosed application for government aid for a copper exploration project.

I talked with Mr. Miller and Mr. Ricker of the Defense Minerals Office, located at 1012 Flood Building, San Francisco, California, today, and was informed the proper procedure is to send the applications to you.

We are interested in exploring a copper deposit--the vein that has been exposed assays 21% and is approximately one foot in width at the surface. We believe this warrants investigation and if our proposed plan of exploration is not in line with your engineers, we will be glad to follow your instructions.

The property is located on the sunny side of the mountain and engineers should be able to look at the property on or before the latter part of March.

Your earliest cooperation will be appreciated.

Yours very truly,

SIERRA-MONARCH GOLD MINING COMPANY

Joe B. Powell

Joe B. Powell, President

JBP:rs

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

DEPARTMENT OF INTERIOR
BUREAU OF MINES
REGION III
RECEIVED
FEB 21
SAN FRANCISCO, CALIFORNIA

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-2365
Metal or Mineral
Date Received 2-4-52
Amount $
Participation (Government %)

Sierra-Monarch Gold Mining Company
709 Tenth Street
Richmond, California

Name and address of applicant

Date January 28, 1952

If you have already filed MF-100, give date filed ....., type of assistance requested .....,

DMA Docket Number (if available) .....

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

SIERRA-NEVADA GOLD MINING COMPANY (Name of company)

By Joe B. Powell (Signature of authorized official)

President

Pres.

January 28, 1952 (Date)

(Title)

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—64067-2

SIERRA-MONARCH GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

1. (a). Shamrock Group of Claims located in the Sierra Buttes Mining District. Total of 26 claims.

(b). Copy of Lease submitted herewith.

(c) Henry Grattan Claim, Daniel O'Connell Claim located in Sections 19, 29 and 30, Township 20 N., Range 12E, Sierra County, being a portion of the Shamrock Group of Claims.

2. (a). Copper, gold, silver. Possibility of platinum, tungsten and sheelite.

(b). Predominating rock structures consist of serpentine, chloritized slates and schists with two lime dykes outcropping near the strike of two veins running parallel, one being a quartz vein, the other being a high-grade copper vein. There are considerable outcroppings of mariposa slate, green diorite, greenstone, diorite and diabose.

Several assays were taken from the O'Connell Claim where there appears to be an outcropping of high-grade copper. Assays ranging from 21% to 24% have been taken on this copper ore body. This ore body appears to be widening with depth. As the funds that were available were designated for use in developing and prospecting the quartz veins in the Monarch property, we have done very little exploration work on this copper vein, which was encountered in driving a tunnel on the quartz vein in doing our assessment work. The vein was only six inches wide--curiosity made us go down on the vein approximately three feet. It was definitely widening out and was approximately one foot in width and assayed 22% in copper. It is believed by our mining engineer, Chas. Scott Haley, that the parallel quartz vein will also turn into copper as it is also carrying a small amount of copper content, bornite and chalcopyrite.

At two other places on this property, it is evident that copper ore is in existence.

According to information we have been able to gather from the California Bureau of Mines in one of their publications, a considerable amount of high-grade copper ore has been shipped from this vicinity. Prior to 1902, G. Zuver shipped ore from this area and it is thought this ore came from the Shamrock Group of Claims as information shows it was shipped from Section 19, Township 20N, Range 12E.

The copper ore is in the form of malachite, chalcopyrite, bornite, chalcocite, chryscolla and some azurite.

Sierra-Monarch Mining Co.
709 - 10th St. Rich., Calif.

ASSIGNMENT OF LEASE AND OPTION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, JOE B POWELL and IRENE L. POWELL, do hereby sell, assign, transfer and set over, and by this instrument have sold, assigned, transferred and set over, unto the SIERRA-MONARCH GOLD MINING COMPANY, A California corporation, all of their right, title and interest in and to that certain lease and option made and entered into May 25, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, therein designated OWNERS and JOE B. POWELL AND IRENE L. POWELL, therein designated Lessees, on the SHAMROCK GROUP OF QUARTZ CLAIMS, and recorded May 26, 1951, at Page 127, Liber 3 of Official Records of Sierra County, California; the assignee herein, SIERRA-MONARCH GOLD MINING COMPANY, agrees to keep and perform all of the covenants and conditions mentioned in said lease and option to be performed on the part of the Lessees therein, assignors therein, and further assigning all privileges, benefits and advantages to us therein granted and conveyed.

IN WITNESS WHEREOF, the assignors have hereunto executed this agreement this 22nd day of June, 1951.

(Signed) Joe B. Powell

Irene L. Powell

Accepted:

SIERRA-MONARCH GOLD MINING COMPANY,
A California Corporation

By (signed) Joe B. Powell
President

Attest: (Signed) Ruth M. Severns, Secretary

Sierra-Monarch Mining Co.
709 - 10th St. Rich., Calif.

This Agreement made and entered into this 25th day of May, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, his wife, of the town of Downieville, Sierra County, California, hereinafter referred to as "OWNERS" and Joe B. Powell and Irene L. Powell, his wife, of the City of Richmond, Contra Costa County, California, hereinafter referred to as "Lessee", and hereafter the word "Lessee" shall include both singular and plural, and the masculine and feminine.

W I T N E S S E T H

WHEREAS, the Owners are vested with the title and entitled to the sole and exclusive possession, except as to the paramount title of the United States, to those certain unpatented lode mining claims and mill sites, situated in the SIERRA BUTTES MINING DISTRICT, County of Sierra, State of California, comprising a total of twenty-six (26) claims, all being contiguous and adjacent mining locations comprising a single mine known as the SHAMROCK GROUP OF QUARTZ CLAIMS, designated and described as follows:

NAME OF CLAIM	RECORDING REFERENCE Volume and Page of "Quartz Claims" Volume	Page
J. M. PLUNKETT	———	———
J. M. PLUNKETT EXTENSION	———	———
T. J. CLARK	———	———
T. J. CLARK EXTENSION	———	———
HIBERNIA	———	———
MONSTER BOY	———	———
C. S. PARNELL	———	———
PATRICK PEARSE	———	———
RODGER CASEMENT	———	———
W. E. GLADSTONE	———	———
ROBERT EMMETT	———	———
PATRICK MARSFIELD	———	———
JOHN McBRIDE	———	———
WOLFE TONE	———	———
DUBLIN	———	———
PEARSE EXTENSION	———	———
SINN FEIN	———	———
GLADSTONE EXTENSION	———	———
HENRY GRATTAN	———	———
ST PATRICK SONS	———	———
THOS. KENT	———	———
ODONOVAN ROSSA	———	———
DANIEL O'CONNELL	———	———
O'CONNELL EXTENSION	———	———
GRATTAN MILLSITE	———	———
EMMET MILL SITE	———	———

AND WHEREAS, it is the desire of the LESSEE to take possession of and lease said mining claims (as hereinabove described) and to prospect, work, develope and mine the same for the gold ores and other minerals which are or may be hereafter found therein, with the view to the purchase thereof;

NOW, THEREFORE, the said OWNERS do hereby lease, let and demise to the LESSEE for the period ending on the first day of July, 1956, together with the right to the sole and exclusive possession (except as to the paramount title of the United

States) all of said hereinabove described mining claims and mill sites, and the whole thereof, with the appurtenances and water rights, thereto appertaining, together with the OPTION to purchase the same for the full purchase price of EIGHTY THOUSAND ($80,000) dollars, without interest, to be paid and payable on or before the 1st day of July, 1956, in lawful money of the United States of America, subject to the option of said LESSEE to extend the term of this lease and the time of said payments an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

In consideration of the premises and the mutual covenants and agreements herein contained the parties hereto agree as follows:

1. The term of this lease shall be for the period beginning from the date hereof and ending on the first day of July, 1956, or until the earlier termination of this lease, as hereinafter provided, subject to the option of said LESSEE to extend said term an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

2. The LESSEE is expressly granted the right to enter upon the demised premises and to mine and explore the same and to take, remove and dispose of any and all metals or minerals (organic or inorganic) and whether existing as placer, lode or other type of deposit on or beneath the surface of said property, so long as this lease shall be and remain in full force and effect; said mining operations to be conducted by the Lessee, may be either by underground or open pit, or caving methods, or any other method selected by the LESSEE as the most practical, expedient and economical method to be pursued in the extraction and recovery of minerals in or on said lands, or any extralateral rights, appertaining thereto.

In the conduct of said mining operations the LESSEE shall have the right and privilege of using all roads, water and water rights, ditch and ditch rights now on said premises or appurtenant thereto, and shall have the further privilege of erecting other and additional improvements, buildings and structures and of installing such equipment, pipe lines, mills, power lines and appliances as he may find proper. All mining operations, however, shall at all times be conducted and carried on in a good and miner-like fashion and in accordance with established and accepted methods and practices, and not otherwise.

The OWNERS, or their duly appointed agent or representative, shall have the privilege of entering into and inspecting said property, and all buildings, improvements and workings for the purpose of ascertaining the manner in which the LESSEE is carrying on said operations.

3. As long as this lease remains in effect, the LESSEE agrees to pay the OWNERS, a MINIMUM ROYALTY, or rental, for the use and occupation of the demised premises, as follows:

The sum of Fifty ($50.00) dollars per month, payable monthly in advance on the first day of each month for the period commencing July 1, 1951.

4. The LESSEE agrees, so long as this lease remains in effect, if he elects to conduct mining operations on the demised premises, without being under compulsion of so doing, that he will pay to the OWNERS, in addition to the foregoing stipulated minimum royalty, an EARNED ROYALTY as follows:

Ten (10%) percent of the gross value, as hereafter provided and limited, on all gold or silver mined or produced from said demised premises, or any part thereof.

If the LESSEE shall mill or reduce or otherwise beneficiate gold or silver

ores mined from said property, he shall ship all bullion to the United States Mint at San Francisco, California. All gold or silver concentrates or gold or silver ores not milled, or reduced by the LESSEE shall be shipped to the Selby Smelting Works of California, or other recognized custom mills or smelters.

Within ten (10) days after the receipt by the LESSEE of the mint, smelter or mill payments for said shipments the LESSEE shall pay to the OWNERS the hereinabove stated royalty on the gross value of said gold or silver ores minted, smelted or treated, as aforesaid, as evidenced by the mint, mill or smelter returns after deducting therefrom the mint or smelter charges or refining costs, including shipping and insurance costs in the case of gold or silver bullion shipped from ores treated and beneficiated on the demised premises, together with any State or Federal charges, commissions, seigniorage or taxes (including severance taxes) now or hereafter imposed by authority of the federal government of the United States or the State of California directly relating to the production, purchase, sale or other disposition of gold or silver bullion, but excluding any milling charges made by custom mills.

All payments made on account of royalty, as above provided, shall be accompanied by mint, smelter or refining returns, evidencing the gross proceeds of all gold or silver ores mined or produced from said properties, and sold and disposed of, as aforesaid.

The LESSEE shall be responsible for the payment of the aforesaid royalty on all gold or silver ores from and after all "clean-ups" and for any losses thereof, either in transit or while held at the mine, awaiting shipment.

5. All royalty payments made hereunder, either as MINIMUM ROYALTIES or EARNED ROYALTIES, shall be a credit in full on account of the purchase price to be paid for the demised premises, as hereinabove set forth.

6. ALL EARNED ROYALTIES paid during any calendar month shall be a credit on the MINIMUM ROYALTY payment due on the 1st day of the next succeeding month but shall not be cumulated or carried forward to succeeding months, if said EARNED ROYALTY payments exceed the amount on the next monthly accruing MINIMUM ROYALTY payment.

7. The removal of ore and placing the same in stockpile upon the demised premises shall not be deemed a removal or shipment subject to royalty payments, and said royalty shall only accrue when said ores are shipped or treated from stockpile.

8. All tailings, waste material, by-products or other ores or minerals recovered from or in association with said gold or silver ores shall become the property of the LESSEE, without other obligation than the payment of the above specified royalty on gold or silver ores shipped or removed from said property or milled or treated, as aforesaid.

9. The OWNERS shall have the right, through their representatives, or in person to be present at each and every cleanup of gold ores taken or extracted from said property whenever such cleanup shall be made on the premises or on any adjacent or contiguous properties acquired by the LESSEE and used in connection with the properties herein described. The LESSEE shall give notice to the OWNERS, upon written request, of the time of said cleanups.

The OWNERS, or their representatives, shall likewise have access to all shipping and refining returns, mill or production records, or other records giving information on the amount of gold or silver ores reduced, extracted or

recovered by the LESSEE from said mining ground and the proceeds thereof and the LESSEE shall, at all times, maintain said records, or true copies thereof, within the State of California.

10. The LESSEE shall furnish the OWNERS true and correct copies of all maps, reports, drilling records, and assay and sampling reports and records made by or for the LESSEE in respect to the mining operations conducted hereunder. Likewise LESSEE shall furnish the OWNERS with monthly progress reports and at convenient intervals, but at least every six months, a map showing the extent and nature of all mine explorations and development.

The OWNERS may at any and all times during the term of this agreement, maintain an observer or observers on said properties with the right on the part of said observer or observers to the free and unrestricted entry into all mine workings including the right to take reasonable samples and make any desired surveys or maps, and said observers may act to protect the OWNERS' interest against "hi-grading" and the LESSEE agrees to cooperate in said efforts. Said observers shall be paid for by the OWNERS and be maintained on said premises upon the sole responsibility of the OWNERS and the LESSEE shall in no manner be responsible for the safety of said observers. The said observers shall at all times conduct themselves so as not to interfere with the operations or working of said mine by the LESSEES.

11. Commencing with the first day of March , 1951, the LESSEE shall pay, prior to delinquency, all taxes thereafter levied or assessed against said lands, including any ores or concentrates stockpiled on said property or any personal property situated thereon, or any improvements now or hereafter erected or placed thereon during the life of this agreement. The LESSEE shall pay said taxes in addition to all other moneys agreed to be paid hereunder (which tax payments shall not be a credit on the purchase price of said properties) and in the event of a cancellation or surrender of this lease the LESSEE shall pay the pro-rata amount due for said taxes to the date of such surrender or cancellation, except as to any personal property, equipment or ores which the LESSEE shall remove from said property (having the right herunder to effect said removal) as to which he shall pay the taxes in full.

12. Should there be a cessation of work, on and after July 1, 1952, in respect to the demised premises at any time for a period of twenty (20) days prior to the first day of any month due to strikes, fire, flood or other casualty or by war (declared or undeclared), riot, governmental restrictions or control over essential materials, the MINIMUM ROYALTY payment due on the first day of the succeeding month shall be waived and excused. Work related solely to the repair of damage occasioned by the stated casualties shall be deem d a cessation of labor in respect to the mining projects contemplated by this agreement.

For the period ending June 30, 1952, the MINIMUM ROYALTIES provied for herein shall be paid irrespective of the foregoing contingencies.

13. There is granted to the LESSEE the free and unrestricted use of any waters on or appurtenant to said lands, whether in the form of springs, percolating waters or other sources of supply.

14. This lease shall not be assigned without the prior written consent of the OWNERS, and no interest therein or thereunder shall be assigned, transferred or granted without such prior written consent, except that this lease may be assigned to a corporation, now or hereafter to be incorporated to undertake the mining projects contemplated by this agreement on condition that said corporation assumes and agrees in writing, to perform all the terms and conditions of this agreement, and delivers to the OWNERS a duly executed copy of said assumption of liability.

15. There is granted to the LESSEE the right to dump waste materials or tailings on the surface of the demised premises, or any adjacent lands acquired by the LESSEE, to erect restraining dams in connection with the storage and restraint of mine tailings, to build reservoirs and store water, and to stockpile or otherwise deposit ores, concentrates or other products from mining operations conducted on said premises.

16. There is likewise granted to the LESSEE the right to use any standing timber on said lands for mining purposes or domestic use on the demised premises, it being expressly agreed that none of said timber shall be moved or disposed of for use elsewhere than on said demised lands.

17. The LESSEE covenants and agrees to perform the necessary annual labor or improvements to be made, as required by the mining laws of the United States and the State of California, in respect to said hereinabove described unpatented lode mining claims to the extent of One Hundred ($100.00) Dollars in value on each of said claims. Said assessment work (annual labor or improvements) shall be commenced each year not later than the 1st day of June (including June 1st, 1951) and thereafter diligently and continuously carried to completion. The LESSEE shall record proper proofs of labor in connection with said annual work in the office of the County Recorder, Sierra County, California, immediately upon the completion of said work.

The foregoing annual labor shall be undertaken, as hereinabove prescribed, by June 1st of each year during the term of this lease, unless, prior to June 1st a moratorium has been enacted by the Congress of the United States, suspending said annual labor, in which case said LESSEE may claim the benefit of said moratorium in lieu of the performance of said annual labor (assessment work).

No extension for the time of commencing said annual labor beyond the 1st day of July of any year shall excuse or discharge the LESSEE of his obligation to start the performance of said annual labor prior to June 1st, and carry the same to diligent and continuous completion.

18. The LESSEE shall and does hereby assume and agree to save the OWNERS harmless from all claims and demands, including court costs and attorneys' fees, arising against said property, or the OWNERS, by reason of injuries to the person or property of others arising from (a) the possession of said demised premises by the LESSEE, (b) the mining or other operations thereon by the LESSEE or any contractor, agent or representative of the LESSEE and (c) from any improvements, buildings, structures, reservoirs, tailings ponds, machinery or equipment erected or constructed or maintained on the demised premises by the LESSEE.

19. The OWNERS and the demised premises shall not be liable nor responsible for any work, labor or repairs of whatever kind or character done or performed in, on or upon said properties during the life of this agreement by the LESSEE, his agents, assigns, sub-tenants or successors, or for any material or materials furnished to be used or used in, on, upon or in connection with the working of said properties, as aforesaid, nor the rental or other obligations incidental to the use of any machinery or equipment used in or about said property or the mining operations conducted thereon.

The LESSEE shall pay all charges and expenses of each and every nature for which he shall become expressly or impliedly liable in anywise connected with the working of said properties, and will protect and save harmless the said properties from all claims and liens of each and every nature arising from any act or omission of the LESSEE.

The LESSEE shall pay for all power, or water supplied at his special

instance or request to be used on or in connection with the herein demised premises, or any other properties used in connection therewith.

20. The OWNERS herein shall have the right to enter upon said demised premises at any and all times and to post thereon a notice (as provided in Section 1192 of the Code of Civil Procedure of the State of California) that neither they nor the said hereinabove described properties will be responsible or liable for any work or labor done or performed thereon at the direction of the LESSEE, or any agent, representative, grantee or successor of the LESSEE, upon, in, about or in the improvement of said demised premises, or any part thereof.

21. The said LESSEE promises and agrees, as soon as work shall be commenced by any employee upon said property under this agreement, to procure and carry a policy of insurance for the protection of the parties hereto for any injury or injuries to employees under the Workmen's Compensation Insurance and Safety Act of the State of California, and under the Acts amendatory thereto, and to carry the same as his own proper charge and expense.

22. The LESSEE may acquire in his own name any other property, water rights, mill sites, tailings sites and mining lands, whether adjacent or contiguous to the properties herein described, and whether used as appurtenant or in connection therewith, without claim or right thereto or therein by the OWNERS, which said lands, mining properties and water rights shall be held, used and possessed by the LESSEE independently and beyond the scope of the terms and conditions of this agreement, subject only to the reciprocal mining rights granted by paragraph 23 hereof.

23. It is mutually agreed by and between the OWNERS and the LESSEE that for the purpose of enabling the LESSEE to carry on to the best advantage and with greater economy and convenience the mining and development of the ores or other minerals existing upon, in or under the mining premises hereinabove described, or existing upon, in or under any adjacent lands or mining ground which the LESSEE may now, or hereafter, own or acquire or from which he may now or hereafter have the right to so mine and remove minerals, that the LESSEE shall have the right and privilege, if he so elects, to gain access to, and when gained by him to remove the ores or minerals from, in, under or upon the said hereinabove described premises and/or such adjoining lands through any tunnel or tunnels, shaft or shafts, workings, or openings, whether located upon the said mining premises hereinabove described, or upon any such adjacent lands. And for such purposes the LESSEE shall have the right to drive tunnels or make openings (including the extension of open pits) from said mining premises herein described into and upon such adjacent lands, or from such adjacent lands into said herein described mining premises; it being understood that gold or silver ores mined from the premises herein described shall at all times be kept separate from gold or silver ores mined from any such adjacent lands so far as may be necessary for the purposes of ascertaining the royalty due thereon and ores from the demised premises shall not be commingled with ores from other lands owned or controlled by the LESSEE.

24. The LESSEE agrees that all operations conducted on or about said leased premises for the development, mining and milling of said ores during the term hereof shall be conducted in compliance with all laws now or hereafter in effect of the UNITED STATES and the STATE OF CALIFORNIA, and all rules and regulations of governmental authorities and commissions having jurisdiction over such operations.

25. The LESSEE may, at any time during the term of this lease, and at his own cost and expense, make application for, in the name of the OWNERS, of a patent to the whole of said unpatented mining claims, or may make successive applications therefor as to any portion or number of said mining claims. The OWNERS agree to cooperate with the LESSEE in said application or applications for a patent and to promptly execute, upon demand, all records and proofs necessary therefor.

26. The LESSEE may at any time, during the term herein stated, surrender this lease and agreement, together with the possession of said properties hereinabove described, upon the giving of sixty (60) days written notice to that effect to the OWNERS and thereupon be relieved of all future obligations hereunder, including the payment of any moneys becoming due and payable thereafter, but such surrender shall not release the LESSEE from any obligation or liability theretofore incurred by him hereunder.

27. Whenever the LESSEE has paid to the OWNERS the sum of Five Thousand ($5,000.00) Dollars as a credit on account of the above stated purchase price of the mining claims herein described, the OWNERS will deposit, upon the written request of the LESSEE, with any bank or title company designated by the LESSEE, a good and sufficient deed conveying to the LESSEE, or his nominee, or assignee, all of the hereinabove described property with the appurtenances and water rights thereto belonging, freeand clear of all liens and/or encumbrances and adverse claims of any kind or character, except the following:

(a) The paramount title of the United States, if said mining claims remain unpatented.

(b) Any lien or claim applying or existing from any act done or suffered by the LESSEE.

(c) All taxes assumed hereunder by the LESSEE.

(d) Existing rights of way for roads, trails, ditches, and utility rights of way.

Said deed will be deposited, as aforesaid, with appropriate instructions to said escrow holder, to deliver said deed to the LESSEE, or his nominee or assignee, upon the payment in full, according to the terms hereof, of the total purchase price hereinabove named for said properties.

28. Time is of the essence of this lease.

29. Each and every agreement, covenant, term or conditions herein contained on the part of the LESSEE to be kept or performed shall be and it is hereby made a condition of this agreement and in the event that the LESSEE shall fail or refuse to keep or perform any agreement, covenant, term or condition set forth herein for thirty (30) days after written notice of default specifying the particulars of said alleged default, the OWNERS may at their option, with written notice to the LESSEE, and without waiving any other rights hereunder, or at law, or against the LESSEE arising from any such default terminate this agreement and with or without process of law, expel, remove and put out the LESSEE from the possession of the hereinabove described mining claims and property; but such termination shall not release the LESSEE from any obligation or liability theretofore incurred by him under the provisions hereof.

A waiver of one default by the OWNERS shall not be deemed to be a waiver of any other default.

Should any such default be by its nature not capable of being remedied

within said thirty (30) day period, then and in that event, such alleged default shall be deemed cured in the event the LESSEE commences to remedy such default within said thirty (30) day period and thereafter diligently prosecutes the same to completion.

The Notice of Default herein provided to be given shall not apply to the payment of MINIMUM or EARNED ROYALTIES due hereunder and in the event of the failure or neglect of the LESSEE to pay said MINIMUM or EARNED ROYALTIES within ten (10) days of the time herein stipulated for the payment of said royalties, the OWNERS may forthwith cancel this lease agreement without other or prior notice.

30. In the event of the termination of this contract as aforesaid, or by limitation of time, or otherwise, the LESSEE may remove all machinery and equipment, including underground and surface pumps, rails, air and compressor pipes, leaching tanks, tools, supplies and other personal property whatsoever which may HEREAFTER be placed on said property by the LESSEE; said removal to be accomplished within sixty (60) days (weather and road conditions permitting) after the termination of this contract as aforesaid - it being distinctly agreed and understood between the parties hereto that any of the following improvements hereafter placed upon said property shall remain thereon and be surrendered therewith, to-wit: all buildings, warehouses, assay offices, bunkers for the storing of ore, flumes, ditches and wood sluice boxes constructed on said property, any wooden gallows or head frames to any shaft situated thereon; and, as to any underground works, all ladders, underground bunkers and all underground timbering affixed to and a part of said mine.

In the event of the termination of this contract, as aforesaid, all sums of money theretofore paid to the OWNERS shall be regarded as liquidated damages for the prior use and occupation of said mining ground and shall be so retained by the OWNERS, without claims or demands therefor by the LESSEE.

31. Whenever this lease is terminated by its expiration or by the action of the parties hereto or by operation of law, LESSEE shall and will peacefully and quietly leave, surrender and yield up said premises unto the OWNERS and said LESSEE, at the request of the OWNERS, covenants and agrees to execute to said OWNERS a quitclaim deed in respect to the properties herein described releasing, quitclaiming and surrendering said properties, and the whole thereof, from the provisions of this agreement and any cloud upon the title arising therefrom.

32. Any notice which is herein provided may or shall be given by either party to the other shall be deemed to have been duly given when enclosed in a sealed envelope and deposited in the United States Mail, postage prepaid and registered, addressed to the parties hereto as follows:

To the OWNERS, Teresa and Antone Lavezzola
Downieville, Sierra County, California;

To the LESSEE, Joe B. Powell, P.O.Box 1867,
Richmond, California.

33. Providing that the LESSEE has fully performed all of the terms and conditions of this agreement on his part to be performed, the option is hereby granted to the LESSEE to extend this lease agreement for an additional term of five (5) years ending on the 1st day of July, 1961. LESSEE shall give sixty (60) days prior written notice to the OWNERS of his intention to extend the term of this lease as herein provided.

If, upon the expiration of said additional term, ending on the 1st day of July, 1961, the LESSEE is engaged in the mining and production of commercially

profitable ores, from the demised premises, or other properties owned or controlled by the LESSEE and used in connection with the demised premises, or is engaged in development work with a view to developing commercially profitable ores, then this lease agreement shall be further extended, without further notice, if the LESSEE is not in default thereunder, until (a) the payment in full of the purchase price hereinabove named for said premises or (b) the exhaustion of commercially profitable ores or (c) the abandonment of the mining projects contemplated by this agreement.

34. This agreement shall inure to the benefit of and shall bind the successors, heirs, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement, IN DUPLICATE, the day and year first hereinabove written.

(SIGNED) ANTONE LAVEZZOLA

TERESA LAVEZZOLA

JOE B POWELL

IRENE L. POWELL

(Notarized signatures)

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Cal.

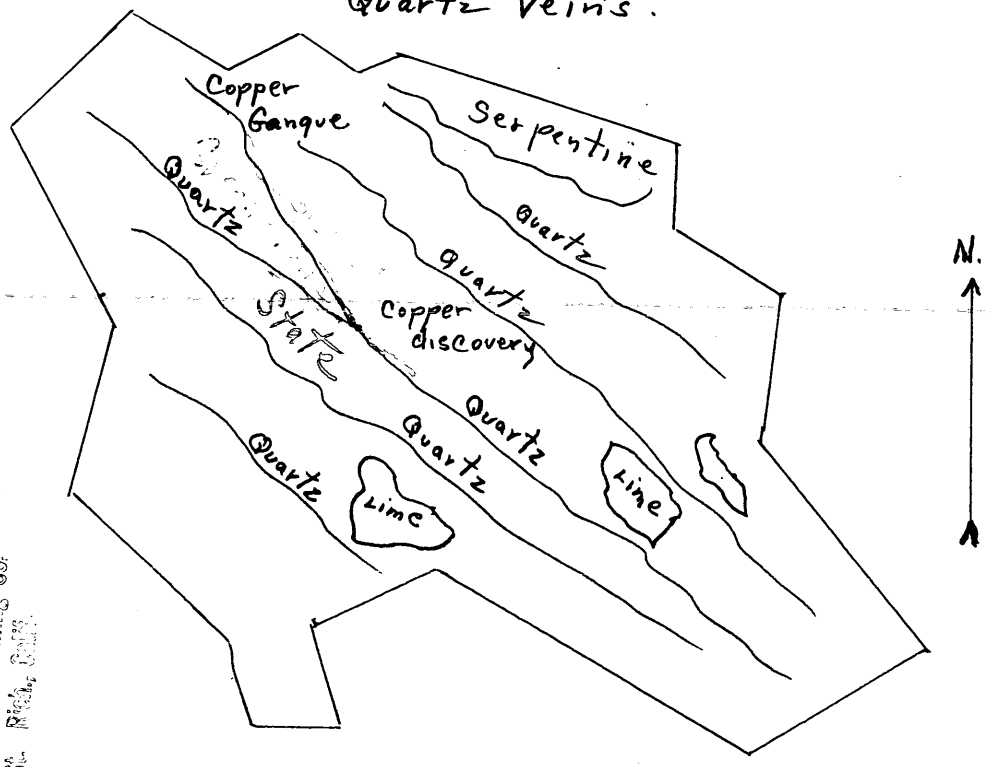
3. (a). We propose to follow this ore body to a depth of one hundred feet and to drive approximately four hundred feet into the side of the mountain, which is at a 45° incline. As there is evidence on the surface following this mineralized zone, showing the existence of copper, gangue and hematite, it is felt by the mine management that this should be explored. By driving into the side of the mountain a distance of four hundred feet, we will gain approximately 300 feet of orebacks which could be mined readily if this ore body is in existence. After the shaft has been sunk one hundred feet and ore has been encountered, a drift should be driven out to side of mountain for air and drainage.

Approximate cost:

Installation of Equipment (including head frame)	$ 4,000.00
Sinking 100 feet (5 x 8 in the clear)	7,000.00
Drift North 400 feet (Including hoisting expense)	12,000.00
Drift to Surface for air	4,500.00
Reserve for Contingencies	5,000.00
	$32,500.00

(b). Because of the funds available by our company, we would like to have at least two years time in proving up our objective. We would like to start operating on or before June 1, 1952.

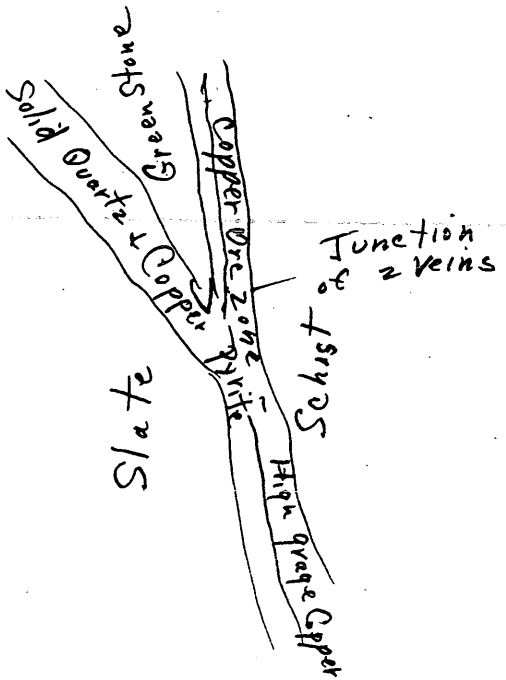
Shamrock Group of Claims (27) Showing direction of parallel Quartz Veins.



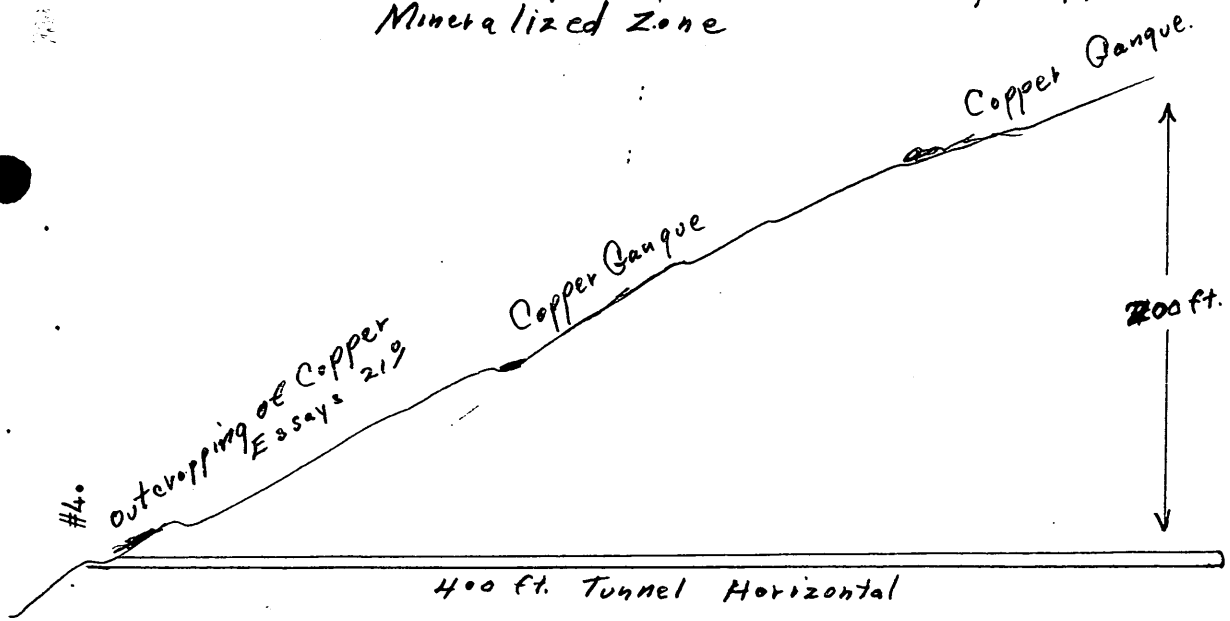
Cross Section of Copper Ore Zone.

Slate - Greenstone
Quartz with Copper Pyrite
Slate - decomposed - Quartz
21% Copper + Quarts - Gold + Silver
Schist semi alo base
Serpentine + Clays

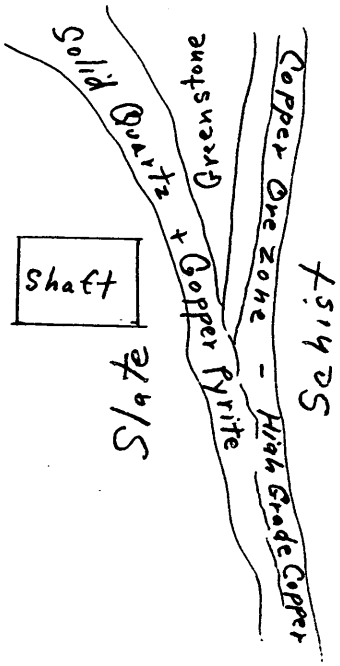
Top Veiw of Copper Vein



Side Veiw of Proposed Tunnel Following Copper Mineralized Zone



Top Veiw of proposed Shaft



Note- Shaft to be sank 100ft. Near the Junction of the two Veins

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Calif.

5. The following buildings and facilities located on the Monarch property, one and one-quarter miles from site of proposed development, to be used in this operation:

Bunkhouse
Blacksmith Shop
Dynamite Storage Magazine
Machine Shop
Storage Shed
Mill Building
Large supply of water and timber

All in useful and operable condition--estimate maintenance $50.00 per month.

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Calif.

6. Possibly a compressor building and small storage building—approximate cost $500.00.

SIERRA-MONARCH GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

7.	(a).	Eimco Rockershovel.	Monthly Rental $253.76.
	(b).	Two storage tanks for fuel and water.	Approximate Cost $ 200.00.
		Small winlass or hoist, or air tugger. (Cost of this will depend on the rake of the ore body and speed in which our exploration work will be carried out due to the fact we may be able to get by with a hand winlass).	" " " 1000.00.
		Sump pump to be used in event water is encountered.	Approximate Cost $ 150.00
			(These costs are approximated-will purchase second-hand if possible).
	(c).	Ingersoll Rand portable compressor 160 CFM (with air lines and receiver tank)	Monthly Rental $150.00
		Atlas rock drill with pneumatic pusher and all necessary drill steel	" " $ 75.00

SIERRA-MONARCH GOLD MINING CO.
700 Tenth St., Richmond, Calif.

8. Two to three miners - $12.00 per day, time and a half for overtime

General manager
(Part-time) - To be arranged.

SIERRA-MERRICK GOLD MINING CO.
7[illegible] Tenth St., Richmond, Calif.

9. Consulting Engineer - Semi-monthly inspections, $150.00 per month.

Materials and Supplies:

Mining Timbers	$ 200.00
Caps	25.00
Dynamite	300.00
Fuses	50.00
Gas and Oil	3500.00
Carbide	50.00
Rails	300.00
Bolts, Spikes, Nails for timbering and installing rails	100.00
Assaying	200.00
Accounting	Nil
Power	Above
Water--installing tank and hauling necessary water for wet drill	200.00
Incidentals	100.00
Total	$ 5025.00

GREAT AMERICAN GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

10. (a). One-half of costs less rental allowed on equipment owned by us.

(b). Yes.

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St.,Richmond,Calif.

11. Due to location where the copper ore was discovered, considerable amount of time and money will be required to maintain the road. As our project progresses, a larger area will have to be cleared from the side of the mountain for additional buildings.

700

FILE COPY
SURNAME:

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

APR 9 1952

AIRMAIL

Mr. Joe L. Powell, President
Sierra-Monarch Gold Mining Company
709 Tenth Street
Richmond, California

Re: Docket No. DMA-2365 (Copper)
Shamrock Group of Claims
Sierra County, California

Dear Mr. Powell:

Replying to your inquiry of April 2, 1952, please be advised that your application for assistance in exploring your above-named property has been reviewed by the Rare and Miscellaneous Metals Division of the Defense Minerals Exploration Administration and has been referred to Mr. H. C. Miller, Executive Officer, DMEA Field Team, Region III, 1012 Flood Building, 870 Market Street, San Francisco 2, California.

If the Regional Office has not already contacted you regarding the proposed examination, it is suggested that you make inquiry directly to Mr. Miller at the above address.

Sincerely yours,

C. O. Mittendorf (for)

Acting Administrator
Defense Minerals Exploration
Administration

EWEllis/gla 4-8-52
cc to: Adm. Reading File
Docket
Messrs. C. H. Johnson, Rm. 3621
Ned Nelson, Rm. 4216 GSA
Ellis
Field Team, Reg. III (2)

S.N.
4-9-52

4/8/52 gle

JOE B. POWELL, President

[illegible]

SIERRA-MONARCH GOLD MINING COMPANY

(A California Corporation)

Sierra City, Sierra County, California

Richmond Office: 709 Tenth Street - Phone BEacon 4-8951

April 2, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1952

United States Dept. of the Interior
Defense Minerals Exploration Administration
Washington, D. C.

Attention: Robert E.Adams

Gentlemen:

Subject: DMEA-2365
Re: Exploration Loan
Shamrock Group

On February 5th, we received an acknowledgment of receipt of our application for a loan under the Defense Production Act of 1950.

Please advise the status of our application at the present time and whether or not the property will have to be inspected, etc.

Yours very truly,

SIERRA-MONARCH GOLD MINING COMPANY

Joe B. Powell

Joe B. Powell, President

JBP:rs

FILE COPY
SURNAME:

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

FEB 19 1952

F. L. Knouse
Ellis
Johnson
Nelson

AIR MAIL

Mr. H. C. Miller
Executive Officer, Region III
DMEA Field Team
1012 Flood Building
870 Market Street
San Francisco 2, California

Re: Docket No. DMEA-2365 (Copper)
Sierra-Monarch Gold Mining Co.
Shamrock Group of Claims
Sierra County, California

Dear Mr. Miller:

The captioned application is referred to your office for either a field examination or a recommendation without a field examination based on information available to your office.

The attached copies of memoranda from Mr. C. H. Johnson dated February 8, 1952, and Mr. N. E. Nelson dated February 7, 1952, outlines the important questions to be considered in your recommendations. If, however, the proposal submitted by the applicant or an alternate program is recommended by your office and approved by the applicant, maps or a sketch showing the proposed work in relation to the mining claim lines with detailed costs as are outlined in Form MF-103 should accompany the report. The cost and description of any equipment to be purchased or rented and the fair market value and description of any equipment to be supplied by the operator should accompany the report. If all or any part of a recommended program is to be done by a contractor, it should be so indicated, and a detailed breakdown of the costs supplied. If an exploration program is recommended, we will require from the applicant one original and six copies of Form MF-202 Landlord's Subordination Agreement signed by each property owner, with a list of the mining claims on which work is to be done and any adjoining claims controlled by the applicant, where the claims are recorded, book number, page, and entry date.

A copy of Form MF-103 submitted by the applicant is attached.

When we receive the above information we will be able to proceed with the processing of this application.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

S.N. 2-19-52

Enclosures 4

APPROVED:

J. H. Hedges
For Bureau of Mines

Z. R. Thayer
For Geological Survey

FLKnouse/gla 2-12-52
cc to: Mm. Reading File
Docket
Messrs. Johnson, C.H. Rm. 3621
Nelson, Ned. Rm.4216GS
Ellis
Knouse

2/11/52 glu

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

February 8, 1952

Memorandum

To: E. W. Ellis, DMEA

From: C. H. Johnson, Bureau of Mines

Subject: DMEA 2365 - Sierra Monarch Gold Mining Company, Richmond, California; Copper Property in Sierra Co., California

The subject application has been reviewed by Mr. L. L. Farnham on my behalf, and I concur in his opinion that the information submitted scarcely justifies an examination. I will be glad to concur either in a denial, if you so decide, or in a referral to the field office with a request for an opinion, which may or may not require field examination depending upon the judgment of the field engineers.

C. H. Johnson
C. H. Johnson

Copy to Mr. Nelson, U.S.G.S.
Minerals Division
Base Metals Branch
Files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1952

IN REPLY REFER TO:

2/7/52 gla

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

February 7, 1952

Memorandum

To: Mr. E. Wm. Ellis

From: Mr. N. E. Nelson

Subject: DMEA-2365, Sierra-Monarch Gold Mining Company, Sierra City, Sierra County, California

The data furnished with this application indicates a discovery, from which a good specimen was obtained, has been made. Beyond that one cannot be certain, but it would seem the initial program is out of proportion. Certainly no shaft should be sunk if it is possible to drift on the vein and it might be well to delay that until some stripping is done, followed perhaps by diamond drilling.

If the applicants will agree to a more realistic work program, an examination by the field team should be in order.

N. E. Nelson

Ned E. Nelson
Geologist

EXPLORATION

Subject: DMEA-2365
Re: Exploration Loan
Shamrock Group
February 5, 1952

Mr. Jack B. Powell, President
Sierra-Monarch Gold Mining Company
709 Tenth Street
Richmond, California

My dear Mr. Powell:

This will acknowledge receipt of your application dated January 28, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2365 and referred to the Rare & Miscellaneous Metals Division.

Kindly refer to DMEA-2365 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2365

JOE B. POWELL, President

[redacted]

SIERRA-MONARCH GOLD MINING COMPANY

(A California Corporation)

Sierra City, Sierra County, California

Richmond Office: 709 Tenth Street - Phone BEacon 4-8951

January 29, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

Defense Minerals Exploration Administration
Washington 25, D.C.

Gentlemen:

Please find inclosed application for government aid for a copper exploration project.

I talked with Mr. Miller and Mr. Ricker of the Defense Minerals Office, located at 1012 Flood Building, San Francisco, California, today, and was informed the proper procedure is to send the applications to you.

We are interested in exploring a copper deposit—the vein that has been exposed assays 21% and is approximately one foot in width at the surface. We believe this warrants investigation and if our proposed plan of exploration is not in line with your engineers, we will be glad to follow your instructions.

The property is located on the sunny side of the mountain and engineers should be able to look at the property on or before the latter part of March.

Your earliest cooperation will be appreciated.

Yours very truly,

SIERRA-MONARCH GOLD MINING COMPANY

Joe B. Powell

Joe B. Powell, President

JBP:rs

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMEA-2365
Metal or Mineral
Date Received 2-4-52
Amount $
Participation (Government %)

Sierra-Monarch Gold Mining Company
709 Tenth Street
Richmond, California

Name and address of applicant

Date January 28, 1952

If you have already filed MF-100, give date filed _____, type of assistance requested _____,

DMA Docket Number (if available) _____

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 4 1952

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

SIERRA-MONARCH GOLD MINING COMPANY (Name of company)

By Joe B. Powell (Signature of authorized official)

President

January 28, 1952 (Date)

Pres. (Title)

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—64067-2

SIERRA-MONARCH GOLD MINING CO.
709 Tenth Street, Richmond, Cal.

1. (a). Shamrock Group of Claims located in the Sierra Buttes Mining District. Total of 26 claims.

(b). Copy of Lease submitted herewith.

(c) Henry Grattan Claim, Daniel O'Connell Claim located in Sections 19, 29 and 30, Township 20 N., Range 12E, Sierra County, being a portion of the Shamrock Group of Claims.

2. (a). Copper, gold, silver. Possibility of platinum, tungsten and sheelite.

(b). Predominating rock structures consist of serpentine, chloritized slates and schists with two lime dykes outcropping near the strike of two veins running parallel, one being a quartz vein, the other being a high-grade copper vein. There are considerable outcroppings of mariposa slate, green diorite, greenstone, diorite and diabose.

Several assays were taken from the O'Connell Claim where there appears to be an outcropping of high-grade copper. Assays ranging from 21% to 24% have been taken on this copper ore body. This ore body appears to be widening with depth. As the funds that were available were designated for use in developing and prospecting the quartz veins in the Monarch property, we have done very little exploration work on this copper vein, which was encountered in driving a tunnel on the quartz vein in doing our assessment work. The vein was only six inches wide--curiosity made us go down on the vein approximately three feet. It was definitely widening out and was approximately one foot in width and assayed 22% in copper. It is believed by our mining engineer, Chas. Scott Haley, that the parallel quartz vein will also turn into copper as it is also carrying a small amount of copper content, bornite and chalcopyrite.

At two other places on this property, it is evident that copper ore is in existence.

According to information we have been able to gather from the California Bureau of Mines in one of their publications, a considerable amount of high-grade copper ore has been shipped from this vicinity. Prior to 1902, G. Zuver shipped ore from this area and it is thought this ore came from the Shamrock Group of Claims as information shows it was shipped from Section 19, Township 20N, Range 12E.

The copper ore is in the form of malakite, chalcopyrite, bornite, chalcocite, chryscolla and some azurite.

Sierra-Monarch Mining Co.
709 - 10th St. Rich., Calif.

ASSIGNMENT OF LEASE AND OPTION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, JOE B POWELL and IRENE L. POWELL, do hereby sell, assign, transfer and set over, and by this instrument have sold, assigned, transferred and set over, unto the SIERRA-MONARCH GOLD MINING COMPANY, A California corporation, all of their right, title and interest in and to that certain lease and option made and entered into May 25, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, therein designated OWNERS and JOE B. POWELL AND IRENE L. POWELL, therein designated Lessees, on the SHAMROCK GROUP OF QUARTZ CLAIMS, and recorded May 26, 1951, at Page 127, Liber 3 of Official Records of Sierra County, California; the assignee herein, SIERRA-MONARCH GOLD MINING COMPANY, agrees to keep and perform all of the covenants and conditions mentioned in said lease and option to be performed on the part of the Lessees therein, assignors therein, and further assigning all privileges, benefits and advantages to us therein granted and conveyed.

IN WITNESS WHEREOF, the assignors have hereunto executed this agreement this 22nd dy of June, 1951.

(Signed) Joe B. Powell

Irene L. Powell

Accepted:

SIERRA-MONARCH GOLD MINING COMPANY,
A California Corporation

By (signed) Joe B. Powell
President

Attest: (Signed) Ruth M. Severns, Secretary

Sierra-Monarch Mining Co.
709 - 10th St. Rich., Calif.

This Agreement made and entered into this 25th day of May, 1951, by and between ANTONE LAVEZZOLA AND TERESA LAVEZZOLA, his wife, of the town of Downieville, Sierra County, California, hereinafter referred to as "OWNERS" and Joe B. Powell and Irene L. Powell, his wife, of the City of Richmond, Contra Costa County, California, hereinafter referred to as "Lessee", and hereafter the word "Lessee" shall include both singular and plural, and the masculine and feminine.

W I T N E S S E T H

WHEREAS, the Owners are vested with the title and entitled to the sole and exclusive possession, except as to the paramount title of the United States, to those certain unpatented lode mining claims and mill sites, situated in the SIERRA BUTTES MINING DISTRICT, County of Sierra, State of California, comprising a total of twenty-six (26) claims, all being contiguous and adjacent mining locations comprising a single mine known as the SHAMROCK GROUP OF QUARTZ CLAIMS, designated and described as follows:

NAME OF CLAIM	RECORDING REFERENCE Volume and Page of "Quartz Claims" Volume	Page
J. M. PLUNKETT	———	———
J. K. PLUNKETT EXTENSION	———	———
T. J. CLARK	———	———
T. J. CLARK EXTENSION	———	———
HIBERNIA	———	———
MUNSTER BOY	———	———
C. S. PARNELL	———	———
PATRICK PEARSE	———	———
RODGER CASEMENT	———	———
W. E. GLADSTONE	———	———
ROBERT EMMETT	———	———
PATRICK MARSFIELD	———	———
JOHN McBRIDE	———	———
WOLFE TONE	———	———
DUBLIN	———	———
PEARSE EXTENSION	———	———
SINN FEIN	———	———
GLADSTONE EXTENSION	———	———
HENRY GRATTAN	———	———
ST PATRICK SONS	———	———
THOS. KENT	———	———
ODONOVAN ROSSA	———	———
DANIEL O'CONNELL	———	———
O'CONNELL EXTENSION	———	———
GRATTAN MILLSITE	———	———
EMMET MILL SITE	———	———

AND WHEREAS, it is the desire of the LESSEE to take possession of and lease said mining claims (as hereinabove described) and to prospect, work, develope and mine the same for the gold ores and other minerals which are or may be hereafter found therein, with the view to the purchase thereof;

NOW, THEREFORE, the said OWNERS do hereby lease, let and demise to the LESSEE for the period ending on the first day of July, 1956, together with the right to the sole and exclusive possession (except as to the paramount title of the United

States) all of said hereinabove described mining claims and mill sites, and the whole thereof, with the appurtenances and water rights, thereto appertaining, together with the OPTION to purchase the same for the full purchase price of EIGHTY THOUSAND ($80,000) dollars, without interest, to be paid and payable on or before the 1st day of July, 1956, in lawful money of the United States of America, subject to the option of said LESSEE to extend the term of this lease and the time of said payments an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

In consideration of the premises and the mutual covenants and agreements herein contained the parties hereto agree as follows:

1. The term of this lease shall be for the period beginning from the date hereof and ending on the first day of July, 1956, or until the earlier termination of this lease, as hereinafter provided, subject to the option of said LESSEE to extend said term an additional five (5) years, upon the terms and conditions stated in paragraph 33 hereof.

2. The LESSEE is expressly granted the right to enter upon the demised premises and to mine and explore the same and to take, remove and dispose of any and all metals or minerals (organic or inorganic) and whether existing as placer, lode or other type of deposit on or beneath the surface of said property, so long as this lease shall be and remain in full force and effect; said mining operations to be conducted by the Lessee, may be either by underground or open pit, or caving methods, or any other method selected by the LESSEE as the most practical, expedient and economical method to be pursued in the extraction and recovery of minerals in or on said lands, or any extralateral rights, appertaining thereto.

In the conduct of said mining operations the LESSEE shall have the right and privilege of using all roads, water and water rights, ditch and ditch rights now on said premises or appurtenant thereto, and shall have the further privilege of erecting other and additional improvements, buildings and structures and of installing such equipment, pipe lines, mills, power lines and appliances as he may find proper. All mining operations, however, shall at all times be conducted and carried on in a good and miner-like fashion and in accordance with established and accepted methods and practices, and not otherwise.

The OWNERS, or their duly appointed agent or representative, shall have the privilege of entering into and inspecting said property, and all buildings, improvements and workings for the purpose of ascertaining the manner in which the LESSEE is carrying on said operations.

3. As long as this lease remains in effect, the LESSEE agrees to pay the OWNERS, a MINIMUM ROYALTY, or rental, for the use and occupation of the demised premises, as follows:

The sum of Fifty ($50.00) dollars per month, payable monthly in advance on the first day of each month for the period commencing July 1, 1951.

4. The LESSEE agrees, so long as this lease remains in effect, if he elects to conduct mining operations on the demised premises, without being under compulsion of so doing, that he will pay to the OWNERS, in addition to the foregoing stipulated minimum royalty, an EARNED ROYALTY as follows:

Ten (10%) percent of the gross value, as hereafter provided and limited, on all gold or silver mined or produced from said demised premises, or any part thereof.

If the LESSEE shall mill or reduce or otherwise beneficiate gold or silver

ores mined from said property, he shall ship all bullion to the United States Mint at San Francisco, California. All gold or silver concentrates or gold or silver ores not milled, or reduced by the LESSEE shall be shipped to the Selby Smelting Works of California, or other recognized custom mills or smelters.

Within ten (10) days after the receipt by the LESSEE of the mint, smelter or mill payments for said shipments the LESSEE shall pay to the OWNERS the hereinabove stated royalty on the gross value of said gold or silver ores minted, smelted or treated, as aforesaid, as evidenced by the mint, mill or smelter returns after deducting therefrom the mint or smelter charges or refining costs, including shipping and insurance costs in the case of gold or silver bullion shipped from ores treated and beneficiated on the demised premises, together with any State or Federal charges, commissions, seigniorage or taxes (including severance taxes) now or hereafter imposed by authority of the federal government of the United States or the State of California directly relating to the production, purchase, sale or other disposition of gold or silver bullion, but excluding any milling charges made by custom mills.

All payments made on account of royalty, as above provided, shall be accompanied by mint, smelter or refining returns, evidencing the gross proceeds of all gold or silver ores mined or produced from said properties, and sold and disposed of, as aforesaid.

The LESSEE shall be responsible for the payment of the aforesaid royalty on all gold or silver ores from and after all "clean-ups" and for any losses thereof, either in transit or while held at the mine, awaiting shipment.

5. All royalty payments made hereunder, either as MINIMUM ROYALTIES or EARNED ROYALTIES, shall be a credit in full on account of the purchase price to be paid for the demised premises, as hereinabove set forth.

6. ALL EARNED ROYALTIES paid during any calendar month shall be a credit on the MINIMUM ROYALTY payment due on the 1st day of the next succeeding month but shall not be cumulated or carried forward to succeeding months, if said EARNED ROYALTY payments exceed the amount on the next monthly accruing MINIMUM ROYALTY payment.

7. The removal of ore and placing the same in stockpile upon the demised premises shall not be deemed a removal or shipment subject to royalty payments, and said royalty shall only accrue when said ores are shipped or treated from stockpile.

8. All tailings, waste material, by-products or other ores or minerals recovered from or in association with said gold or silver ores shall become the property of the LESSEE, without other obligation than the payment of the above specified royalty on gold or silver ores shipped or removed from said property or milled or treated, as aforesaid.

9. The OWNERS shall have the right, through their representatives, or in person to be present at each and every cleanup of gold ores taken or extracted from said property whenever such cleanup shall be made on the premises or on any adjacent or contiguous properties acquired by the LESSEE and used in connection with the properties herein described. The LESSEE shall give notice to the OWNERS, upon written request, of the time of said cleanups.

The OWNERS, or their representatives, shall likewise have access to all shipping and refining returns, mill or production records, or other records giving information on the amount of gold or silver ores reduced, extracted or

recovered by the LESSEE from said mining ground and the proceeds thereof and the LESSEE shall, at all times, maintain said records, or true copies thereof, within the State of California.

10. The LESSEE shall furnish the OWNERS true and correct copies of all maps, reports, drilling records, and assay and sampling reports and records made by or for the LESSEE in respect to the mining operations conducted hereunder. Likewise LESSEE shall furnish the OWNERS with monthly progress reports and at convenient intervals, but at least every six months, a map showing the extent and nature of all mine explorations and development.

The OWNERS may at any and all times during the term of this agreement, maintain an observer or observers on said properties with the right on the part of said observer or observers to the free and unrestricted entry into all mine workings including the right to take reasonable samples and make any desired surveys or maps, and said observers may act to protect the OWNERS' interest against "hi-grading" and the LESSEE agrees to cooperate in said efforts. Said observers shall be paid for by the OWNERS and be maintained on said premises upon the sole responsibility of the OWNERS and the LESSEE shall in no manner be responsible for the safety of said observers. The said observers shall at all times conduct themselves so as not to interfere with the operations or working of said mine by the LESSEES.

11. Commencing with the first day of March , 1951, the LESSEE shall pay, prior to delinquency, all taxes thereafter levied or assessed against said lands, including any ores or concentrates stockpiled on said property or any personal property situated thereon, or any improvements now or hereafter erected or placed thereon during the life of this agreement. The LESSEE shall pay said taxes in addition to all other moneys agreed to be paid hereunder (which tax payments shall not be a credit on the purchase price of said properties) and in the event of a cancellation or surrender of this lease the LESSEE shall pay the pro-rata amount due for said taxes to the date of such surrender or cancellation, except as to any personal property, equipment or ores which the LESSEE shall remove from said property (having the right herunder to effect said removal) as to which he shall pay the taxes in full.

12. Should there be a cessation of work, on and after July 1, 1952, in respect to the demised premises at any time for a period of twenty (20) days prior to the first day of any month due to strikes, fire, flood or other casualty or by war (declared or undeclared), riot, governmental restrictions or control over essential materials, the MINIMUM ROYALTY payment due on the first day of the succeeding month shall be waived and excused. Work related solely to the repair of damage occasioned by the stated casualties shall be deemed a cessation of labor in respect to the mining projects contemplated by this agreement.

For the period ending June 30, 1952, the MINIMUM ROYALTIES provied for herein shall be paid irrespective of the foregoing contingencies.

13. There is granted to the LESSEE the free and unrestricted use of any waters on or appurtenant to said lands, whether in the form of springs, percolating waters or other sources of supply.

14. This lease shall not be assigned without the prior written consent of the OWNERS, and no interest therein or thereunder shall be assigned, transferred or granted without such prior written consent, except that this lease may be assigned to a corporation, now or hereafter to be incorporated to undertake the mining projects contemplated by this agreement on condition that said corporation assumes and agrees in writing, to perform all the terms and conditions of this agreement, and delivers to the OWNERS a duly executed copy of said assumption of liability.

15. There is granted to the LESSEE the right to dump waste materials or tailings on the surface of the demised premises, or any adjacent lands acquired by the LESSEE, to erect restraining dams in connection with the storage and restraint of mine tailings, to build reservoirs and store water, and to stockpile or otherwise deposit ores, concentrates or other products from mining operations conducted on said premises.

16. There is likewise granted to the LESSEE the right to use any standing timber on said lands for mining purposes or domestic use on the demised premises, it being expressly agreed that none of said timber shall be moved or disposed of for use elsewhere than on said demised lands.

17. The LESSEE covenants and agrees to perform the necessary annual labor or improvements to be made, as required by the mining laws of the United States and the State of California, in respect to said hereinabove described unpatented lode mining claims to the extent of One Hundred ($100.00) Dollars in value on each of said claims. Said assessment work (annual labor or improvements) shall be commenced each year not later than the 1st day of June (including June 1st, 1951) and thereafter diligently and continuously carried to completion. The LESSEE shall record proper proofs of labor in connection with said annual work in the office of the County Recorder, Sierra County, California, immediately upon the completion of said work.

The foregoing annual labor shall be undertaken, as hereinabove prescribed, by June 1st of each year during the term of this lease, unless, prior to June 1st a moratorium has been enacted by the Congress of the United States, suspending said annual labor, in which case said LESSEE may claim the benefit of said moratorium in lieu of the performance of said annual labor (assessment work).

No extension for the time of commencing said annual labor beyond the 1st day of July of any year shall excuse or discharge the LESSEE of his obligation to start the performance of said annual labor prior to June 1st, and carry the same to diligent and continuous completion.

18. The LESSEE shall and does hereby assume and agree to save the OWNERS harmless from all claims and demands, including court costs and attorneys' fees, arising against said property, or the OWNERS, by reason of injuries to the person or property of others arising from (a) the possession of said demised premises by the LESSEE, (b) the mining or other operations thereon by the LESSEE or any contractor, agent or representative of the LESSEE and (c) from any improvements, buildings, structures, reservoirs, tailings ponds, machinery or equipment erected or constructed or maintained on the demised premises by the LESSEE.

19. The OWNERS and the demised premises shall not be liable nor responsible for any work, labor or repairs of whatever kind or character done or performed in, on or upon said properties during the life of this agreement by the LESSEE, his agents, assigns, sub-tenants or successors, or for any material or materials furnished to be used or used in, on, upon or in connection with the working of said properties, as aforesaid, nor the rental or other obligations incidental to the use of any machinery or equipment used in or about said property or the mining operations conducted thereon.

The LESSEE shall pay all charges and expenses of each and every nature for which he shall become expressly or impliedly liable in anywise connected with the working of said properties, and will protect and save harmless the said properties from all claims and liens of each and every nature arising from any act or omission of the LESSEE.

The LESSEE shall pay for all power, or water supplied at his special

instance or request to be used on or in connection with the herein demised premises, or any other properties used in connection therewith.

20. The OWNERS herein shall have the right to enter upon said demised premises at any and all times and to post thereon a notice (as provided in Section 1192 of the Code of Civil Procedure of the State of California) that neither they nor the said hereinabove described properties will be responsible or liable for any work or labor done or performed thereon at the direction of the LESSEE, or any agent, representative, grantee or successor of the LESSEE, upon, in, about or in the improvement of said demised premises, or any part thereof.

21. The said LESSEE promises and agrees, as soon as work shall be commenced by any employee upon said property under this agreement, to procure and carry a policy of insurance for the protection of the parties hereto for any injury or injuries to employees under the Workmen's Compensation Insurance and Safety Act of the State of California, and under the Acts amendatory thereto, and to carry the same as his own proper charge and expense.

22. The LESSEE may acquire in his own name any other property, water rights, mill sites, tailings sites and mining lands, whether adjacent or contiguous to the properties herein described, and whether used as appurtenant or in connection therewith, without claim or right thereto or therein by the OWNERS, which said lands, mining properties and water rights shall be held, used and possessed by the LESSEE independently and beyond the scope of the terms and conditions of this agreement, subject only to the reciprocal mining rights granted by paragraph 23 hereof.

23. It is mutually agreed by and between the OWNERS and the LESSEE that for the purpose of enabling the LESSEE to carry on to the best advantage and with greater economy and convenience the mining and development of the ores or other minerals existing upon, in or under the mining premises hereinabove described, or existing upon, in or under any adjacent lands or mining ground which the LESSEE may now, or hereafter, own or acquire or from which he may now or hereafter have the right to so mine and remove minerals, that the LESSEE shall have the right and privilege, if he so elects, to gain access to, and when gained by him to remove the ores or minerals from, in, under or upon the said hereinabove described premises and/or such adjoining lands through any tunnel or tunnels, shaft or shafts, workings, or openings, whether located upon the said mining premises hereinabove described, or upon any such adjacent lands. And for such purposes the LESSEE shall have the right to drive tunnels or make openings (including the extension of open pits) from said mining premises herein described into and upon such adjacent lands, or from such adjacent lands into said herein described mining premises; it being understood that gold or silver ores mined from the premises herein described shall at all times be kept separate from gold or silver ores mined from any such adjacent lands so far as may be necessary for the purposes of ascertaining the royalty due thereon and ores from the demised premises shall not be commingled with ores from other lands owned or controlled by the LESSEE.

24. The LESSEE agrees that all operations conducted on or about said leased premises for the development, mining and milling of said ores during the term hereof shall be conducted in compliance with all laws now or hereafter in effect of the UNITED STATES and the STATE OF CALIFORNIA, and all rules and regulations of governmental authorities and commissions having jurisdiction over such operations.

25. The LESSEE may, at any time during the term of this lease, and at his own cost and expense, make application for, in the name of the OWNERS, of a patent to the whole of said unpatented mining claims, or may make successive applications therefor as to any portion or number of said mining claims. The OWNERS agree to cooperate with the LESSEE in said application or applications for a patent and to promptly execute, upon demand, all records and proofs necessary therefor.

26. The LESSEE may at any time, during the term herein stated, surrender this lease and agreement, together with the possession of said properties hereinabove described, upon the giving of sixty (60) days written notice to that effect to the OWNERS and thereupon be relieved of all future obligations hereunder, including the payment of any moneys becoming due and payable thereafter, but such surrender shall not release the LESSEE from any obligation or liability theretofore incurred by him hereunder.

27. Whenever the LESSEE has paid to the OWNERS the sum of Five Thousand ($5,000.00) Dollars as a credit on account of the above stated purchase price of the mining claims herein described, the OWNERS will deposit, upon the written request of the LESSEE, with any bank or title company designated by the LESSEE, a good and sufficient deed conveying to the LESSEE, or his nominee, or assignee, all of the hereinabove described property with the appurtenances and water rights thereto belonging, free and clear of all liens and/or encumbrances and adverse claims of any kind or character, except the following:

(a) The paramount title of the United States, if said mining claims remain unpatented.

(b) Any lien or claim applying or existing from any act done or suffered by the LESSEE.

(c) All taxes assumed hereunder by the LESSEE.

(d) Existing rights of way for roads, trails, ditches, and utility rights of way.

Said deed will be deposited, as aforesaid, with appropriate instructions to said escrow holder, to deliver said deed to the LESSEE, or his nominee or assignee, upon the payment in full, according to the terms hereof, of the total purchase price hereinabove named for said properties.

28. Time is of the essence of this lease.

29. Each and every agreement, covenant, term or conditions herein contained on the part of the LESSEE to be kept or performed shall be and it is hereby made a condition of this agreement and in the event that the LESSEE shall fail or refuse to keep or perform any agreement, covenant, term or condition set forth herein for thirty (30) days after written notice of default specifying the particulars of said alleged default, the OWNERS may at their option, with written notice to the LESSEE, and without waiving any other rights hereunder, or at law, or against the LESSEE arising from any such default terminate this agreement and with or without process of law, expel, remove and put out the LESSEE from the possession of the hereinabove described mining claims and property; but such termination shall not release the LESSEE from any obligation or liability theretofore incurred by him under the provisions hereof.

A waiver of one default by the OWNERS shall not be deemed to be a waiver of any other default.

Should any such default be by its nature not capable of being remedied

within said thirty (30) day period, then and in that event, such alleged default shall be deemed cured in the event the LESSEE commences to remedy such default within said thirty (30) day period and thereafter diligently prosecutes the same to completion.

The Notice of Default herein provided to be given shall not apply to the payment of MINIMUM or EARNED ROYALTIES due hereunder and in the event of the failure or neglect of the LESSEE to pay said MINIMUM or EARNED ROYALTIES within ten (10) days of the time herein stipulated for the payment of said royalties, the OWNERS may forthwith cancel this lease agreement without other or prior notice.

30. In the event of the termination of this contract as aforesaid, or by limitation of time, or otherwise, the LESSEE may remove all machinery and equipment, including underground and surface pumps, rails, air and compressor pipes, leaching tanks, tools, supplies and other personal property whatsoever which may HEREAFTER be placed on said property by the LESSEE; said removal to be accomplished within sixty (60) days (weather and road conditions permitting) after the termination of this contract as aforesaid - it being distinctly agreed and understood between the parties hereto that any of the following improvements hereafter placed upon said property shall remain thereon and be surrendered therewith, to-wit: all buildings, warehouses, assay offices, bunkers for the storing of ore, flumes, ditches and wood sluice boxes constructed on said property, any wooden gallows or head frames to any shaft situated thereon; and, as to any underground works, all ladders, underground bunkers and all underground timbering affixed to and a part of said mine.

In the event of the termination of this contract, as aforesaid, all sums of money theretofore paid to the OWNERS shall be regarded as liquidated damages for the prior use and occupation of said mining ground and shall be so retained by the OWNERS, without claims or demands therefor by the LESSEE.

31. Whenever this lease is terminated by its expiration or by the action of the parties hereto or by operation of law, LESSEE shall and will peacefully and quietly leave, surrender and yield up said premises unto the OWNERS and said LESSEE, at the request of the OWNERS, covenants and agrees to execute to said OWNERS a quitclaim deed in respect to the properties herein described releasing, quitclaiming and surrendering said properties, and the whole thereof, from the provisions of this agreement and any cloud upon the title arising therefrom.

32. Any notice which is herein provided may or shall be given by either party to the other shall be deemed to have been duly given when enclosed in a sealed envelope and deposited in the United States Mail, postage prepaid and registered, addressed to the parties hereto as follows:

To the OWNERS, Teresa and Antone Lavezzola
Downieville, Sierra County, California;

To the LESSEE, Joe B. Powell, P.O.Box 1867,
Richmond, California.

33. Providing that the LESSEE has fully performed all of the terms and conditions of this agreement on his part to be performed, the option is hereby granted to the LESSEE to extend this lease agreement for an additional term of five (5) years ending on the 1st day of July, 1961. LESSEE shall give sixty (60) days prior written notice to the OWNERS of his intention to extend the term of this lease as herein provided.

If, upon the expiration of said additional term, ending on the 1st day of July, 1961, the LESSEE is engaged in the mining and production of commercially

profitable ores, from the demised premises, or other properties owned or controlled by the LESSEE and used in connection with the demised premises, or is engaged in development work with a view to developing commercially profitable ores, then this lease agreement shall be further extended, without further notice, if the LESSEE is not in default thereunder, until (a) the payment in full of the purchase price hereinabove named for said premises or (b) the exhaustion of commercially profitable ores or (c) the abandonment of the mining projects contemplated by this agreement.

34. This agreement shall inure to the benefit of and shall bind the successors, heirs, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement, IN DUPLICATE, the day and year first hereinabove written.

(SIGNED) ANTONE LAVEZZOLA

TERESA LAVEZZOLA

JOE B POWELL

IRENE L. POWELL

(Notarized signatures)

SIERRA-MONARCH GOLD MINING CO.
709 Tenth St., Richmond, Cal.

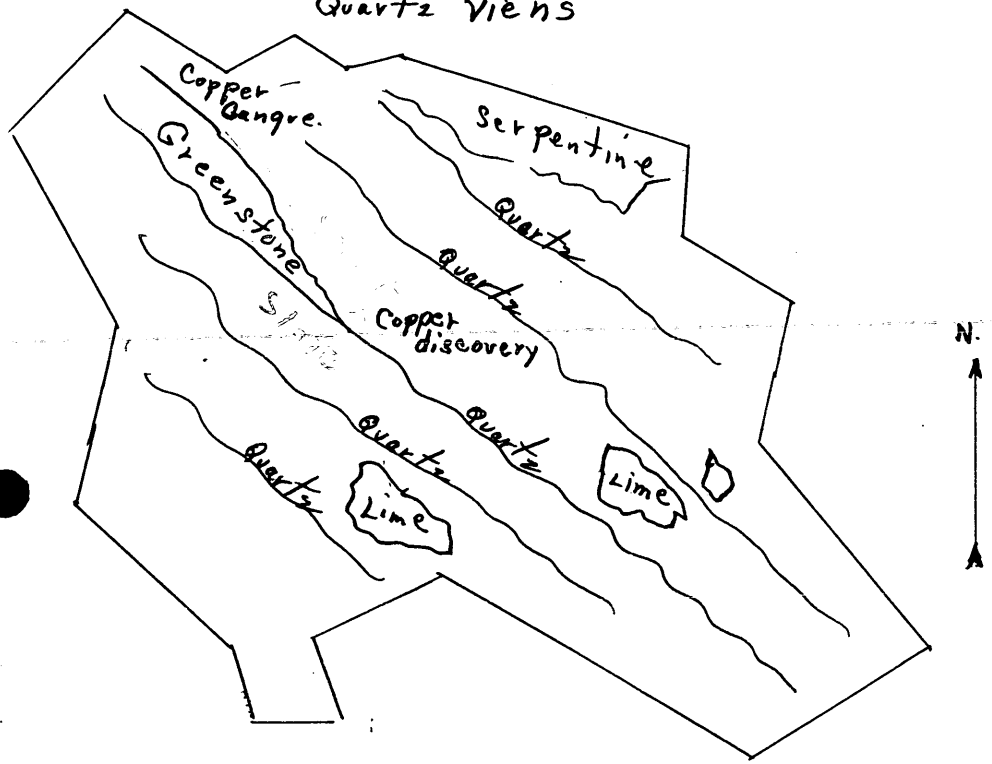
3. (a). We propose to follow this ore body to a depth of one hundred feet and to drive approximately four hundred feet into the side of the mountain, which is at a 45° incline. As there is evidence on the surface following this mineralized zone, showing the existence of copper, gangue and hematite, it is felt by the mine management that this should be explored. By driving into the side of the mountain a distance of four hundred feet, we will gain approximately 300 feet of orebacks which could be mined readily if this ore body is in existance. After the shaft has been sunk one hundred feet and ore has been encountered, a drift should be driven out to side of mountain for air and drainage.

Approximate cost:

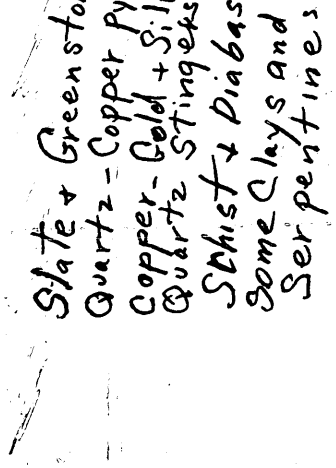
Installation of Equipment (including head frame)	$ 4,000.00
Sinking 100 feet (5 x 8 in the clear)	7,000.00
Drift North 400 feet (Including hoisting expense)	12,000.00
Drift to Surface for air	4,500.00
Reserve for Contingencies	5,000.00
	$32,500.00

(b). Because of the funds available by our company, we would like to have at least two years time in proving up our objective. We would like to start operating on or before June 1, 1952.

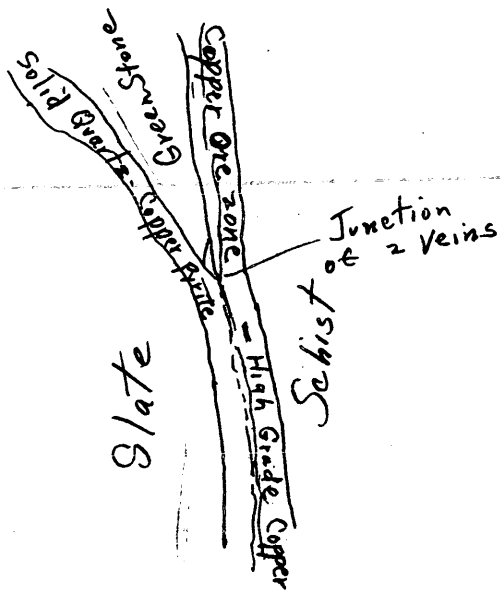
Shamrock Group of Claims (27) showing direction of parallel Quartz veins



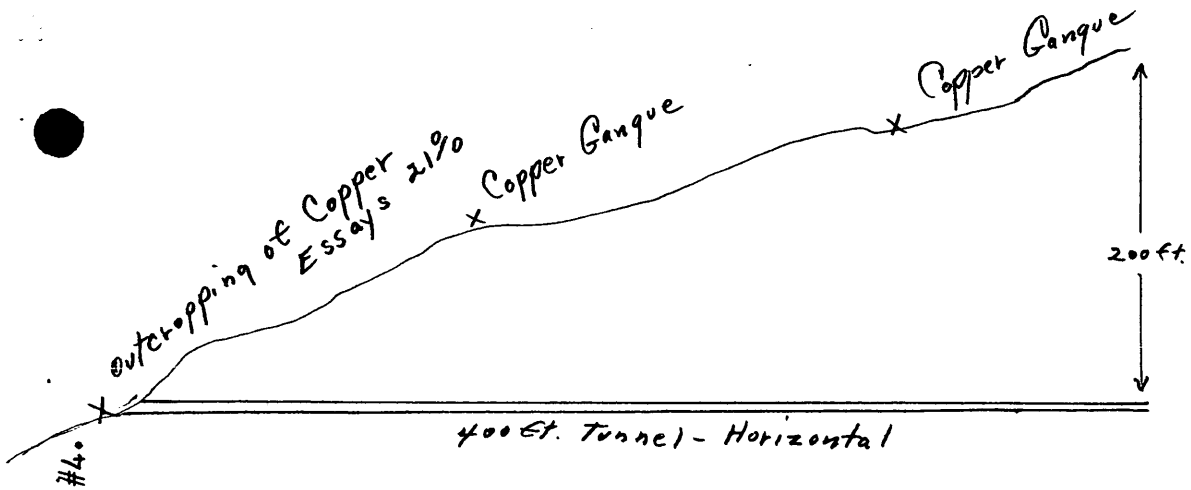
Cross Section of Copper ore zone.



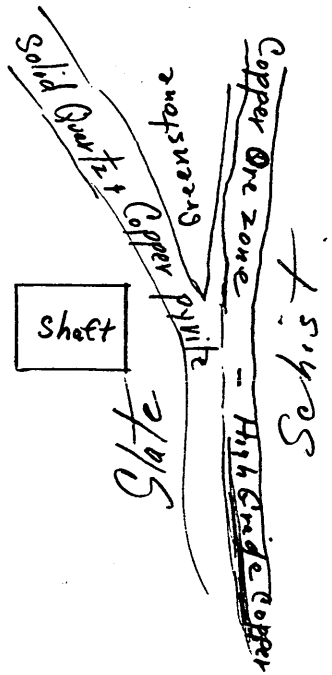
Top veiw of Copper Vein.



Side veiw of Proposed Tunnel Following Copper Mineralized zone.



Top veiw of proposed shaft.



Note - Shaft to be sank 100 ft. Near the Junction of the two veins.

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5. The following buildings and facilities located on the Monarch property, one and one-quarter miles from site of proposed development, to be used in this operation:

Bunkhouse
Blacksmith Shop
Dynamite Storage Magazine
Machine Shop
Storage Shed
Mill Building
Large supply of water and timber

All in useful and operable condition--estimate maintenance $50.00 per month.

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6. Possibly a compressor building and small storage building--approximate cost $500.00.

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7.	(a).	Eimco Rockershovel.	Monthly Rental $253.76.
	(b).	Two storage tanks for fuel and water.	Approximate Cost $ 200.00.
		Small winlass or hoist, or air tugger. (Cost of this will depend on the rake of the ore body and speed in which our exploration work will be carried out due to the fact we may be able to get by with a hand winlass).	" " " 1000.00.
		Sump pump to be used in event water is encountered.	Approximate Cost $ 150.00
			(These costs are approximated-will purchase second-hand if possible).
	(c).	Ingersoll Rand portable compressor 160 CFM (with air lines and receiver tank)	Monthly Rental $150.00
		Atlas rock drill with pneumatic pusher and all necessary drill steel	" " $ 75.00

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8. Two to three miners - $12.00 per day, time and a half for overtime

General manager
(Part-time) - To be arranged.

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9. Consulting Engineer - Semi-monthly inspections, $150.00 per month.

Materials and Supplies:

Mining Timbers	$ 200.00
Caps	25.00
Dynamite	300.00
Fuses	50.00
Gas and Oil	3500.00
Carbide	50.00
Rails	300.00
Bolts, Spikes, Nails for timbering and installing rails	100.00
Assaying	200.00
Accounting	Nil
Power	Above
Water--installing tank and hauling necessary water for wet drill	200.00
Incidentals	100.00
Total	$ 5025.00

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10. (a). One-half of costs less rental allowed on equipment owned by us.

(b). Yes.

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11. Due to location where the copper ore was discovered, considerable amount of time and money will be required to maintain the road. As our project progresses, a larger area will have to be cleared from the side of the mountain for additional buildings.