1- Limit of mineralization on eastern margin of deposit.
2- Erosion removed upper sands west of deposit
3- Drill holes NE & SW negative results.
4- Land immediately west of mineralized area not controlled by applicant.
5- Drilling shows lenticular pods of mineralized sandstone which are essentially non-continuous over areas ~~necessary to~~ large enough to contain sufficient reserves for mining.
6- Mining would have to be selective in order to remove mineralized lenses without excessive dilution.

[redacted]

CONSOLIDATING FINANCIAL STATEMENTS

AS OF DECEMBER 31, 1967

TOGETHER WITH

AUDITORS' REPORT

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 15 1968
INITIALS CODE

ARTHUR ANDERSEN & CO.

DENVER, COLORADO

To the Board of Directors,

Wolf Ridge Minerals Corporation:

We have examined the consolidating statements of assets and unrecovered promotional, exploratory and development costs, liabilities and stockholders' investment of WOLF RIDGE MINERALS CORPORATION (a Colorado corporation) and wholly-owned subsidiaries as of December 31, 1967, and the related consolidating statement of cash receipts and disbursements for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Since the Companies are in the development stage at this time, the accompanying consolidating financial statements show the cost of assets, the unrecovered promotional, exploratory and development costs and expenses, the liabilities, the stockholders' investment, and the cash receipts and disbursements.

As set forth in Note 1, a significant part of the assets of the Companies consists of unrecovered promotional, exploratory and development costs and costs of sodium lease applications, mining

claims, other leases, coal permits, and water filings. Recovery of these costs is dependent upon successful completion of the development projects and upon the success of future operations.

In our opinion, the statements referred to above present fairly the individual and consolidated assets, unrecovered promotional, exploratory and development costs, liabilities and stockholders' investment of the Companies as of December 31, 1967, and the cash receipts and disbursements for the year then ended.

Arthur Andersen & Co.

Denver, Colorado,
February 3, 1968.

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATING STATEMENT OF ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

DECEMBER 31, 1967

	Wolf Ridge Minerals Corporation	Wholly-Owned Subsidiaries: Wolf Ridge Corporation	Wholly-Owned Subsidiaries: Industrial Resources, Inc.	Consolidating Eliminations Dr. (Cr.)	Consolidated
CURRENT ASSETS:					
Cash in bank	$ 43,909	$ -	$ 41		$ 43,950
Short-term commercial notes	119,464	-	-		119,464
Accounts receivable (Note 3)	8,107	-	-		8,107
Deposits and prepaid expenses	844	-	-		844
Total current assets	172,324	-	41		172,365
INVESTMENTS IN AND ADVANCES TO SUBSIDIARIES AND JOINT VENTURES (Notes 1, 2 and 3):					
Investments-					
Wolf Ridge Corporation	1,000			$ (1,000)	
Industrial Resources, Inc.	12,665			(12,665)	
Wolf Joint Venture		200			200
Ridge Minerals Joint Venture		190			190
Advances-					
Wolf Ridge Corporation	16,312			(16,312)	
Industrial Resources, Inc.	18,544			(18,544)	
Wolf Joint Venture		8,090			8,090
Ridge Minerals Joint Venture		8,072			8,072
	48,521	16,552		(48,521)	16,552

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATING STATEMENT OF ASSETS AND UNRECOVERED

PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS

DECEMBER 31, 1967

	Wolf Ridge Minerals Corporation	Wholly-Owned Subsidiaries: Wolf Ridge Corporation	Wholly-Owned Subsidiaries: Industrial Resources, Inc.	Consolidating Eliminations Dr. (Cr.)	Consolidated
OTHER ASSETS AND UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS (Note 1):					
Property and equipment-					
Sodium lease applications, mining claims, and other leases	$ 92,556	$ -	$ -		$ 92,556
Laboratory equipment	21,022	-	-		21,022
Coal permits	-	-	13,159		13,159
Water filings	-	-	8,200		8,200
Office furniture, fixtures and equipment	5,399	-	-		5,399
Blueprints and maps	-	-	3,200		3,200
Library	2,884	-	-		2,884
	121,861	-	24,559		146,420
Less- Reserves for depreciation	(2,113)	-	(480)		(2,593)
	119,748	-	24,079		143,827
Unrecovered promotional, exploratory and development costs-					
Balance, December 31, 1966	11,716	610	1,544		13,870
Add- Current year charges (Schedule I)	162,396	150	5,545		168,091
Balance, December 31, 1967	174,112	760	7,089		181,961
	293,860	760	31,168		325,788
	$514,705	$17,312	$31,209	$(48,521)	$514,705

The accompanying notes to consolidating financial statements and Schedules I and II are an integral part of this statement.

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATING STATEMENT OF LIABILITIES AND STOCKHOLDERS' INVESTMENT

DECEMBER 31, 1967

	Wolf Ridge Minerals Corporation	Wholly-Owned Subsidiaries: Wolf Ridge Corporation	Wholly-Owned Subsidiaries: Industrial Resources, Inc.	Consolidating Eliminations (Dr.) Cr.	Consolidated
CURRENT LIABILITIES:					
Accounts payable	$ 23,497	$ -	$ -		$ 23,497
Unexpended drilling advances	5,817	-	-		5,817
Total current liabilities	29,314	-	-		29,314
ADVANCES FROM WOLF RIDGE MINERALS CORPORATION	-	16,312	18,544	$(34,856)	-
STOCKHOLDERS' INVESTMENT (Note 1):					
For capital shares issued (Schedule II)-					
Wolf Ridge Minerals Corporation	465,396	--	-		465,396
Wolf Ridge Corporation	-	1,000	-	(1,000)	-
Industrial Resources, Inc.	-	-	12,665	(12,665)	-
For capital shares subscribed (Note 4)	19,995	-	-		19,995
	485,391	1,000	12,665	(13,665)	485,391
	$514,705	$17,312	$31,209	$(48,521)	$514,705

The accompanying notes to consolidating financial statements and Schedules I and II are an integral part of this statement.

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1967

	Wolf Ridge Minerals Corporation	Wholly-Owned Subsidiaries: Wolf Ridge Corporation	Wholly-Owned Subsidiaries: Industrial Resources, Inc.	Consolidating Eliminations	Consolidated
RECEIPTS:					
Contracts--mineral analyses and reports	$ 18,012	$ -	$ -		$ 18,012
Interest on short-term commercial notes	16,290	-	-		16,290
Reimbursement of direct costs (Note 3)	9,562	-	-		9,562
Drilling advances	35,000	-	-		35,000
Capital contributions	-	-	3,100		3,100
Total receipts	78,864	-	3,100		81,964
Add- Receivables and advances, December 31, 1966	36,341	-	-	$(8,052)	28,289
Deduct- Receivables and advances, December 31, 1967	(42,963)	(16,162)	-	34,856	(24,269)
Total cash receipts	72,242	(16,162)	3,100	26,804	85,984
DISBURSEMENTS (Note 1):					
Property and equipment-					
Sodium lease applications, mining claims, and other leases	38,348	-	-		38,348
Laboratory equipment	21,022	-	-		21,022
Coal permits	-	-	3,732		3,732
Office furniture, fixtures and equipment	3,523	-	-		3,523
Library	1,740	-	-		1,740
Water filings	-	-	1,494		1,494
	64,633	-	5,226		69,859
Promotional, exploratory and development costs (Schedule I)	206,260	150	5,545		211,955
Drilling expenditures	29,183	-	-		29,183
Deposits and prepaid expenses	844	-	-		844
Total disbursements	300,920	150	10,771		311,841
Add- Accounts payable and advances, December 31, 1966	1,050	-	11,152	(8,052)	4,150
Deduct-					
Accounts payable and advances, December 31, 1967	(23,497)	(16,312)	(18,544)	34,856	(23,497)
Depreciation	(1,962)	-	(320)		(2,282)
Stock issued for services	(807)	-	-		(807)
Total cash disbursements	275,704	(16,162)	3,059	26,804	289,405
Net increase (decrease) in cash during the year	(203,462)	-	41	-	(203,421)
CASH BALANCE at December 31, 1966*	366,835	-	-	-	366,835
CASH BALANCE at December 31, 1967*	$ 163,373	$ -	$ 41	$ -	$ 163,414

*Including short-term commercial notes.

The accompanying notes to consolidating financial statements and Schedules I and II are an integral part of this statement.

WOLF RIDGE MINERALS CORPORATION

AND WHOLLY-OWNED SUBSIDIARIES

NOTES TO CONSOLIDATING FINANCIAL STATEMENTS

DECEMBER 31, 1967

(1) ORGANIZATION AND BUSINESS

Wolf Ridge Minerals Corporation was incorporated under the laws of Colorado on July 6, 1966. Upon formation, the Corporation acquired all of the outstanding stock of Wolf Ridge Corporation and Industrial Resources, Inc. (also Colorado corporations) in exchange for stock of Wolf Ridge Minerals Corporation. The investment in each of these wholly-owned subsidiaries was recorded at the net book value of each Company as of the acquisition date. In addition, the Corporation acquired, in exchange for stock of Wolf Ridge Minerals Corporation, a sodium permit from an individual and a partnership. The permit was recorded in the accounts at the predecessors' original cash cost.

The Corporation was formed for the purposes of engaging in the business of mineral exploration and development, including obtaining and holding natural resources permits, rights, leases and properties, and producing and selling the natural resources and properties.

Industrial Resources, Inc. (incorporated June 21, 1965) is engaged in the acquisition and development of coal and water resources in Western Colorado. At February 3, 1968, Industrial Resources, Inc. had filed applications for preference right coal leases on lands

covered by existing coal permits granted to the Company, and approval of such applications by the United States Department of Interior is expected in the near future. In addition, the Company has water filings in Western Colorado which are also pending approval.

At December 31, 1967, a significant part of the assets of the Companies consists of deferred promotional, exploratory and development costs and costs of sodium lease applications, mining claims, other leases, coal permits and water filings. Recovery of these costs is dependent upon the granting by the United States Department of Interior of leases for which applications have been filed, successful completion of the development projects and upon the success of future operations.

(2) INVESTMENT IN AND ADVANCES TO JOINT VENTURES

The principal assets of Wolf Ridge Corporation (incorporated December 27, 1965) are its investments in, and advances to, Wolf Joint Venture and Ridge Minerals Joint Venture. Wolf Ridge Corporation acquired a 50% interest in each of these joint ventures through the issuance of capital stock to certain individuals who contributed to the ventures, on behalf of Wolf Ridge Corporation, their interests in two sodium permits. The investment in each of these joint ventures was recorded at a reasonable value of the capital stock issued to such individuals, as determined by the Board of Directors.

The purpose of each of the joint ventures is to hold title to the sodium permit, expend funds and do the necessary work to discover sodium and associated minerals in the lands covered by the sodium permit, to apply for and obtain a preference right lease, and

to mine and sell minerals contained in such lands. At February 3, 1968, applications for preference right leases had been filed and were pending approval by the United States Department of Interior.

(3) OPERATOR BILLINGS

Wolf Ridge Minerals Corporation is serving as operator for both of the above joint ventures, as well as other outside interests, and accordingly has charged the joint ventures for direct costs applicable to the sodium permits. In addition to billing these interests for direct costs made on their behalf, Wolf Ridge Minerals Corporation has also billed these interests for a portion of its overhead costs based on a per-day rate applied to the time spent by certain key officers in performing the operator's duties. Accounts receivable and advances to joint ventures at December 31, 1967, arose from billings of this nature except for $625 in employee advances.

(4) STOCK SUBSCRIPTION AGREEMENTS

Wolf Ridge Minerals Corporation has received executed stock subscription agreements from certain individuals (including officers of the Company) for 64,500 shares at $3.10 per share. At December 31, 1967, payments totaling $19,995 had been received on these subscription agreements, representing 6,450 shares, and unpaid subscriptions aggregated $179,955, or 58,050 shares at $3.10 per share.

The terms of the subscription agreements provide that the subscribers shall pay 10% of the total purchase price of the subscribed stock within 30 days commencing July 6, 1966, and at least an additional 10% on or before July 6, 1968, July 6, 1969, and July 6, 1970, with the remaining balance due on or before July 6, 1971. The

stock applicable to the first payment shall not be issued to the subscriber until such time as he has paid his entire subscription. If a subscriber should default on any of the above-stated dates, the first 10% payment shall be forfeited to the Corporation. As of December 31, 1967, all required payments had been made.

Under a separate stock subscription agreement entered into in 1967, an officer of the Company subscribed to a total of 10,000 shares at $1.00 per share (subject to adjustment in the event of future changes in capitalization). These shares are to be issued over a two-year period at the rate of 1,250 shares per quarter, commencing January 31, 1968. In the event that Wolf Ridge Minerals Corporation terminates the officer's employment prior to completion of the two-year subscription period, the rights and obligations as to the remaining balance of the subscriptions will also terminate.

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATING STATEMENT OF UNRECOVERED PROMOTIONAL, EXPLORATORY AND DEVELOPMENT COSTS FOR THE YEAR ENDED DECEMBER 31, 1967

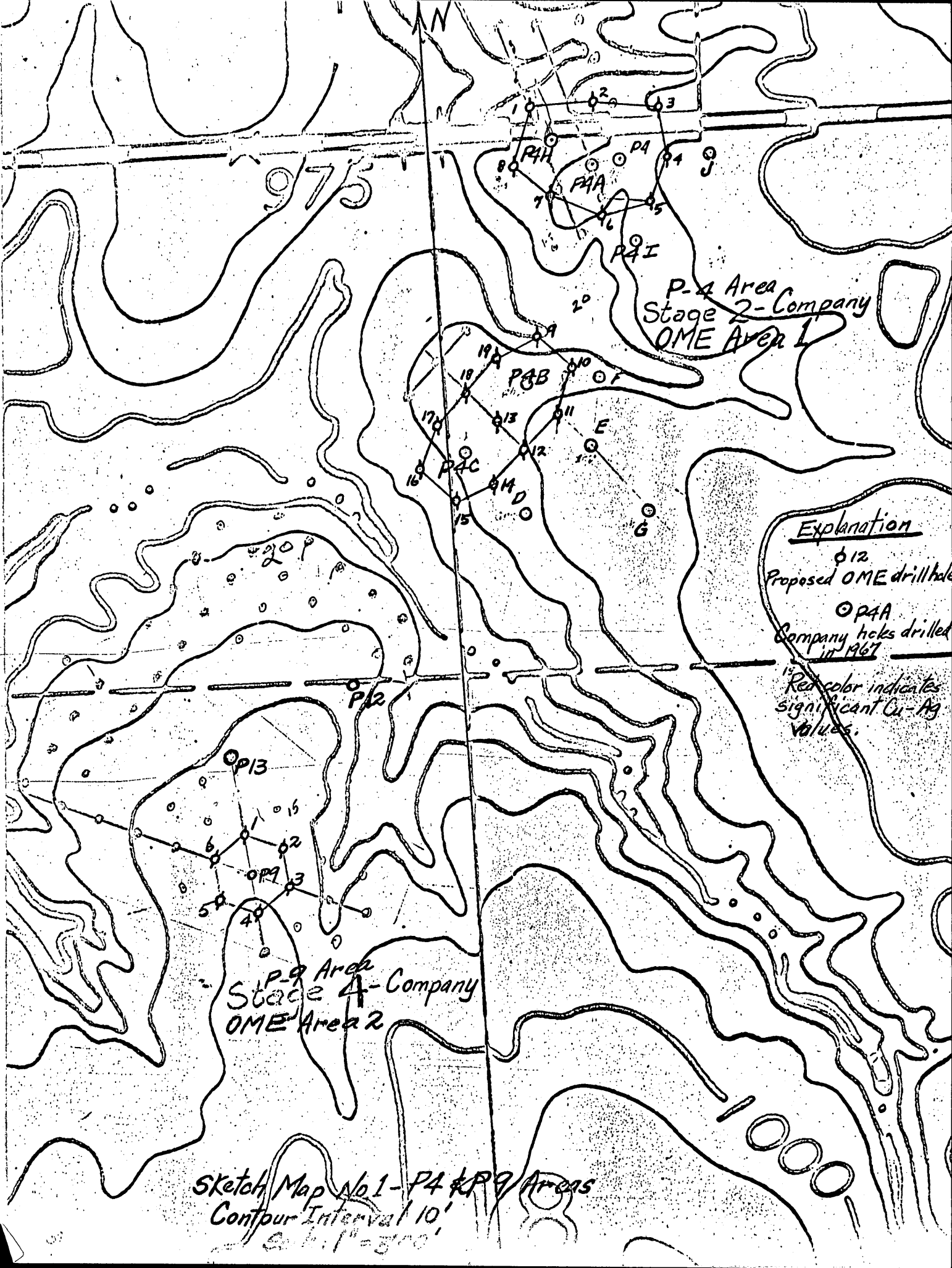
	Wolf Ridge Minerals Corporation	Wholly-Owned Subsidiaries: Wolf Ridge Corporation	Wholly-Owned Subsidiaries: Industrial Resources, Inc.	Consolidating Eliminations	Consolidated
COSTS AND EXPENSES:					
Consultants' fees and expenses	$ 37,219	$ -	$1,902		$ 39,121
Office salaries	37,434	-	1,062		38,496
Travel and entertainment	24,870	-	794		25,664
Officers' salaries	20,208	-	-		20,208
Contract work	10,139	-	1,057		11,196
Laboratory salaries	9,924	-	-		9,924
Exploratory drilling expense	9,158	-	-		9,158
Legal and accounting	8,696	150	250		9,096
Telephone expense	8,612	-	-		8,612
General office supplies and expense	6,677	-	112		6,789
Rent	5,280	-	-		5,280
Laboratory supplies and expense	4,716	-	-		4,716
Lease abandonments	3,795	-	-		3,795
Payroll taxes	3,450	-	-		3,450
Directors' fees and expenses	3,374	-	-		3,374
Utilities	2,581	-	-		2,581
Maps and blueprints expense	2,522	-	-		2,522
Depreciation	1,962	-	320		2,282
Miscellaneous	5,643	-	48		5,691
Total costs and expenses (Statement III)	206,260	150	5,545		211,955
INCOME AND REIMBURSED EXPENSES:					
Contracts--mineral analyses and reports	18,012	-	-		18,012
Interest on short-term commercial notes	16,290	-	-		16,290
Reimbursement of direct costs (Note 3)	9,562	-	-		9,562
	43,864	-	-		43,864
Net costs and expenses (Statement I)	$162,396	$150	$5,545		$168,091

WOLF RIDGE MINERALS CORPORATION AND WHOLLY-OWNED SUBSIDIARIES

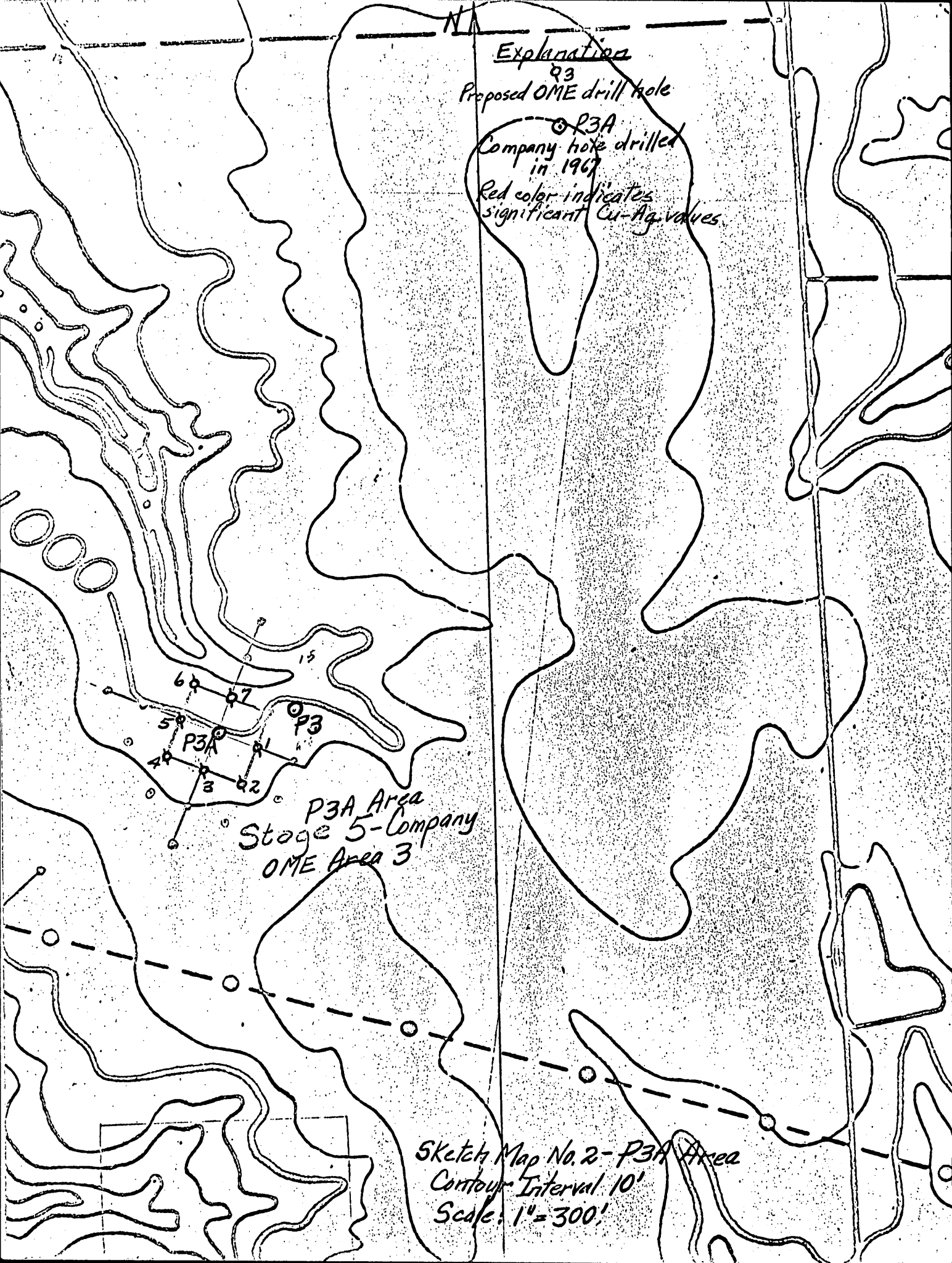
STATEMENT OF CAPITAL SHARES

DECEMBER 31, 1967

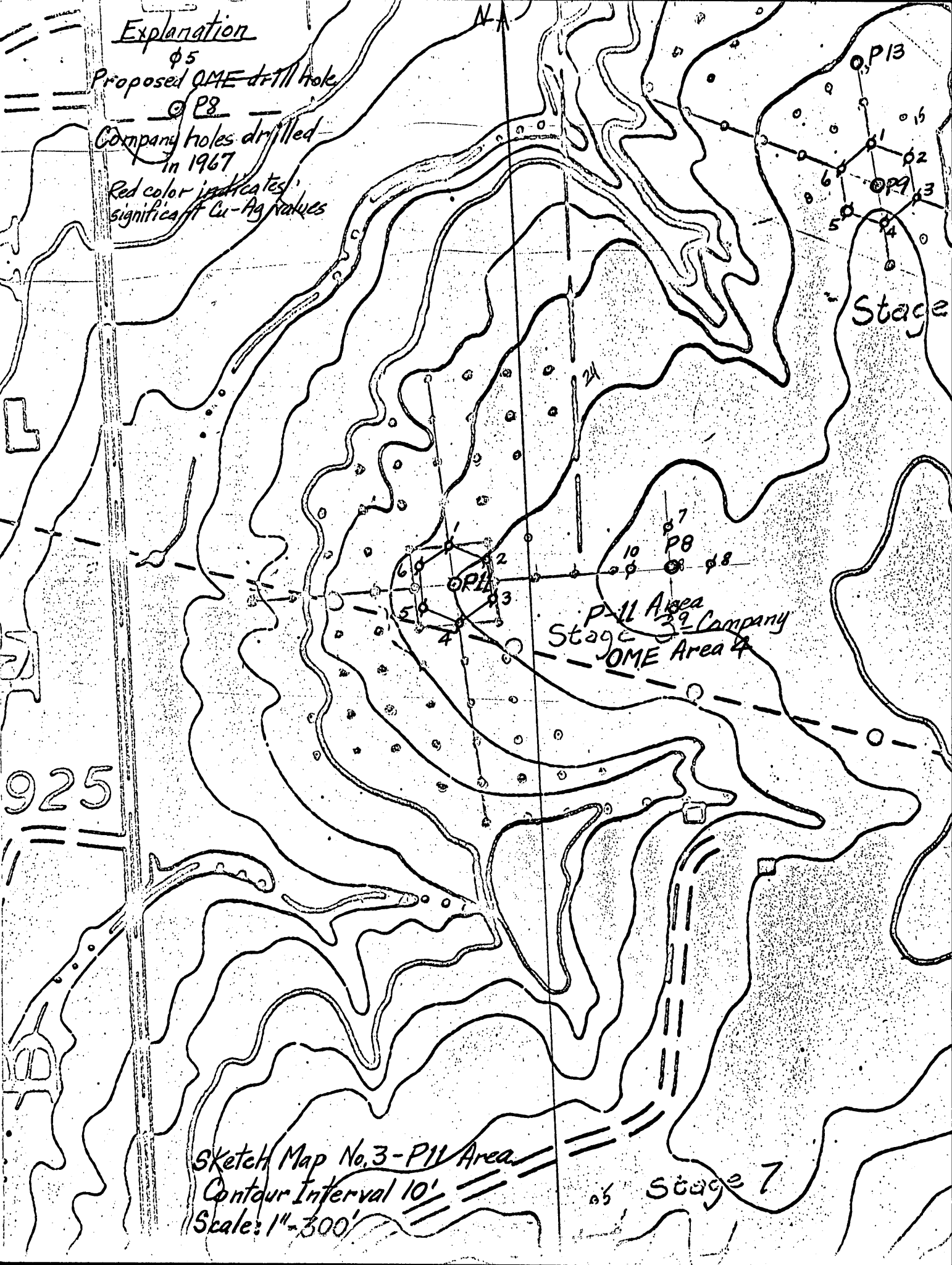
	Number of Shares Issued	Consideration Received			
		Cash	Properties	Services	Total
OLF RIDGE MINERALS CORPORATION:					
Common stock, no par value, 1,000,000 shares authorized, 452,500 shares issued and outstanding; 74,500 shares subscribed (Note 4).					
The above shares were issued for the following consideration-					
Cash	151,500	$403,000	$ -	$ -	$403,000
All of the outstanding stock of (Note 1)-					
Industrial Resources, Inc.	100,000	-	12,665	-	12,665
Wolf Ridge Corporation	100,000	-	1,000	-	1,000
Sodium permit (Note 1)	100,000	-	47,924	-	47,924
Services of employees	1,000	-	-	807	807
	452,500	$403,000	$61,589	$807	$465,396
OLF RIDGE CORPORATION:					
Common stock, no par value, 50,000 shares authorized, 10,000 shares issued and outstanding.					
The above shares were issued for the following consideration-					
50% interest in (Note 2)-					
Wolf Joint Venture	2,000	$ -	$ 200	$ -	$ 200
Ridge Minerals Joint Venture	1,900	-	190	-	190
Services of incorporators	6,100	-	-	610	610
	10,000	$ -	$ 390	$610	$ 1,000
INDUSTRIAL RESOURCES, INC.:					
Common stock, no par value, 50,000 shares authorized, 10,000 shares issued and outstanding.					
The above shares were issued for the following consideration-					
Cash	10,000	$ 12,665	$ -	$ -	$ 12,665
	10,000	$ 12,665	$ -	$ -	$ 12,665

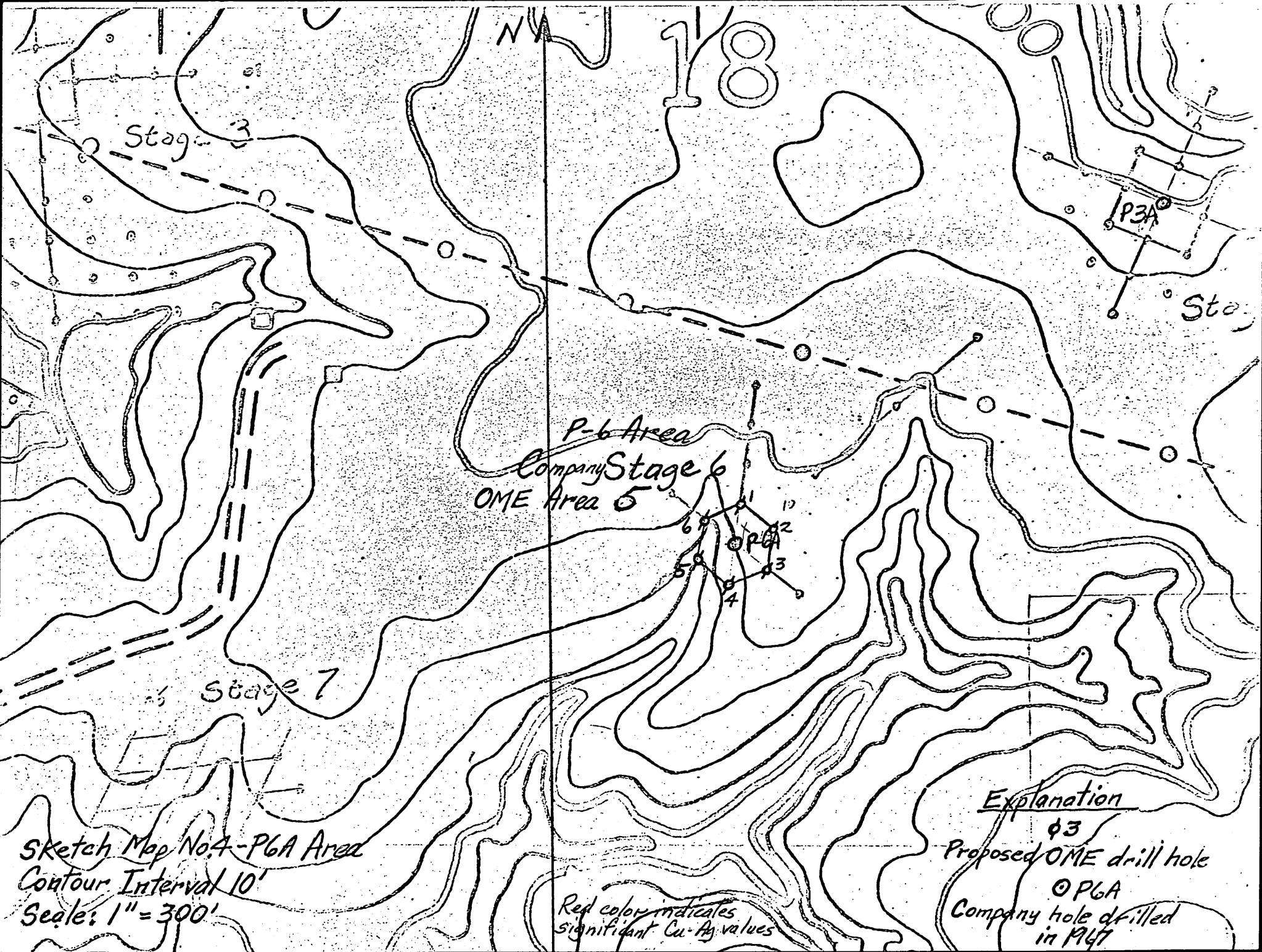


Sketch Map No 1 - P4 & P9 Areas
Contour Interval 10'
Scale 1" = 300'



Sketch Map No. 2 - P3A Area
Contour Interval 10'
Scale: 1" = 300'


Explanation
ϕ5
Proposed OME drill hole
P8
Company holes drilled in 1967
Red color indicates significant Cu-Ag values
N
P13
P9
P8
P11
P-11 Area
Stage 39 - Company
OME Area 4
Stage
925
Sketch Map No. 3 - P11 Area
Contour Interval 10'
Scale: 1" = 300'
Stage 7



Sketch Map No.4 - P6A Area
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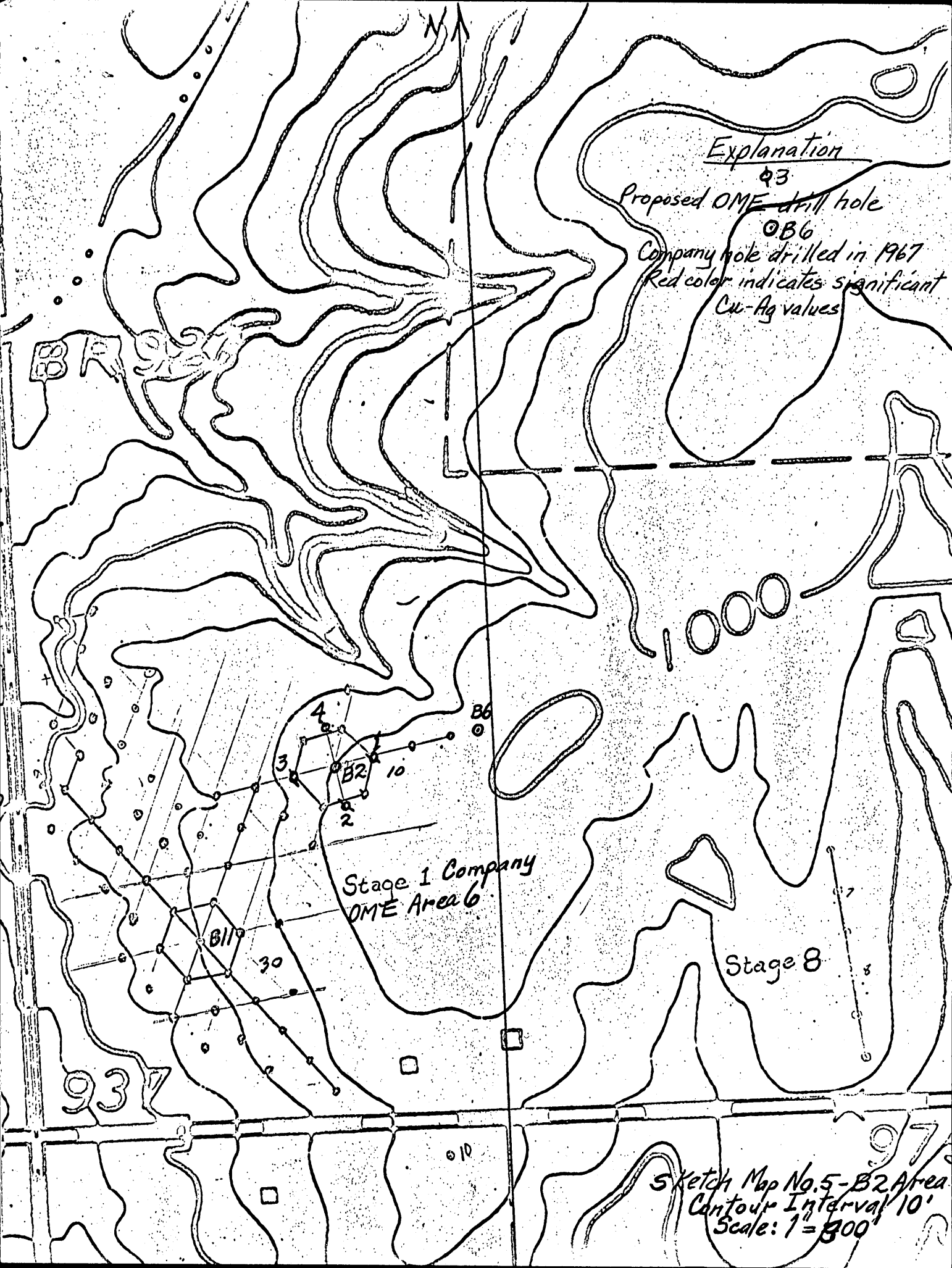
Scale: 1" = 300'



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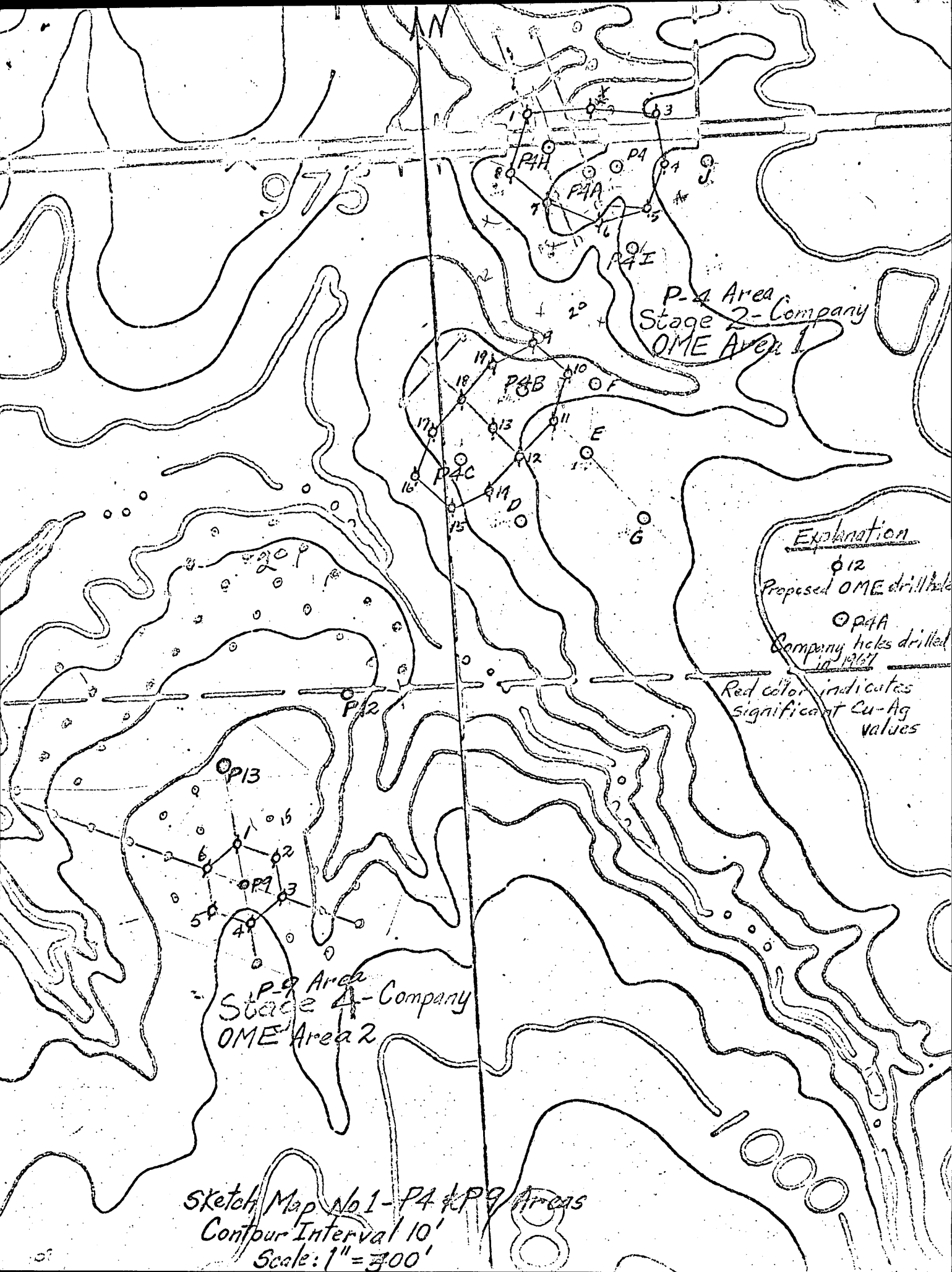
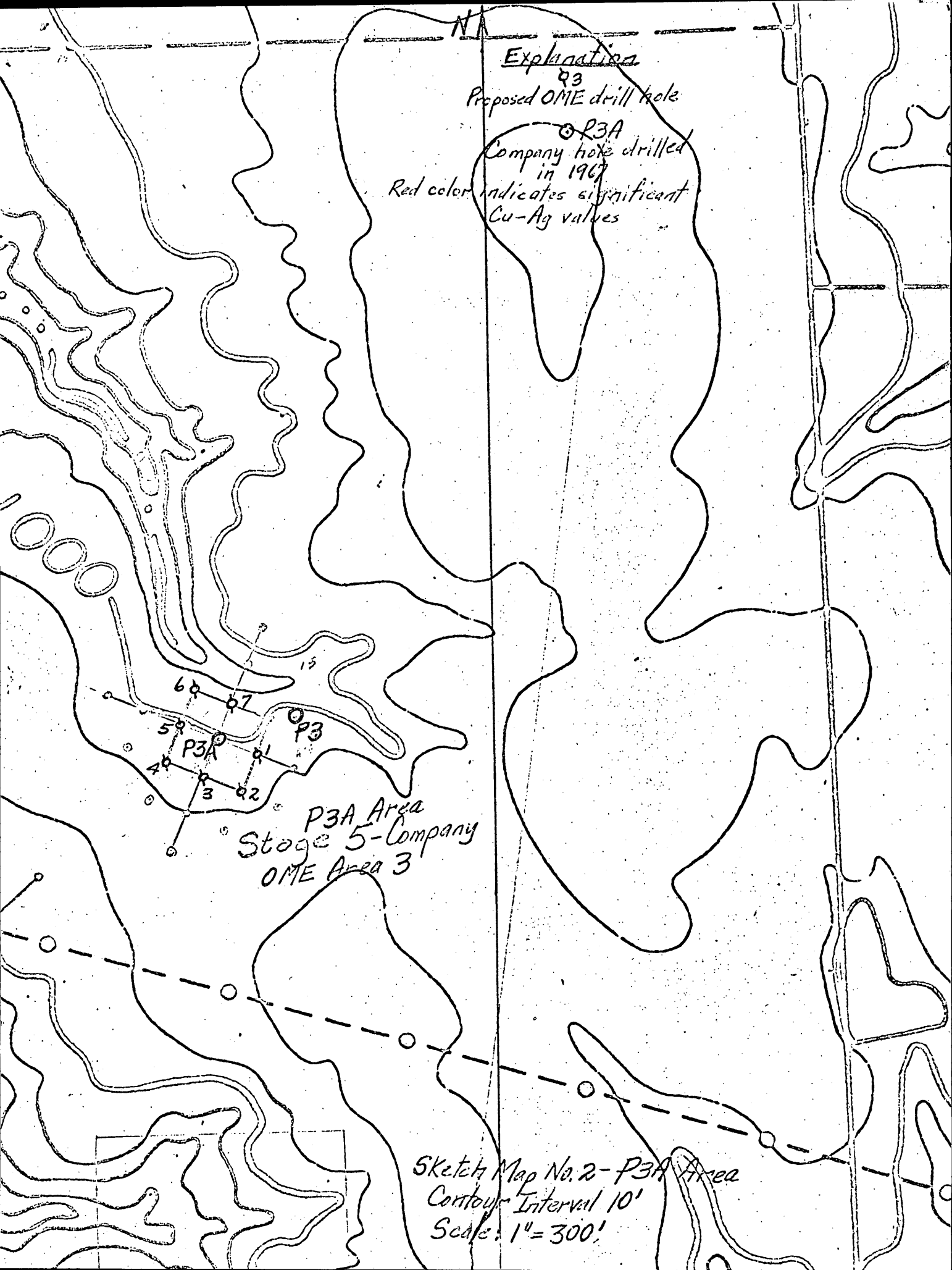
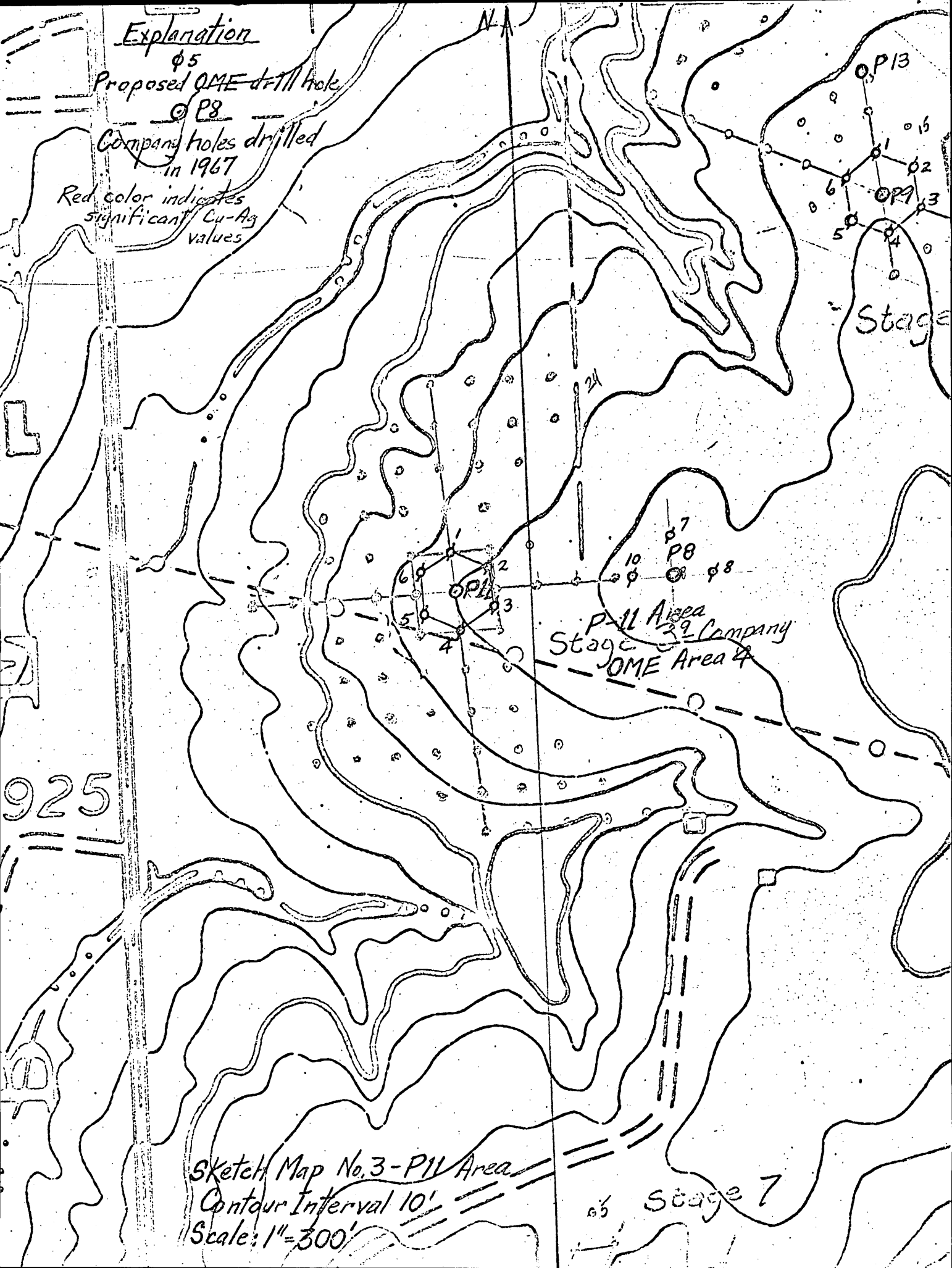
Contour Interval 10'
Scale: 1" = 300'



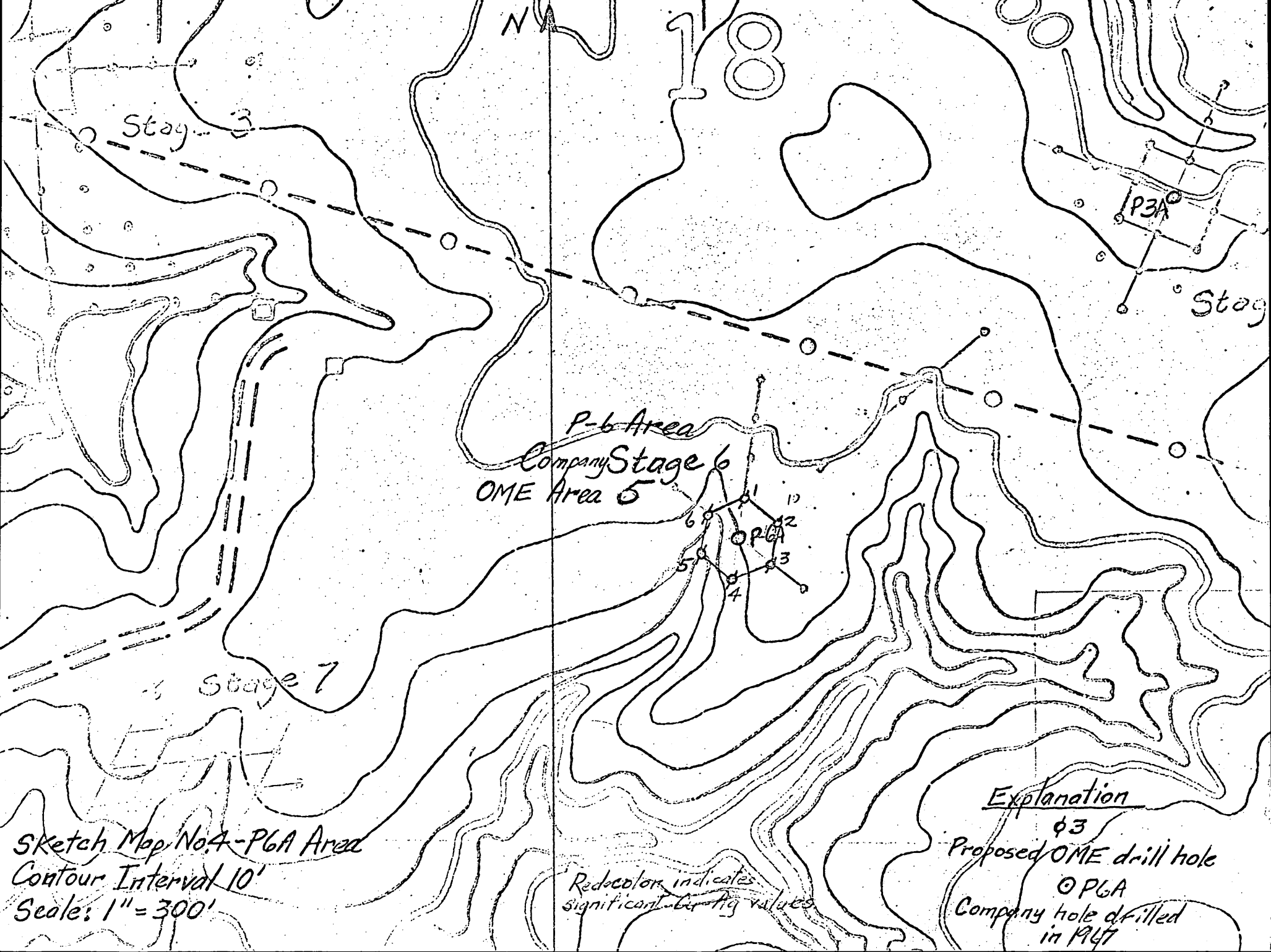
Sketch Map No 1 - P4 & P9 Areas
Contour Interval 10'
Scale: 1" = 300'



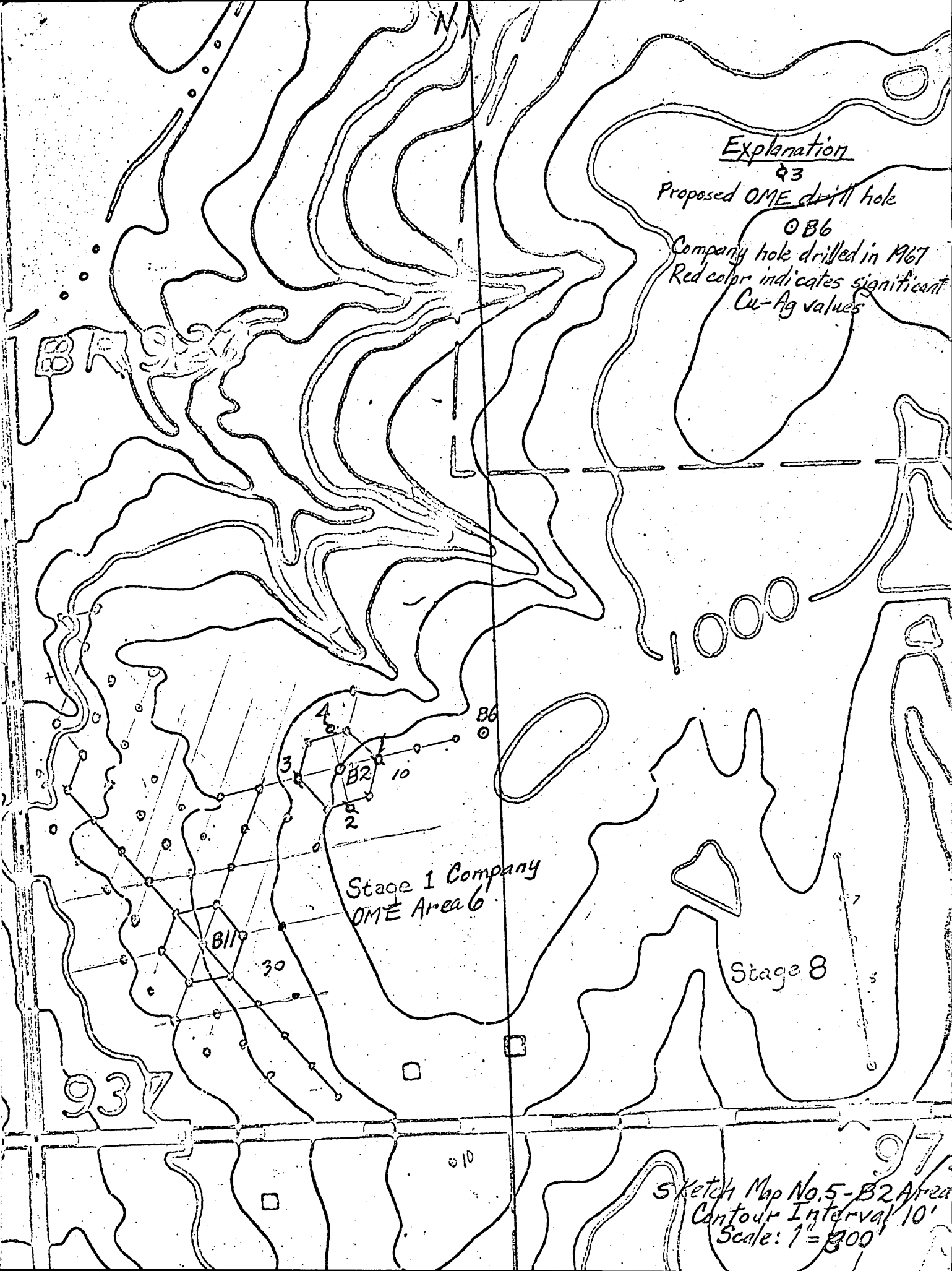
Sketch Map No. 2 - P3A Area
Contour Interval 10'
Scale: 1" = 300'



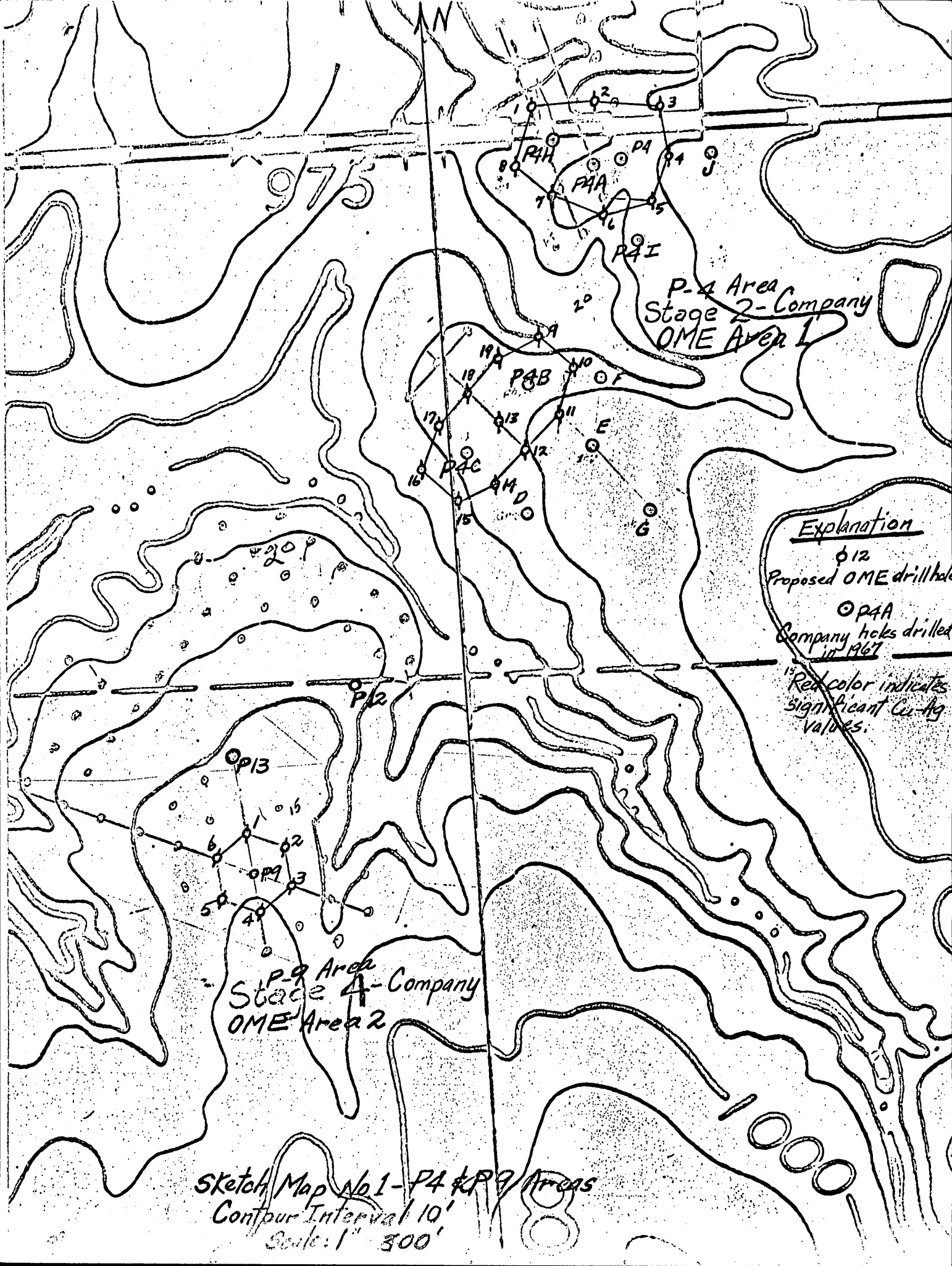
Sketch Map No. 3 - P11 Area
Contour Interval 10'
Scale: 1" = 300'



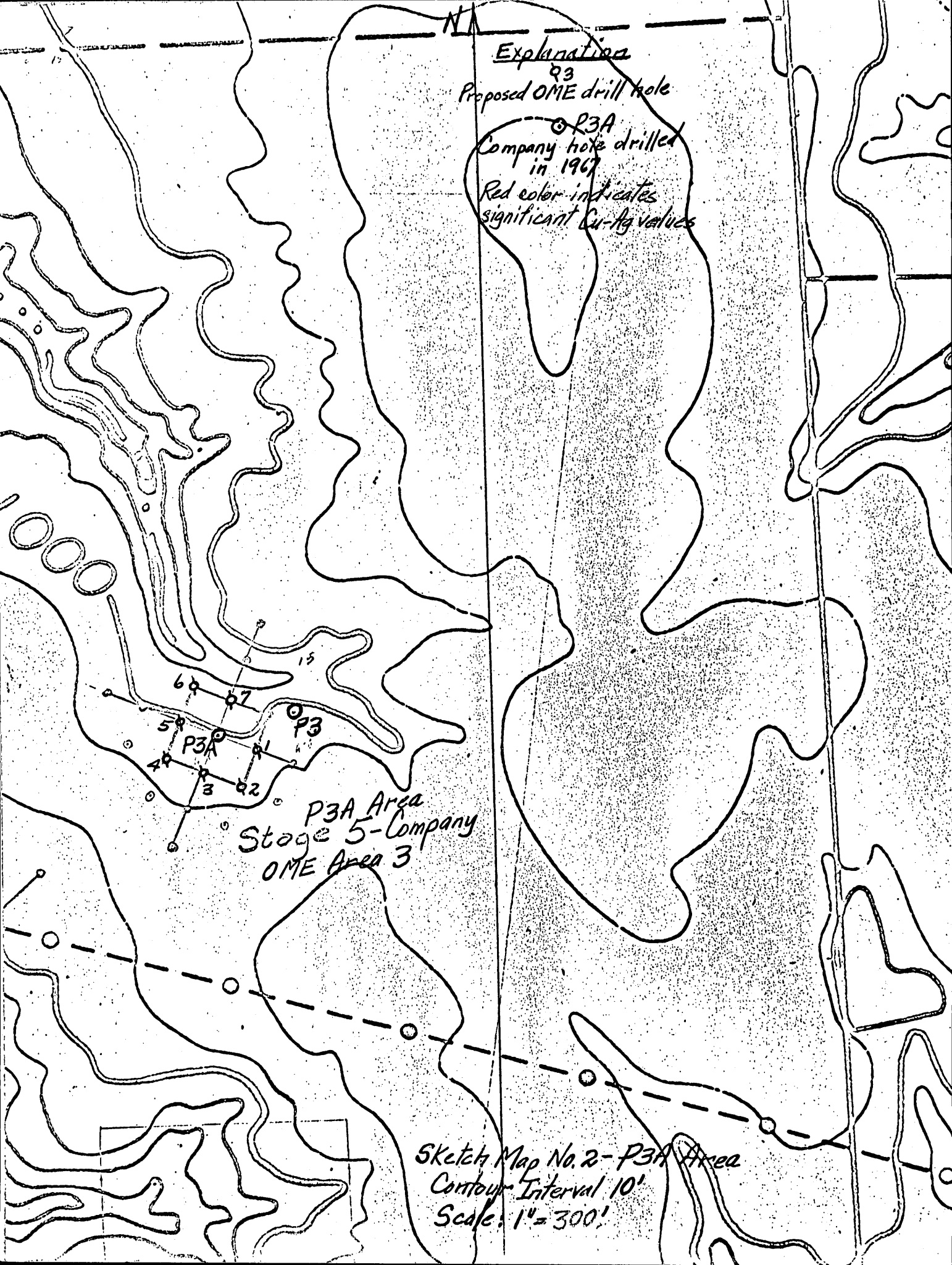
Sketch Map No.4 - P6A Area
Contour Interval 10'
Scale: 1" = 300'

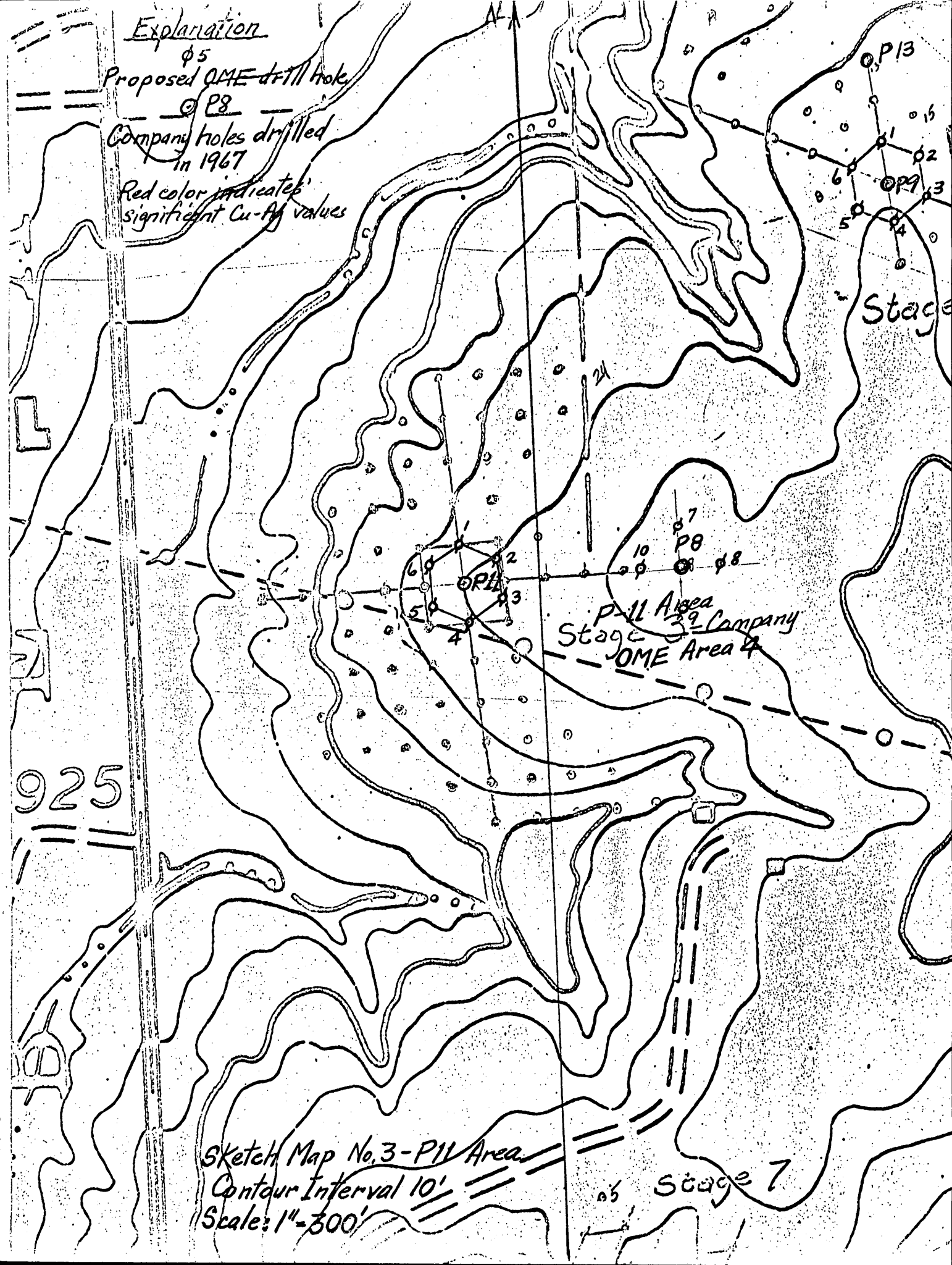


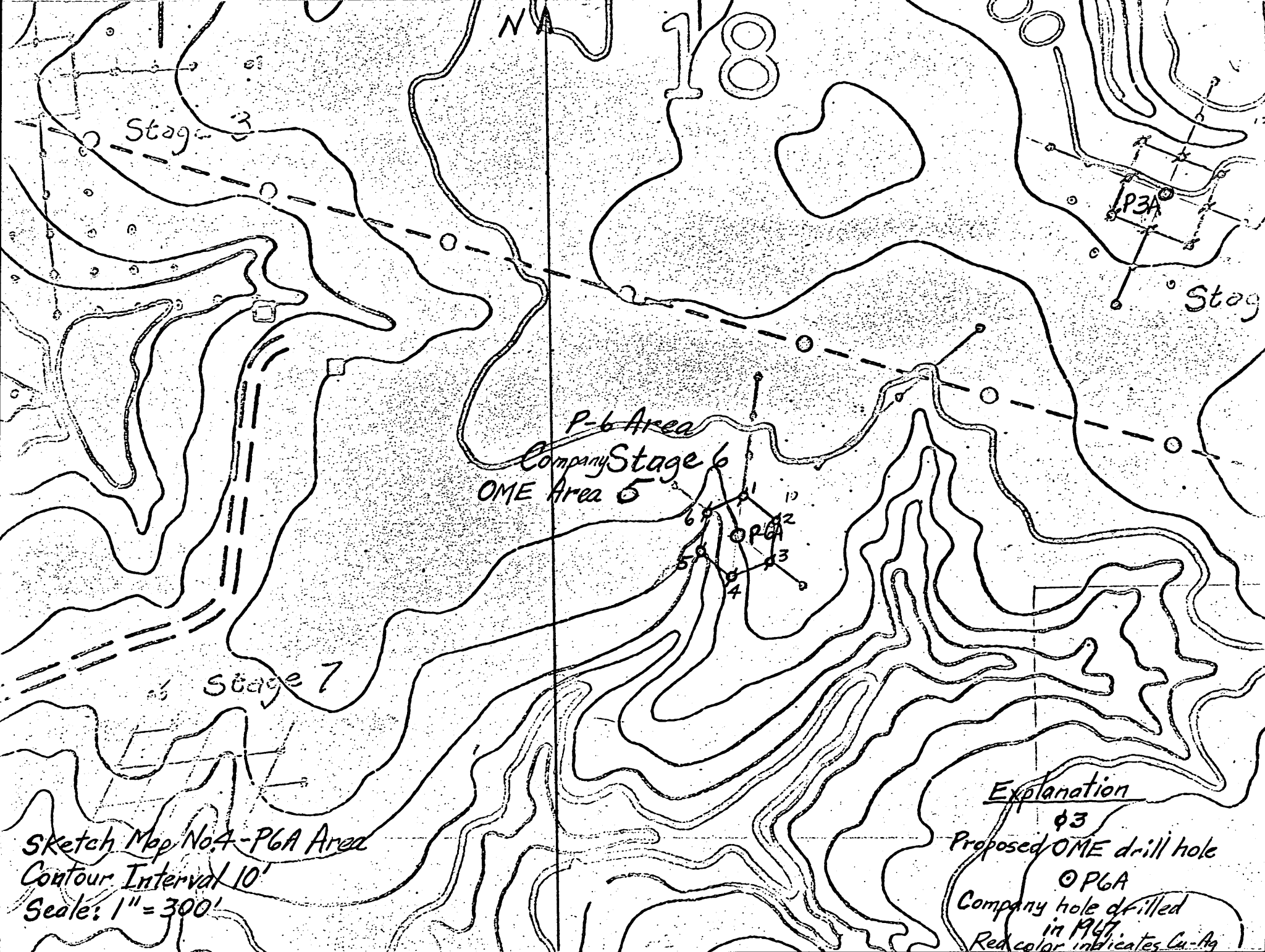
Sketch Map No. 5 - B2 Area
Contour Interval 10'
Scale: 1" = 200'



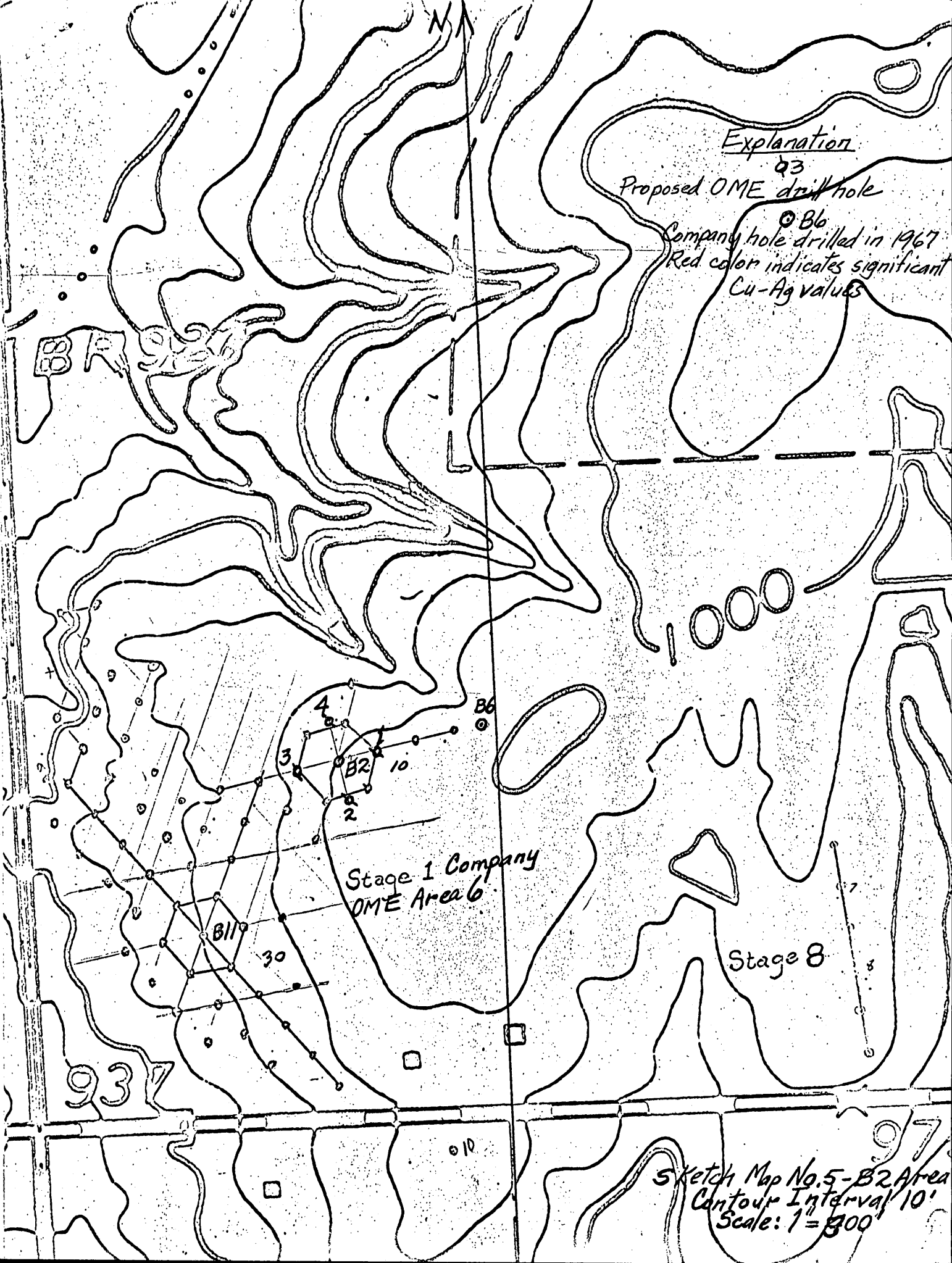
Sketch Map No 1 - P4 & P9 Areas
Contour Interval 10'
Scale: 1" 300'


N
Explanation
Q3
Proposed OME drill hole
P3A
Company hole drilled in 1967
Red color indicates significant Cu-Ag values
15
6
7
5
P3A
P3
4
1
3
2
P3A Area
Stage 5-Company
OME Area 3
Sketch Map No. 2-P3A Area
Contour Interval 10'
Scale: 1" = 300'


Explanation
ϕ5
Proposed OME drill hole
P8
Company holes drilled in 1967
Red color indicates significant Cu-Ag values
P13
P9
P11
P8
P11 Area
Stage 9 - Company
OME Area 4
Stage
925
Sketch Map No. 3 - P11 Area
Contour Interval 10'
Scale: 1" = 300'



Sketch Map No.4 - P6A Area
Contour Interval 10'
Scale: 1" = 300'



Sketch Map No. 5 - B2 Area
Contour Interval 10'
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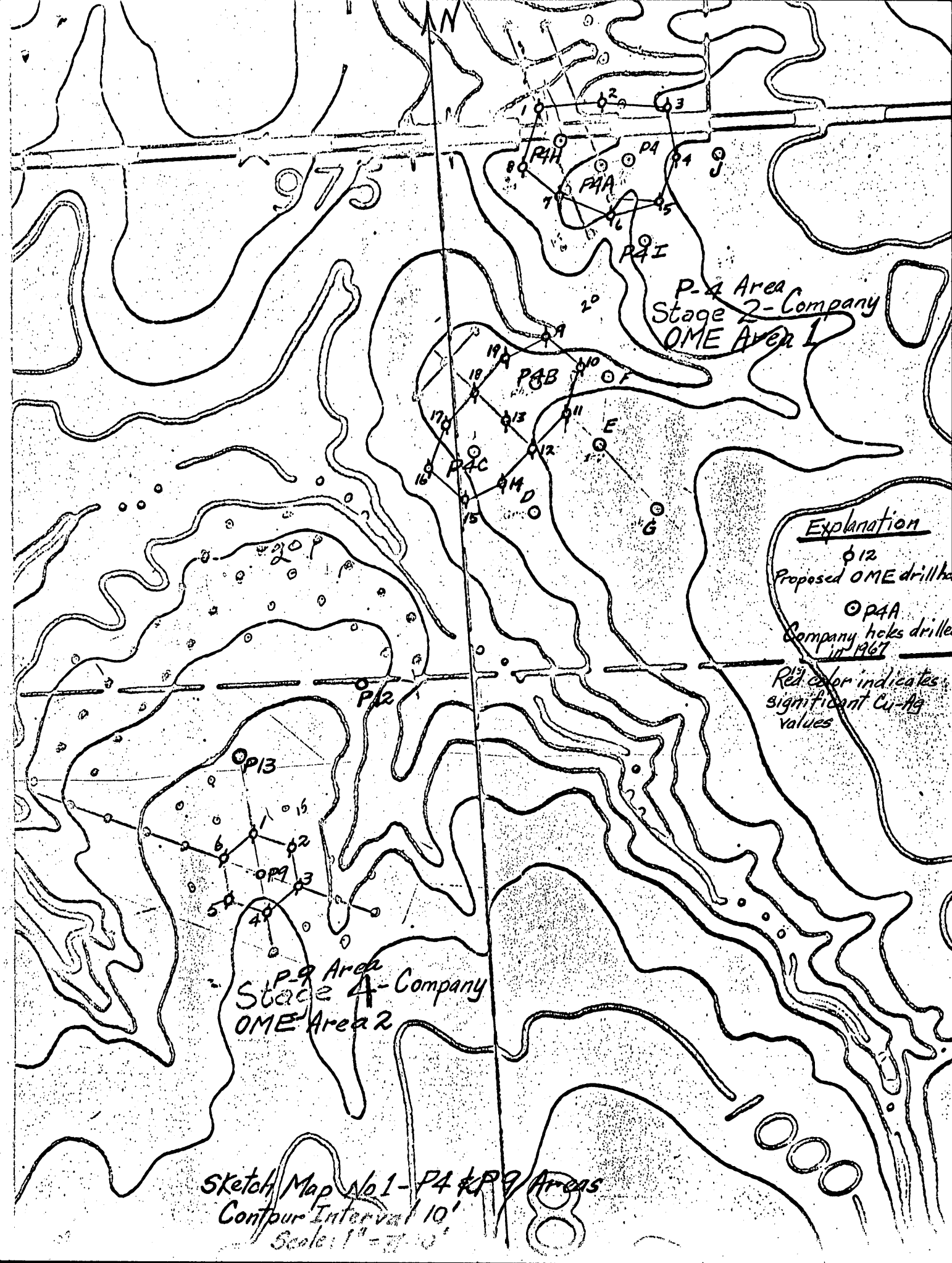
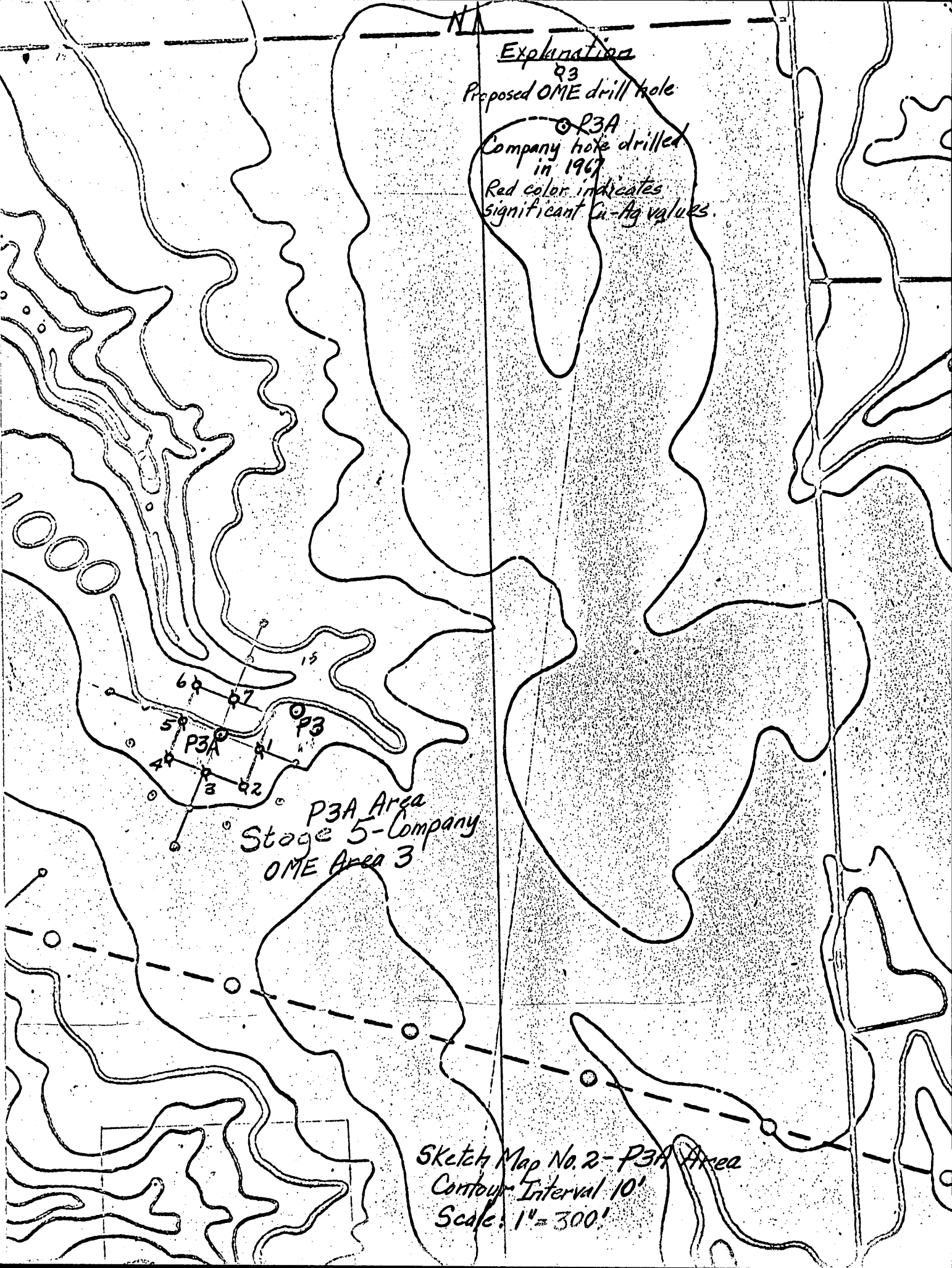
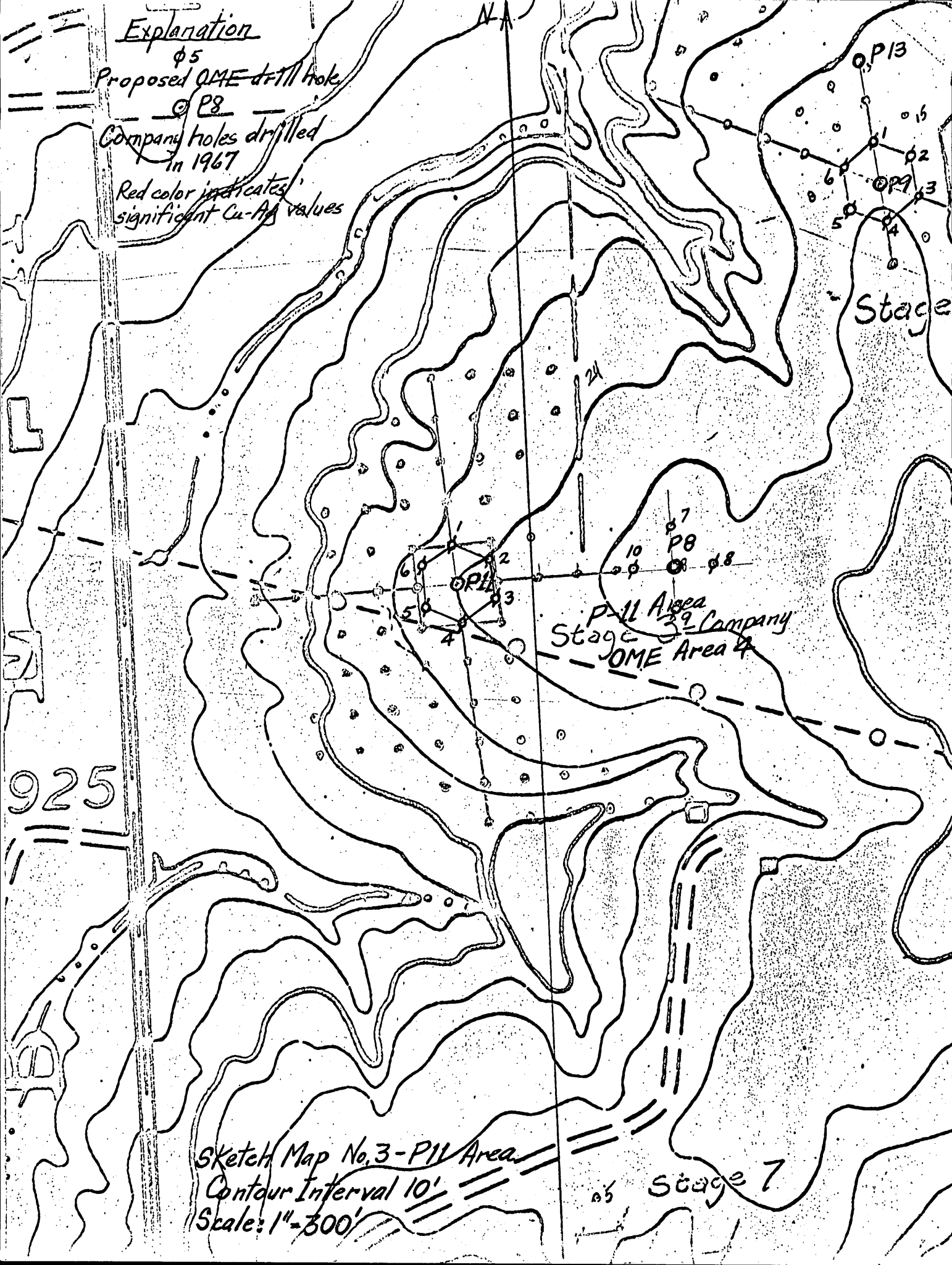
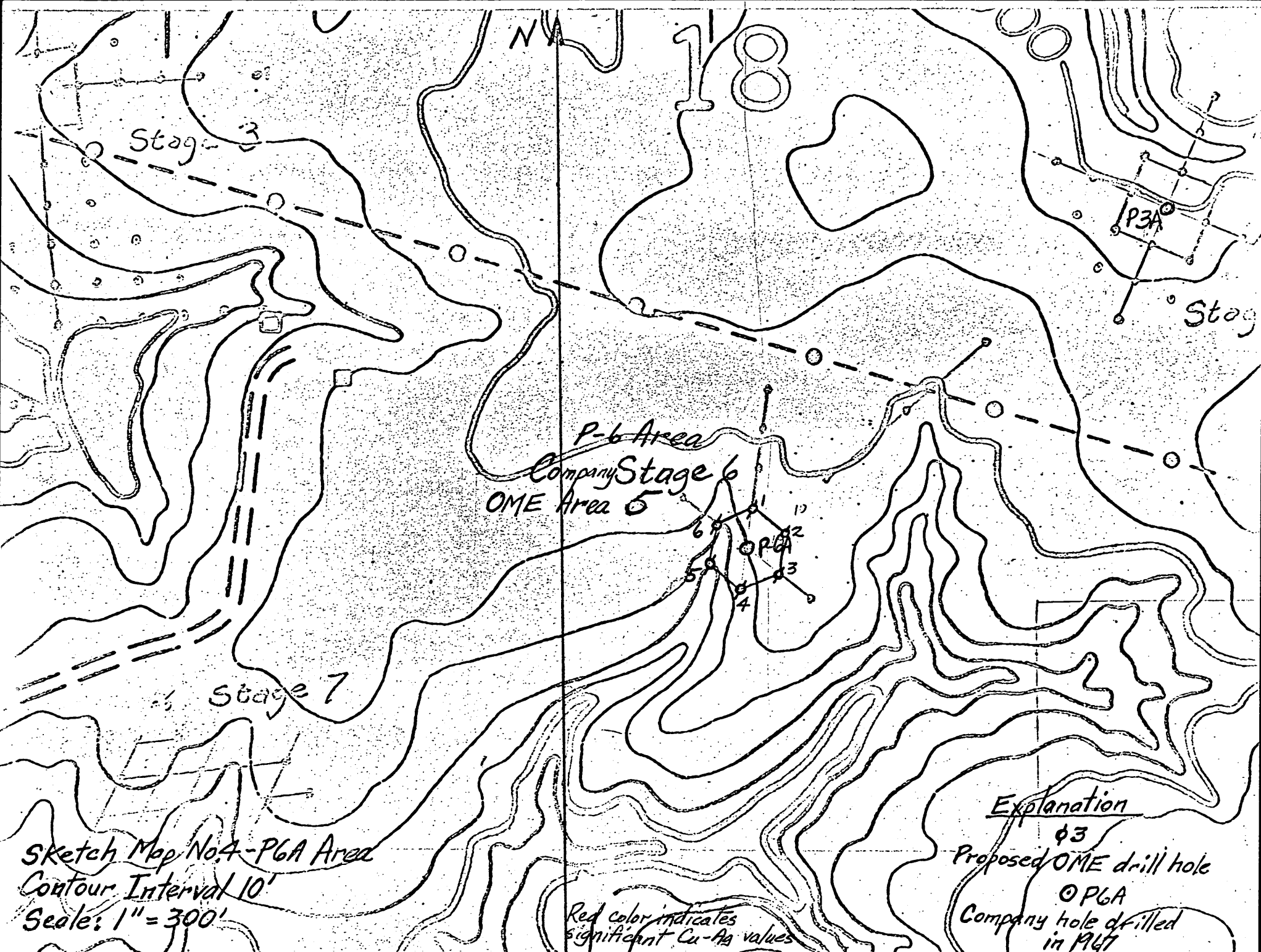


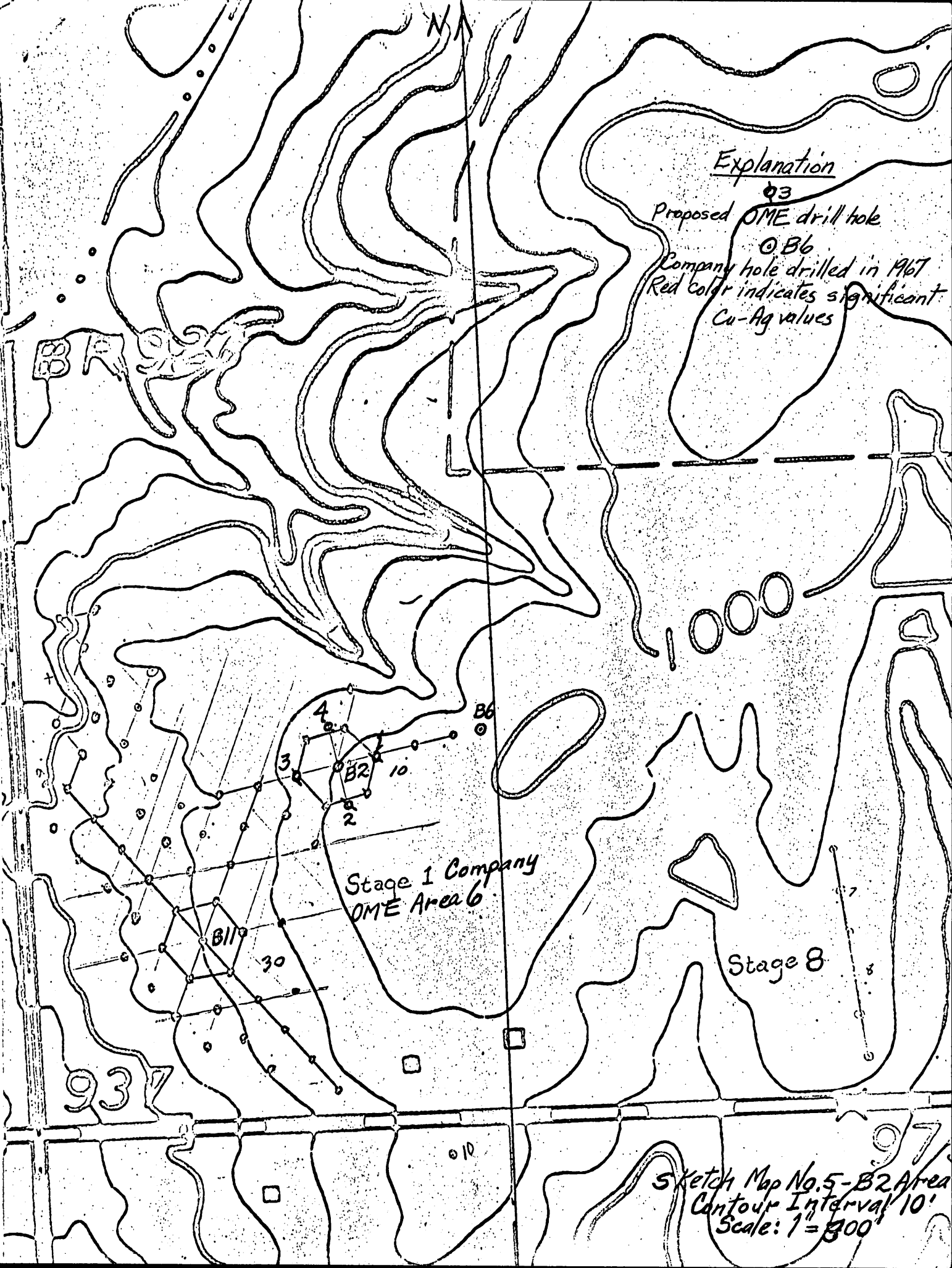
Sketch Map No 1 - P4 & P9 Areas
Contour Interval 10'
Scale: 1" = [illegible]


N
Explanation
Q3
Proposed OME drill hole
P3A
Company hole drilled in 1967
Red color indicates significant Cu-Ag values.
15
6
7
5
P3A
1
P3
4
3
2
P3A Area
Stage 5-Company
OME Area 3
Sketch Map No. 2-P3A Area
Contour Interval 10'
Scale: 1" = 300'

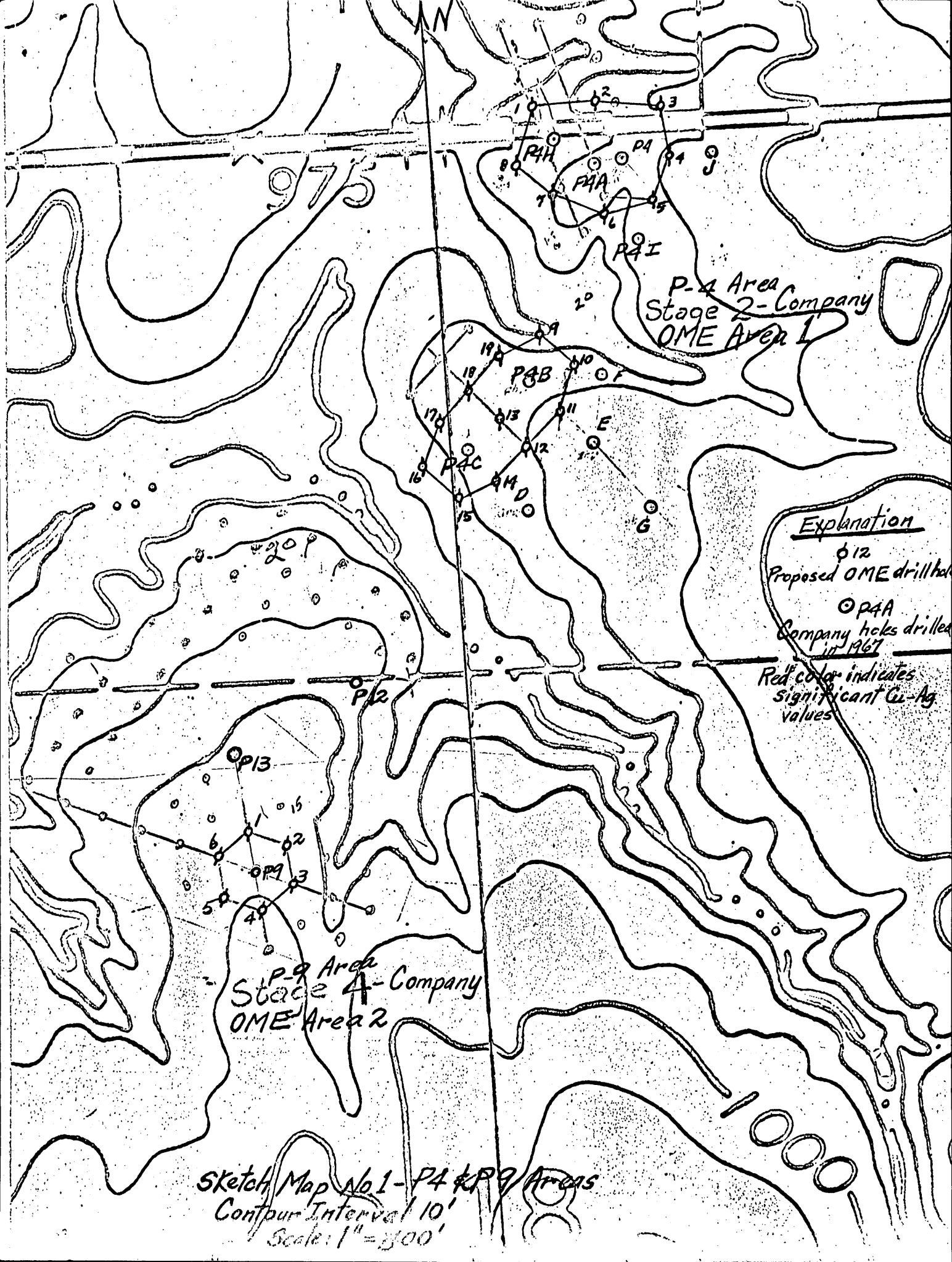

Explanation
Proposed OME drill hole
P8
Company holes drilled in 1967
Red color indicates significant Cu-Au values
N
P13
P9
P8
P11
P-11 Area
Company
Stage
OME Area 4
Stage
925
Sketch Map No. 3 - P11 Area
Contour Interval 10'
Scale: 1" = 300'
Stage 7



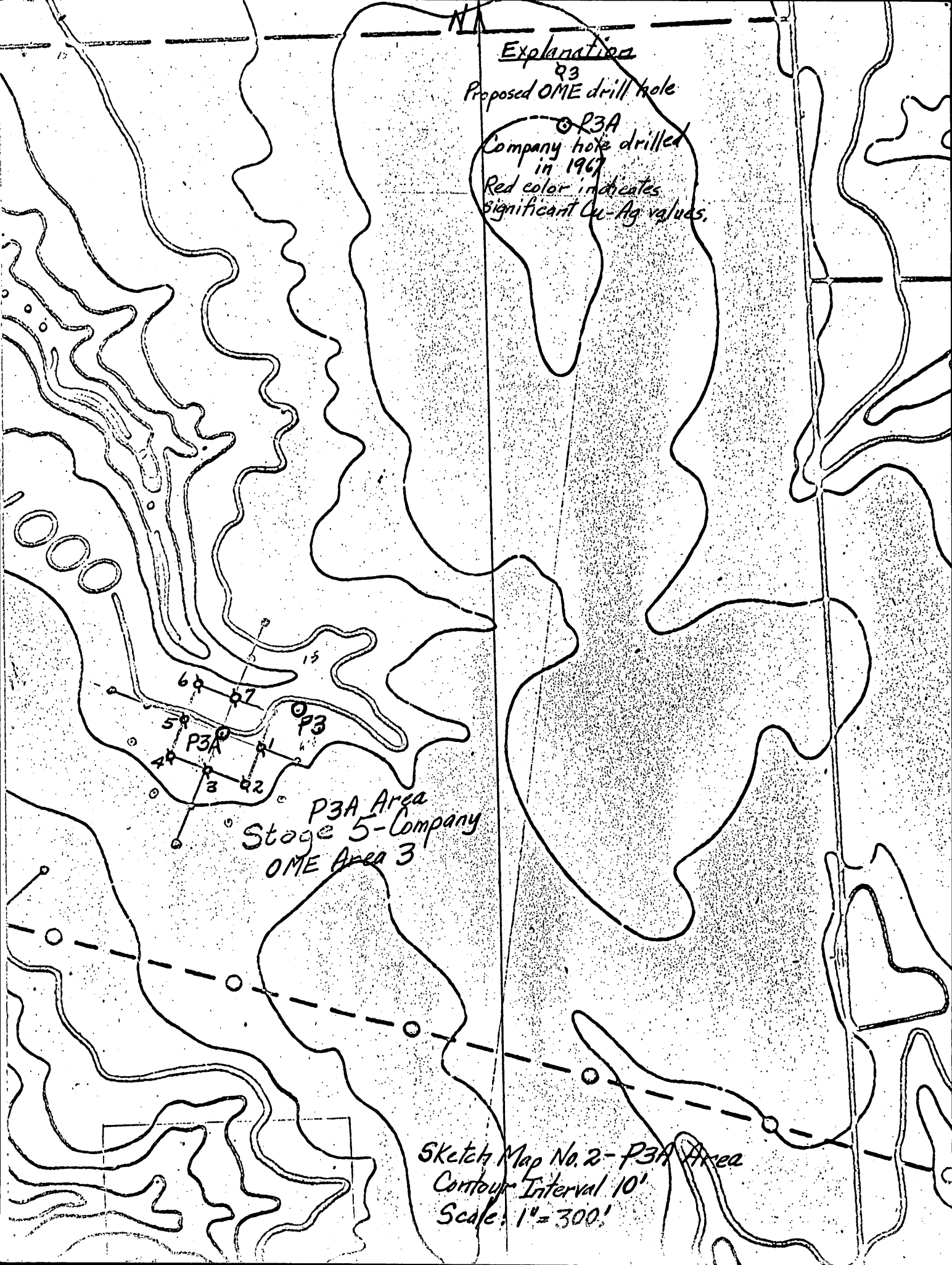
Sketch Map No.4 - P6A Area
Contour Interval 10'
Scale: 1" = 300'



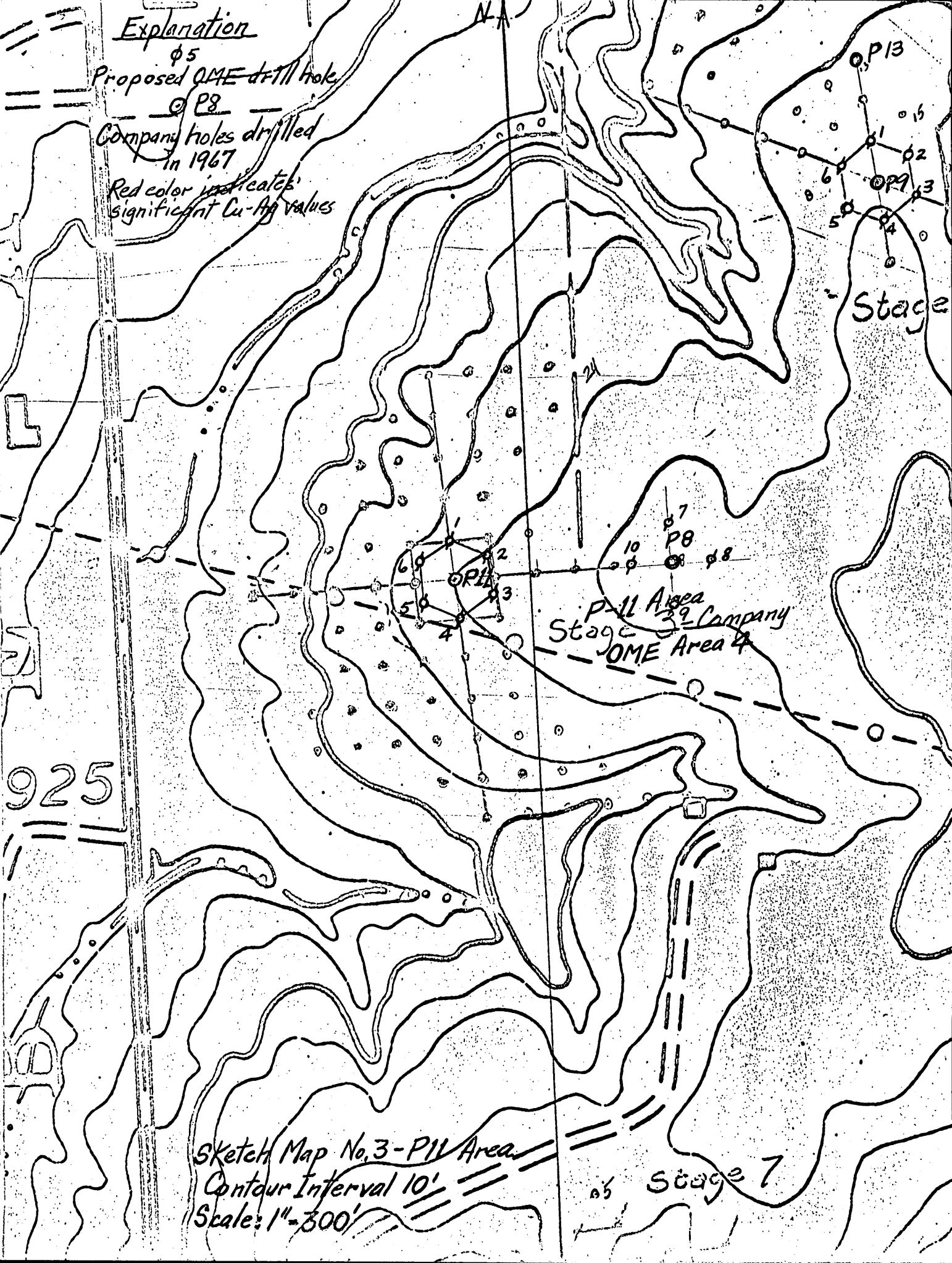
Sketch Map No. 5 - B2 Area
Contour Interval 10'
Scale: 1" = 800'



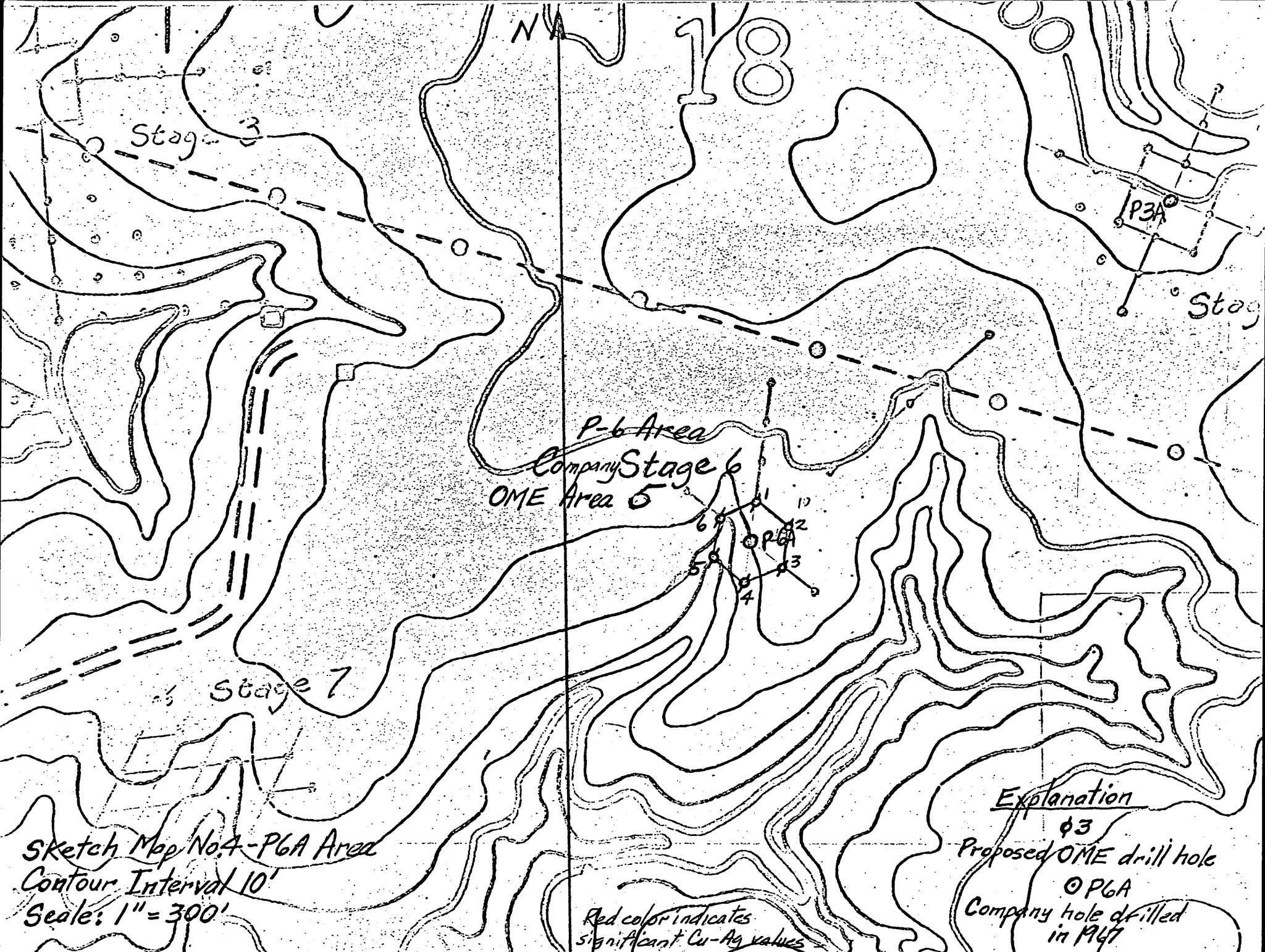
Sketch Map No 1 - P4 & P9 Areas
Contour Interval 10'
Scale: 1" = 500'



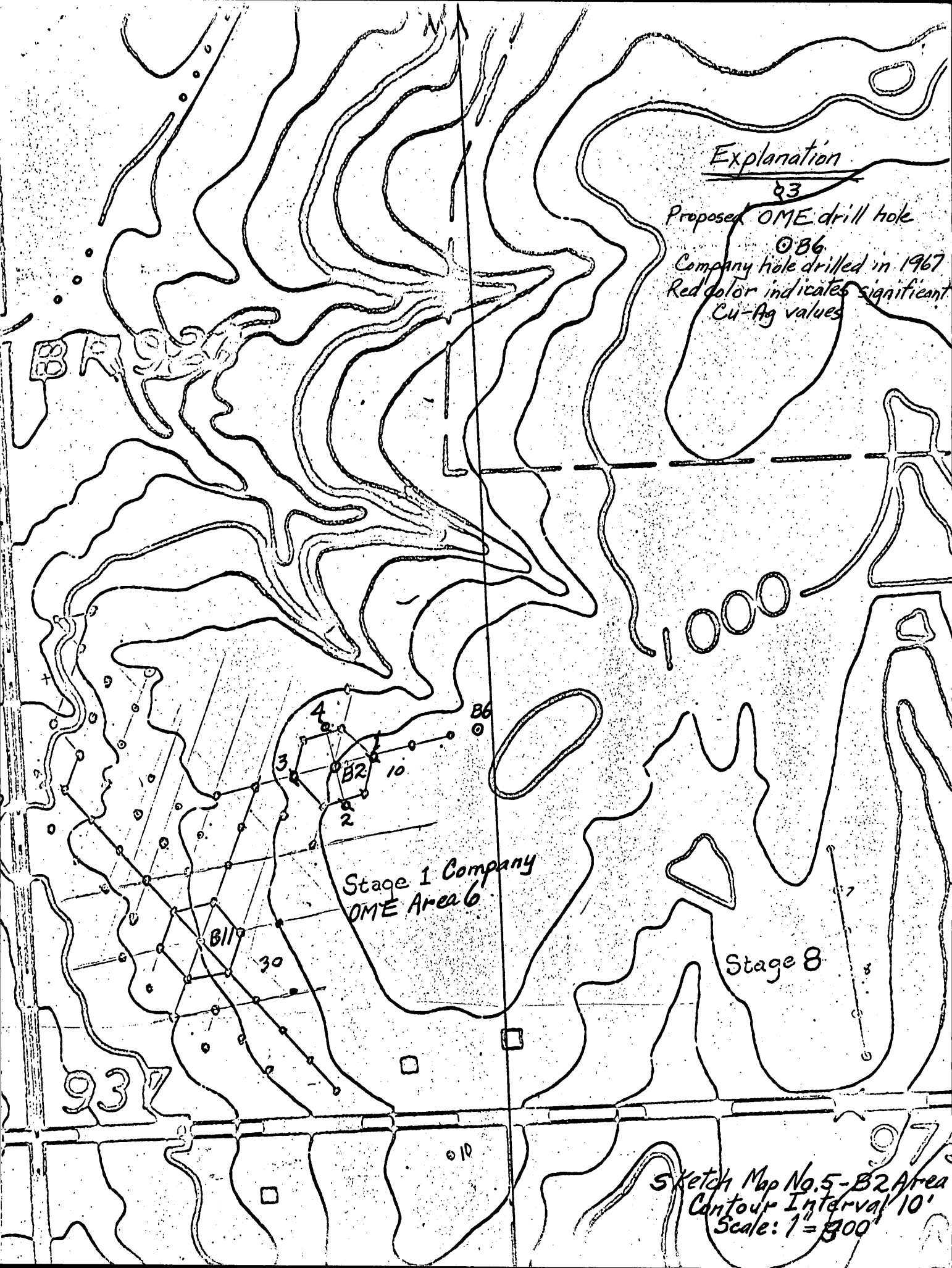
Sketch Map No. 2 - P3A Area
Contour Interval 10'
Scale: 1" = 300'



Sketch Map No. 3 - P11 Area
Contour Interval 10'
Scale: 1" = 300'



Sketch Map No.4 - P6A Area
Contour Interval 10'
Scale: 1" = 300'



Sketch Map No. 5 - B2 Area
Contour Interval 10'
Scale: 1" = 300'

PRELIMINARY ECONOMIC STUDY

MERRITT PROJECT

Edward C. Rosar

May 27, 1968

cc. A. Bowes
J. Boynton
S. Freeman
I. Nielsen
M. Savage
. Smith

I INTRODUCTION

The recent mining and metallurgical concepts on the Merritt Project has enhanced the commerciability of the copper-silver deposit. From the proven and inferred reserves and grade to date, in addition to the metallurgical tests, preliminary economics were estimated. The purpose of the study is to determine whether the orebody, as presently defined, is in the proximity of a commercial venture.

In the former concept, approximately 250,000 tons of plus $12 per ton were shown. The mining and milling were to be performed by conventional methods. Studies have indicated that 1,000,000 tons were required for a marginal operation; whereas 1,500,000 tons made the project within the realm of being financially attractive.

At the moment the orebody is regarded to have similar characteristics of a placer deposit. Utilizing the drill holes as of 2/1/68, approximately 750,000 cu. yds. of proven and inferred reserves are shown. The value-in-place is $7.68 per cubic yard.

II BASELINES FOR THE STUDY

In order to formulate a preliminary economic study the following parameters were used:

(a) Reserves: 800,000 cu.yds. (Actual calculated 753,460 cu.yd.)
(b) Grade: 0.20%-Copper; 1.80 oz/cu.yd-Silver
(c) Price of Values:
  Case I - $0.42/lb copper; $2.465/oz -Silver (As of 5/23/68)
  Case II -$0.42/lb copper; $2.805/oz -Silver (Futures for Sept.1969)
(d) Life of Operation: 4 years
(e) Stripping Ratio: 1 : 1
(f) Production Rates:
  (1) Stripping: 200,000 cu.yd./yr. (waste)
  (2) Mining: 200,000 cu.yd/yr. (ore)
  (3) Attrition: 200,000 cu.yd/yr. or 400,000 tons/yr.
    1,490 tons/day; 119.2 tons/Hr.
  (4) Flotation: 120,000 cu.yd/yr or 240,000 tons/yr.
    738 tons/day; 30.8 tons/hour
  (5) Slimes Removal: 80,000 cu.yd/yr or 160,000 tons/yr.
(g) Mining Method: 14 cu.yd. scraper used for stripping and mining; stripping round trip at 1600 ft.; mining round trip at 4600 ft.
(h) Attrition: Primary product is disintegrated with a scrubber; plus 28 mesh is jigged; minus 28 mesh is cycloned to remove slimes from sands.
(i) Flotation: The sands and mineral fraction is processed in a fast float; both copper and silver are floated together.

III SUMMARY

The initial study has demonstrated the following points:

(a) The indicated investment for plant and equipment (Refer to Exhibit I) totals to $1,400,000, of which, $1,226,000 is devoted to the processing plant, while $174,000 is apportioned to mining and mobile equipment. The Pre-Production Expense amounts to $340,000.

(b) For Case I, the book income over a four year period amounts to $184,000, which in turn equates to a discounted rate of return of 4%. (Refer to Exhibit II).

(c) In Case II, the book income totals to $428,000. The discounted rate of return amounts to 8%. (Refer to Exhibit II).

(d) According to these very preliminary economics and the assumed reserves and grade, the potential of the Merritt Project definitely is encouraging. If all the assumptions are correct, the project is on the threshold of being a commercial operation. Additional drilling and metallurgical testwork is required, in conjunction with more finite engineering cost studies.

IV DISCUSSION

Predicated on the supposition that all of the baselines and calculations are correct, the following economics can be realized if the orebody is expanded to twice the tonnage and the life is maintained at four years.

(1) The Plant Capital Cost would increase by a factor of 1.6 or to $1,962,000. The depreciation decreases to $1.23/cu.yd.

(2) The Mining could decrease to $0.30/cu.yd.

(3) The Milling and Concentration cost has the potential of being lowered to $1.00/cu.yd. This does not reflect the potential savings in reagent consumption which will be determined by additional metallurgical testwork. Approximately $0.16/cu.yd. is considered feasible by the Galigher Company.

(4) The General Mine Expense can be reduced to $0.30/cu.yd.

(5) The Royalty would increase to $0.17/cu.yd.

In summary, with only the above items being considered, a potential cost reduction of $1.04/cu.yd. is foreseen. This reduction, of course, is before taxes. However, even if taxes are considered, the impact is significant on the economics on the deposit.

EXHIBIT I

PRE-PRODUCTION EXPENSE AND CAPITAL INVESTMENT

ACCOUNT	AMOUNT
(A) PLANT	
(1) Site Preparation	$ 25,000
(2) Service Facilities	45,000
(3) Yard Utilities	30,000
(4) Yard Electricals	40,000
(5) Plant Roads	7,500
(6) Office, Lab, Whse, Furniture & Equipment	35,000
(7) Shop Equipment	50,000
(8) Scrubbing Plant	144,000
(9) Surge Thickener	49,000
(10) Flotation	336,000
(11) Slimes Disposal	105,000
(12) Sand Tailings	71,000
(13) Process Water	73,000
(14) Concentrate Loading Dock	7,500
(15) Contractor Fee, Engrg, Overhead, Etc..	153,000
Sub-Total	$1,171,000
(16) Start Up Expense	55,000
Total - Plant	$1,226,000
(B) MINING & MOBILE EQUIPMENT	
(1) 1- Scraper EUC-TS-14	$ 57,400
(2) 1- Dozer EUC-82-30	48,400
(3) 1- Grader LW-550	28,000
(4) 1- Hough - H-40 Loader	14,000
(5) 2- 3/4 Ton - Pick Up Truck	7,000
(6) 1- 2-1/2 Ton Service Truck	5,800
(7) 1- Used Water Wagon	10,000
(8) Sales Tax	3,400
Total-Mining & MobileEquip.	$ 174,000
Total- Plant & Equipment	$1,400,000
(C) PRE-PRODUCTION EXPENSE	
(1) Expensed Items	$ 172,000
(2) Amortizable Items	168,000
Total - Pre-Production Exp.	$ 340,000
Grand Total - Investment	$1,740,000

EXHIBIT II

NET AND BOOK INCOME

ACCOUNT	CASE I Amount 4 yr.period	CASE I Per cu.yd.	CASE II Amount 4 yr.period	CASE II Per cu.yd.
(A) REVENUE	$3,820,000	$ 4.78*	$4,136,000	$ 5.17**
(B) LESS-OPERATING COST				
(1) Mining & Stripping	$ 344,000	$ 0.43	$ 344,000	$ 0.43
(2) Milling & Concentration	944,000	1.18	944,000	1.18
(3) General Mine Expense	352,000	0.44	352,000	0.44
(4) State Mineral Tax	32,000	0.04	36,000	0.05
(5) Property Tax & Ins.	63,000	0.08	63,000	0.08
(6) Royalty	121,000	0.15	139,000	0.17
(7) Pre-Production Expense	172,000	0.21	172,000	0.21
Sub-Total	$2,028,000	$ 2,53	$2,050,000	$ 2.56
(C) GROSS OPERATING PROFIT	$1,792,000	$ 2.25	$2,086,000	$ 2.61
(D) LESS OTHER				
(1) Depreciation	$1,440,000	$ 1.80	$1,440,000	$ 1.80
(2) Amortization	168,000	0.21	168,000	0.21
(3) Depletion	323,000	0.40	391,000	0.49
(4) State Income Tax	14,000	0.02	19,000	0.02
(5) State Tax Credit	(14,000)	(0.02)	(17,000)	(0.02)
Sub-Total	$1,931,000	$ 2.41	$2,001,000	$ 2.50
(E) NET INCOME BEFORE FEDERAL TAX	(-)$ 139,000	(-)$ 0.16	$ 85,000	$ 0.11
(F) GROSS - FEDERAL TAX	$ 157,000	$ 0.20	$ 250,000	$ 0.31
Less - Federal Tax Credit	(157,000)	(0.20)	(202,000)	(0.25)
Net - Federal Tax	- 0 -	- 0 -	$ 48,000	$ 0.06
(G) NET INCOME	(-)$ 139,000	(-)$ 0.16	$ 37,000	$ 0.05
(H) BOOK INCOME	$ 184,000	$ 0.24	$ 428,000	$ 0.54

* Based on $0.42/lb. copper; $2.465/oz. silver (Price as of 5/23/68)

** Based on $0.42/lb. copper; $2.805/oz. silver (Futures price Sept. 1969)

PROPOSED EXPLORATION PROGRAM
"Merritt Project"
Paoli Area, Oklahoma

It is proposed that the second phase of the exploration program for the sedimentary silver "Merritt Project" be conducted in eight stages, as shown on attached plates 1 and 2. Each of these stages is centered around an area in which a reasonable probability exists for significant discovery of ore, based on data developed by Wolf Ridge Minerals Corporation during their initial phase of exploration.

Proposed exploration in each stage will consist of core drilling through the target horizon, or horizons, of probable mineralization. Intervals which are known to be barren and which can be projected will be drilled rather than cored, to both expedite the project and to reduce costs. Cuttings samples will, of course, be caught and saved through the drilled interval.

STAGE 1

B-11 Area--This stage will establish and attempt to delineate the trends of known mineralized zones in both the upper Ryan Sand zone and the lower B-2 Sand zone. A total of 30 holes averaging 30 feet in depth are proposed in the Ryan Sand zone and 10 holes averaging 90 feet in depth are proposed for the B-2 Sand zone. Initially six holes will be drilled in a hexagonal pattern around the B-2 hole to establish a trend of the mineralized zone. When such a trend is established the remaining holes will be drilled to extend and follow this trend.

In a like manner, six holes will be drilled in a hexagonal pattern around the B-11 hole. An additional NW-SE trending line of holes will be drilled along the indicated trend of mineralization as established by the B-11 and B-9 holes. This will require approximately 15 core holes. An additional five holes are planned in the area of a contiguous outcrop, samples of which analysed

as high as 6 ounces of silver per ton. The remaining 10 locations are left open in order to allow flexibility of movement as mineralized trends develop.

The 40 locations projected for Stage 1 exploration are a maximal amount and will be reduced at the discretion of the field representive, should initial core holes show no extention or continuity of the mineralized zone.

STAGE 2

- Some merit

P-4 Area--This stage will attempt to extend the area of reasonable probability for potentially economic deposits of minerals developed by Wolf Ridge Minerals in earlier exploration. It is proposed that 40 holes averaging 25 feet in depth be alloted to this stage. Of this amount, 20 holes will be drilled as step-out locations to core holes which have already shown a reasonable probability of developing silver reserves. The remaining locations are tentatively spaced in an extension of this mineralized zone where there is a reasonable probability of developing the trend. Some surface mineralization has been observed throughout this area.

Noticeable copper minerals are present in the Stage 2 area, but economic operation will be dependent upon the silver concentrations.

The proposed 40 holes are a maximal amount for this stage and in case of negative results, the program will be reduced at the discretion of the field representative.

STAGE 3

P-11 Area--This stage will delineate the trend and indicate the extent of a mineralized interval established in the P-11 core, indicated in the P-8 core and outcropping on the surface west of the P-11 hole.

Nothing

A total of 40 holes averaging 30 feet in depth are proposed for this stage. Step-out drilling will be developed in a square pattern of eight holes around the mineralized B-11 hole. If a trend is developed, it will be pursued on a spacing pattern of 100 foot centers. If a trend is not developed on the initial pattern, E-W and N-S grid lines will be developed on a 100 foot step-out basis, on each side of the P-11 hole. These lines will be developed in an area of reasonable probability for discovering ore. Seventeen holes are projected for the development of these lines, with the remaining fifteen locations being left open to allow flexibility in following any developed trend of mineralization.

The 40 hole program projected for Stage 3 provides maximum exploration development for this area. If mineralization does not justify this amount of drilling, program will be reduced at the discretion of the field representive.

STAGE 4

nothing

P-9 Area--This stage is proposed to outline and expand the zone of silver mineralization developed in the P-9 core, and to evaluate the copper mineralization in this hole. This stage will consist of 25 holes which will average 40 feet in depth. Initial drilling will consist of six holes arranged in a hexagonal pattern around the P-9 hole. If a trend of mineralization is established in this initial program, it will be delineated by additional drilling on a spacing module of 100 feet. If no trend is developed, a NW-SE and a N-S line of holes will be drilled on 100 foot spacing to establish such trend. An additional 10 holes will be left open to provide flexibility of location for following any trend which does develop. Conversely, the number of holes drilled will be reduced if mineralization does not justify continuation of the project.

STAGE 5

B-3A Area--Stage 5 is recommended to outline and expand the silver mineralized zone indicated in the B-3A core. The initial exploration program will consist of eight holes drilled in a square pattern around the B-3A core-hole. If no trend is developed by this work, the net will be expanded on the 100 foot spacing in both NE-SW and NW-SE trending lines so far as a reasonable probability exists for significant discovery of ore. Twenty-five holes averaging 40 feet in depth are recommended for this stage. Ten locations are being left open to provide flexibility ff a trend is developed. If grade of mineralization does not warrant the completion of the program, however, the proposed number of holes will be reduced at the discretion of the field representive.

STAGE 6

P-6A Area--The exploration program recommended for Stage 6 consists of 20 holes averaging 20 feet in depth. Five holes will be spaced at 100 foot intervals around the P-6A core hole. If no trend is developed by these five holes, an additional eight holes will be drilled on 100 foot spacing along N-S and NW-SE trending lines. An additional seven holes are added to provide flexibility in outlining any trend which may be developed.

The purpose of the Stage 6 program is to extend the area of reasonable probability for existence of the silver mineralization indicated in the P-6A core. If the grade of mineralization encountered does not warrant completion of the program, the recommended number of holes will be reduced at the discretion of the field representative.

STAGE 7

P-5 Area--Development of the P-5 area is recommended on the basis of a surface outcrop in the area, rather than on data developed in the P-5 core. Exploration in this area will consist of grid drilling on a 100 foot spacing module in the immediate vicintity of the mineralized exposure. A fifteen hole drilling program is proposed for this area, with the average drilling depth being 20 feet.

This area is the site of the old Teepee Queen mining venture which is mentioned in the literature. (Okla. Geol. Sur.; Mineral Report No. 8; Copper in the "Red Beds" of Oklahoma; C. A. Merritt; 1940.) This venture, attempted in the early nineteen hundreds, met with failure due to misinterpretation of the mode of deposition, lack of high volume mining techniques and poor transportation facilities. The short lived venture by no means evaluated the prospect as visualized under the present theory of sedimentary deposition.

STAGE 8

B-7 Area--This stage of exploration is an alternate for Stage 7, if the potential of Stage 7 is judged insufficient to warrant the proposed program. The Stage 8 exploration program will consist of an extension of the N-S trend of exploration developed by the B-7 and B-8 core holes. Both of these cores indicate silver mineralization, although neither was of economic grade. Projections of mineralization trend lines indicate that both the Ryan Sand and the B-2 Sand should be mineralized in this area. The proposed program has a reasonable probability of localizing a significant body of commercial grade ore in this area.

The Stage 8 exploration program consits of four core holes having an average depth of 75 feet. This program will evaluate shows of mineralizations indicated in both the Ryan Sand and B-2 Sand zones of the B-7 and B-8 cores.

HOLE: B-11

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
0-1	<0.01	-o-	<0.3	-o-
1-2	<0.01	-o-	<0.3	-o-
2-3	<0.01	-o-	<0.3	-o-
3-4	<0.01	-o-	<0.3	-o-
(3')4-5	0.01	0.01	<0.3	-o-
5-6	0.20	0.20	<0.3	-o-
6-7	0.11	0.11	<0.3	-o-
7-8	0.13	0.13	<0.3	-o-
8-9	0.09	0.09	<0.3	-o-
(8')9-10	0.08	0.08	<0.3	-o-
10-11	0.08	0.08	<0.3	-o-
11-12	0.14	0.14	<0.3	-o-
12-13	0.06	0.06	<0.3	-o-
13-14	0.04	0.04	<0.3	-o-
(13')14-15	0.05	0.05	<0.3	-o-
15-16	0.06	0.06	<0.3	-o-
16-17	0.07	0.07	<0.3	-o-
17-18	0.07	0.07	<0.3	-o-
18-19	0.17	0.17	<0.3	-o-
19-20	0.10	0.10	<0.3	-o-
20-21	0.15	0.15	<0.3	-o-
21-22	0.13	0.13	<0.3	-o-
22-23	0.10	0.10	<0.3	-o-
23-24	0.24	0.24	<0.3	-o-
24-25	0.15	0.15	<0.3	-o-
25-26.25	0.49	0.61	1.10	1.38
26.25-27	0.20	0.15	1.50	1.13
27-28	0.05	0.05	0.75	0.75
TOTAL		3.04		3.26
AVG./TON } 28 FT		0.11%		0.12oz
AVG/C.Y. } 28 FT		0.11%		0.23oz
TOTAL		3.03		3.26
AVG/TON } 23 FT		0.13%		0.14oz
AVG/C.Y } 23 FT		0.13%		0.27oz
TOTAL		2.42		3.26
AVG/TON } 18 FT.		0.13%		0.18oz
AVG/C.Y } 18 FT.		0.13%		0.35oz
TOTAL		2.05		3.26
AVG/TON } 13 FT		0.16%		0.25oz
AVG/C.Y } 13 FT		0.16%		0.49oz

(A) AVG. OF HOLES (NO AREA OF INFLUENCE) - MINING ENTIRE SECTION

HOLE NO.	FT.	% Cu.	Ft x %	Ft.	Ag-oz/c.y	Ft x oz/c.y
P-3A	10'	0.30%	3.00	10'	2.68 oz	26.80
P-4	24.5'	1.08	26.46	24.5'	0.04	0.98
P-4A	18'	0.44	7.92	18	0.35	6.30
P-4B	27'	0.16	4.32	27'	0.44	11.88
P-4C	17'	0.13	2.21	17'	2.01	34.17
P-4H	21'	0.14	2.94	21'	0.46	9.66
P-6A	13'	-o-	-o-	13'	0.81	10.53
P-11	28'	0.11	3.08	28'	0.97	27.16
P-9	11'	-o-	-o-	11'	0.60	6.60
B-2	85'	0.04	3.40	85'	0.87	73.95
B-11	28'	0.11	3.08	28	0.23	6.44
TOTAL	282.5		56.41			214.47
	(41,380 c.y/ac)					
AVG/c.y	25.7 FT.		0.20%			0.76 oz
VALUE IN PLACE @ $0.42/lb & $2.33/oz			$1.68/c.y		(TOTAL @ $3.45/c.y)	$1.77/c.y.
VALUE IN PLACE @ $0.42/lb & $2.61/oz			$1.68/c.y		(TOTAL $3.66/c.y)	$1.98/c.y.

(B) AVG. OF HOLES (NO AREA OF INFLUENCE) - MINING MINERALIZED SECTION

HOLE NO.	FT.	% Cu.	Ft x %	Ft.	Ag-oz/c.y	Ft x oz/c.y
P-3A	* 10'	0.30%	3.00	10'	2.68	26.80
P-4	14.5'	1.83	26.54	14.5'	0.08	1.16
P-4A	8'	0.97	7.76	8'	0.77	6.16
P-4B	12'	0.27	3.24	12'	0.98	11.76
P-4C	* 17'	0.13	2.21	17	2.01	34.17
P-4H	16'	0.18	2.88	16'	0.62	9.92
P-6A	8'	0.01	0.08	8'	1.31	10.48
P-11	18'	0.04	0.72	18'	1.51	27.18
P-9	5'	-o-	-o-	5'	.31	6.55
B-2	23'	0.15	3.45	23	3.20	73.60
B-11	13'	0.16	2.08	13	0.48	6.24
TOTAL	144.5 FT		51.96			214.02
	(21,130 c.y/ac)					
AVG/c.y	13.1 FT		0.36%			1.48 oz
VALUE IN PLACE @ $0.42/lb & $2.33/oz			$3.02/c.y		(TOTAL @ $4.47/c.y.)	$3.45/c.y.
VALUE IN PLACE @ $0.42/lb & $2.61/oz			$3.02/c.y		(TOTAL @ $4.88/c.y.)	$3.86/c.y

(C) WGT'D AVG. ASSIGNED AREA OF INFLUENCE - MINING MINERALIZED SECTION

AREA & HOLE	ACRES	MINING HGT FT.	Cu. YDS	Cu-%	Cu-% x Cu. YDS	Ag-oz/ton	oz/ton x Cu YDS
P-4	1.0a	14.5'	23,590 c.y	1.83%	42,804	0.08oz/ton	1871
P-4A	1.0a	8.0'	12,910 c.y.	0.97%	12,533	0.77oz/ton	9941
P-4H	1.0a	16.0'	25,610 c.y.	0.18%	4616	0.62oz/ton	16,002
AVG. FOR AREA	3.0a.	12.8'	62,110 c.y	0.97%	59,973	0.45oz/ton	27,814
P-4B	1.5a	12.0'	29,040 c.y.	0.27%	7841	0.98oz/ton	28,459
P-4C	1.5a	17.0'	41,150 c.y	0.13%	5348	2.01oz/ton	82,691
AVG. FOR AREA	3.0a	14.5'	70,180 c.y.	0.19%	13,189	1.58oz/ton	111,150
P-3A	5.0a.	10.0'	80,670 c.y.	0.30%	24,201	2.68oz/c.y	216,196
P-6A	5.0a	8.0'	64,540 c.y	0.01%	645	1.31oz/c.y	84,547
P-9	5.0a	5.0'	40,340 c.y	-o-	-o-	1.31oz/c.y	52,845
P-11	5.0a	18.0'	145,210 c.y.	0.04%	5808	1.51oz/c.y	219,267
B-2	5.0a	23.0'	185,540 c.y.	0.15%	27,831	3.20oz/c.y	593,728
B-11	5.0a	13.0'	104,870 c.y	0.16%	16,779	0.48oz/c.y	50,338
WTD. AVG.	36.0a.	13.0'	753,460 c.y	0.20%	148,424	1.80oz/ton	1,355,885

(D) VALUE IN PLACE - PER ASSAY IN SECTION (C)

	PRICE/UNIT	APRIL VALUE		PRICE/UNIT	JULY VALUE
Cu.	$0.42/lb	$3.36/c.y.	1.66	$0.42/lb	$3.36/c.y
Ag.	$2.33/oz	4.19		$3.61/oz	4.70
TOTAL		$7.55/c.y.		TOTAL	$8.06/c.y.

(E) STRIPPING RATIO

HOLE	ACRES	STRIPPING HGT FT.	Cu. YDS
P-4	1.0a	10.0'	16,130 c.y
P-4A	1.0a	10.0'	16,130
P-4H	1.0a	5.0'	8,070
P-4B	1.5a	15.0'	36,290
P-4C	1.5a	-o-	-o-
P-3A	5.0a	-o-	-o-
P-6A	5.0a	5.0'	40,340
P-9	5.0a	6.0'	48 [illegible]
P-11	5.0a	10.0'	80,670
B-2	5.0a	62.0'	500,150
B-11	5.0a	15.0'	121,000
	36.0a	14.9'	867,180 c.y.

STRIPPING RATIO = $\frac{867,180}{753,460}$ = 1.15 : 1.00

HOLE - B-3

FEET	Cu-%	FT x %	Ag-oz/ton	FT x oz/ton
0-1	<0.01	-0-	<0.3	-0-
1-2	<0.01	-0-	<0.3	-0-
2-3	<0.01	-0-	<0.3	-0-
3-4	<0.01	-0-	<0.3	-0-
(2') 4-5	<0.01	-0-	<0.3	-0-
5'-5.67'	<0.01	-0-	<0.3	-0-
5.67-6.33	<0.01	-0-	<0.3	-0-
6-7	0.02	0.02%	0.59oz	0.59
TOTAL		0.02		0.59
AVG/TON } 7.0FT		-0-		0.08 oz
AVG/C.Y } 7.0FT		-0-		0.16 oz
TOTAL		0.02		0.59
AVG/TON } 2.0FT		0.01 %		0.29 oz
AVG/C.Y. } 2.0FT		0.01 %		0.57 oz

HOLE B-9

FEET	Cu-%	FT x %	Ag-oz/ton	FT x oz/ton
0-1	0.01	0.01	<0.3	-0-
1-2	0.01	0.01	<0.3	-0-
2-3	0.01	0.01	<0.3	-0-
3-4	0.08	0.08	<0.3	-0-
4-5	0.05	0.05	<0.3	-0-
5-6.25	0.06	0.08	<0.3	-0-
6.25-7	0.06	0.05	<0.3	-0-
7-8	0.10	0.10	<0.3	-0-
(8')8-9	0.10	0.10	<0.3	-0-
(2')9-10	0.22	0.22	<0.3	-0-
10-11	0.06	0.06	<0.3	-0-
11-12	0.18	0.18	0.75oz	0.75
TOTAL		0.95		0.75
AVG/TON } 12.0FT		0.08 %		0.06 oz
AVG/C.Y. } 12.0FT		0.08 %		0.12 oz
TOTAL		0.46		0.75
AVG/TON } 3.0FT		0.15%		0.25 oz
AVG/C.Y. } 3.0FT		0.15%		0.48 oz
TOTAL		0.24		0.75
AVG/TON } 2.0FT		0.12%		0.38 oz
AVG/CY } 2.0FT		0.12%		0.72 oz

HOLE: P-4Y

FEET	Cu-%	FT x %	Ag-oz/ton	FT x oz/ton
0-1	<0.01	-0-	<0.3	-0-
1-2	<0.01	-0-	<0.3	-0-
2-3	<0.01	-0-	<0.3	-0-
3-4	<0.01	-0-	<0.3	-0-
4-5	<0.01	-0-	<0.3	-0-
5-5.5	0.02	0.01	<0.3	-0-
5.5-6	0.03	0.02	<0.3	-0-
6-7	0.02	0.02	<0.3	-0-
7-8	<0.01	-0-	<0.3	-0-
8-9	<0.01	-0-	<0.3	-0-
9-10	<0.01	-0-	<0.3	-0-
10-11	<0.01	-0-	<0.3	-0-
11-12	<0.01	-0-	<0.3	-0-
12-13	<0.01	-0-	<0.3	-0-
13-14	0.03	0.03	<0.3	-0-
14-14.5	0.06	0.06	<0.3	-0-
14.5-15.5	0.34	0.34	<0.3	-0-
15.5-16.5	0.18	0.18	<0.3	-0-
16.5-17.5	0.04	0.04	<0.3	-0-
(3')17.5-18	<0.01	-0-	<0.3	-0-
18-19	<0.01	-0-	<0.3	-0-
19-20	<0.01	-0-	0.33	0.33
20-21	<0.01	-0-	0.67	0.67
21-22	<0.01	-0-	0.67	0.67
22-23	<0.01	-0-	0.50	0.50
TOTAL		0.70		2.17
AVG./TON } 23.0FT		0.03 %		0.09 oz
AVG/C.Y } 23.0FT		0.03 %		0.18 oz
TOTAL		-0-		2.17
AVG./TON } 5.0FT		-0- %		0.43 oz
AVG/C.Y. } 5.0FT		-0- %		0.84 oz

HOLE: P-13

FEET	Cu-%	FT x %	Ag-oz/ton	FT x oz/ton
0-1	<0.01	-0-	<0.3	-0-
1-2	<0.01	-0-	0.41	0.41
TOTAL		0		0.41
AVG/TON } 2.0FT		-0- %		0.21 oz
AVG/C.Y } 2.0FT		-0- %		0.40 oz

HOLE : P-3A

FEET	Cu-%	Ft x %	Ag-oz/TON	Ft x oz/TON
0-1	0.01	0.01	< 1/3	-o-
1-2	0.02	0.02	< 1/3	-o-
(7') 2-3	0.03	0.03	< 1/3	-o-
3-4	0.06	0.06	0.4	0.4
4-5	0.08	0.08	1.6	1.6
5-6	0.09	0.09	4.9	4.9
6-7	0.04	0.04	0.9	0.9
7-8	0.05	0.05	0.7	0.7
8-10	1.31	2.62	2.7	5.4
TOTAL		3.00		13.9
AVG./TON (10 FT)		0.30%		1.39 oz
AVG/CU. YD		0.30%		2.68 oz
TOTAL		2.94		13.9
AVG/TON (7 FT.)		0.42%		1.99 oz
AVG/C.Y		0.42%		3.84 oz

HOLE : P-4

FEET	Cu-%	Ft x %	Ag-oz/TON	Ft x oz/TON
0-1	< 0.01	-o-	< 0.3	-o-
1-2	< 0.01	-o-	< 0.3	-o-
2-3	< 0.01	-o-	< 0.3	-o-
3-4	< 0.01	-o-	< 0.3	-o-
(15') 4-5	< 0.01	-o-	< 0.3	-o-
5-6	0.03	0.03	< 0.3	-o-
6-7	<0.01	-o-	< 0.3	-o-
7-8	<0.01	-o-	< 0.3	-o-
8-9	<0.01	-o-	< 0.3	-o-
(15') 10-11	<.01	-o-	< 0.3	-o-
11-11.67	0.03	0.02	< 0.3	-o-
12-13	0.03	0.03	< 0.3	-o-
13-13.67	0.04	0.03	< 0.3	-o-
14-15	0.05	0.05	< 0.3	-o-
15-16	0.05	0.05	< 0.3	-o-
18-18.5	12.02	6.01	0.4	0.2
18.5-19	26.70	13.35	< 0.3	-o-
20-21	0.49	0.49	< 0.3	-o-
21-21.67	2.62	1.76	< 0.3	-o-
22-23	2.26	2.26	< 0.3	-o-
23-24	2.09	2.09	< 0.3	-o-
24-24.5	0.70	0.35	0.7	0.35
TOTAL		26.52		0.55
AVG./TON (24.5 FT)		1.08%		0.02 oz
AVG./C.Y		1.08%		0.04 oz
TOTAL		26.52		0.55
AVG/TON (19.5 FT)		1.36%		0.03 oz
AVG/C.Y		1.36%		0.06 oz
TOTAL		26.49		0.55
AVG/TON (14.5 FT)		1.83%		0.04 oz
AVG/C.Y		1.83%		0.08 oz

HOLE : P-4A

FEET	Cu-%	FT x %	Ag-oz/TON	Ft x oz/TON
0-1	X	-o-	X	-o-
1-2	X	-o-	X	-o-
2-3	X	-o-	X	-o-
3-4	X	-o-	X	-o-
(15') 4-5	X	-o-	X	-o-
5.5-6.5	<0.01	-o-	< 0.3	-o-
6.5-7.5	0.01	0.01	< 0.3	-o-
7.5-8	0.02	0.01	< 0.3	-o-
8-9	0.01	0.01	< 0.3	-o-
(15') 9-10	0.12	0.12	< 0.3	-o-
10-11	0.14	0.14	< 0.3	-o-
11-12	0.21	0.21	< 0.3	-o-
12-13	0.98	0.98	< 0.3	-o-
13-14	0.80	0.80	< 0.3	-o-
14-14.75	0.56	0.42	< 0.3	-o-
14.75-15.58	5.42	4.50	0.7	0.6
15.58-16.5	0.68	0.63	0.6	0.6
16.5-17.25	0.07	0.05	2.0	1.5
17.25-18	0.02	0.01	0.7	0.5
TOTAL		7.89		3.2
AVG./TON (18 FT)		0.44%		0.18 oz
AVG./C.Y		0.44%		0.35 oz
TOTAL		7.89		3.2
AVG/TON (13 FT)		0.61%		0.25 oz
AVG/C.Y		0.61%		0.48 oz
TOTAL		7.74		3.2
AVG/TON (8 FT)		0.97%		0.40 oz
AVG/C.Y		0.97%		0.77 oz

HOLE : P-4B

FEET	CU-%	FT x %	Ag-oz/TON	Ft x oz/TON
0-1	0.01	0.01	< 0.3	-o-
1-2	0.02	0.02	< 0.3	-o-
2-3	0.03	0.03	< 0.3	-o-
3-4	0.03	0.03	< 0.3	-o-
(17') 4-5	0.03	0.03	< 0.3	-o-
5-6	0.03	0.03	< 0.3	-o-
6-7	0.05	0.05	< 0.3	-o-
7-8	0.09	0.09	< 0.3	-o-
8-9	0.07	0.07	< 0.3	-o-
(17') 9-10	0.16	0.16	< 0.3	-o-
10-11	0.05	0.05	< 0.3	-o-
11-12	0.16	0.16	< 0.3	-o-
12-13	0.07	0.07	< 0.3	-o-
(17') 13-14.33	0.09	0.12	< 0.3	-o-
16-17	0.09	0.09	< 0.3	-o-
17-18	0.15	0.15	< 0.3	-o-
18-19	0.18	0.18	< 0.3	-o-
19-20	0.16	0.16	< 0.3	-o-
20-21	0.23	0.23	< 0.3	-o-
21-22	0.68	0.68	< 0.3	-o-
22-23	1.05	1.05	0.62	0.62
23-24	0.30	0.30	< 0.3	-o-
24-25	0.22	0.22	< 0.3	-o-
25-26	0.22	0.22	4.03	4.03
26-27	<0.01	-o-	1.47	1.47
TOTAL		4.21		6.12
AVG/TON (27 FT)		0.16%		0.23 oz
AVG/C.Y		0.16%		0.44 oz
TOTAL		4.09		6.12
AVG/TON (22 FT)		0.19%		0.28 oz
AVG/C.Y		0.19%		0.54 oz
TOTAL		3.69		6.12
AVG/TON (17 FT.)		0.22%		0.36 oz
AVG/C.Y		0.22%		0.69 oz
TOTAL		3.29		6.12
AVG/TON (12 FT)		0.27%		0.51 oz
AVG/CY		0.27%		0.98 oz

HOLE : P-4C

FEET	Cu-%	Ft x %	Ag-oz/TON	Ft x oz/TON
0-1	<0.01	-o-	< 0.3	-o-
1-2	0.08	0.08	< 0.3	-o-
2-3	0.13	0.13	< 0.3	-o-
3-4	0.19	0.19	< 0.3	-o-
(17') 4-5	0.16	0.16	< 0.3	-o-
5-6	0.25	0.25	< 0.3	-o-
6-7	0.19	0.19	< 0.3	-o-
8-9	0.09	0.09	< 0.3	-o-
9-10	0.11	0.11	< 0.3	-o-
10-11	0.11	0.11	< 0.3	-o-
11-12	0.21	0.21	<0.3	-o-
12-13	0.65	0.65	6.50	6.50
13-13.75	0.11	0.08	7.06	5.30
13.75-15	0.01	0.01	3.33	4.23
15-16	<0.01	-o-	1.15	1.15
16-17	<0.01	-o-	0.56	0.56
TOTAL		2.26		17.74
AVG/TON (17 FT)		0.13%		1.04 oz
AVG./C.Y		0.13%		2.01 oz
TOTAL		1.70		17.74
AVG/TON (12 FT)		0.14%		1.48 oz
AVG/C.Y		0.14%		2.86 oz

HOLE: P-4H

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
0-1	<0.01	-0-	<0.3	-0-
1-2	<0.01	-0-	<0.3	-0-
2-3	<0.01	-0-	<0.3	-0-
(1') 3-4	<0.01	-0-	<0.3	-0-
(1') 4-5	0.02	0.02	<0.3	-0-
7-8	0.06	0.06	<0.3	-0-
8-9	1.06	1.06	<0.3	-0-
9-10	0.50	0.50	<0.3	-0-
10-11	0.06	0.06	<0.3	-0-
12-13	0.18	0.18	<0.3	-0-
13-14	0.15	0.15	0.29	0.29
15.58-16	1.86	0.78	0.68	0.29
16-17	0.11	0.11	1.50	1.50
17-18	0.01	0.01	1.03	1.03
18-19	<0.01	-0-	0.88	0.88
19-19.75	<0.01	-0-	0.47	0.35
19.75-21	<0.01	-0-	0.62	0.78
TOTAL		2.93		5.12
AVG./TON } @ 21 FT.		0.14%		0.24oz
AVG/C.Y. }		0.14%		0.46oz
TOTAL		2.93		5.12
AVG/TON } @ 17 FT.		0.17%		0.30oz
AVG/C.Y }		0.17%		0.58oz
TOTAL		2.91		5.12
AVG/TON } @ 16 FT		0.18%		0.32oz
AVG/C.Y }		0.18%		0.62oz.

HOLE: P-6A

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
0-1		-0-		-0-
1-2		-0-		-0-
2-3		-0-		-0-
3-4		-0-		-0-
(2') 4-5		-0-		-0-
(1') 5-6		-0-		-0-
6-7	<0.01	-0-	0.50	0.50
7-8	<0.01	-0-	0.53	0.53
8-9	<0.01	-0-	0.74	0.74
9-9.5	0.06	0.03	3.91	1.96
9.5-11	0.02	0.03	0.29	0.44
11-12	<0.01	-0-	0.54	0.54
12-13	<0.01	-0-	0.71	0.71
TOTAL		0.06		5.42
AVG./TON } @ 13 FT		-0- %		0.42oz.
AVG./C.Y }		-0- %		0.81oz
TOTAL		0.06		5.42
AVG/TON } @ 7 FT.		0.01%		0.77oz
AVG/C.Y }		0.01%		1.49oz
TOTAL		0.06		5.42
AVG/TON } 8 FT		0.01%		0.68oz
AVG/C.Y }		0.01%		1.31oz

HOLE: P-11

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
1	0.12	0.12	<0.3	-0-
1-2	0.19	0.19	<0.3	-0-
(0.5') 2-3	0.22	0.22	<0.3	-0-
3-4	0.39	0.39	<0.3	-0-
4-5	0.43	0.43	<0.3	-0-
5-6	0.35	0.35	<0.3	-0-
8-9	0.51	0.51	<0.3	-0-
(0.5') 9-9.83	0.07	0.05	<0.3	-0-
10-11	0.06	0.06	<0.3	-0-
11-12	0.05	0.05	<0.3	-0-
12-15	0.05	0.05	<0.3	-0-
15-17	0.04	0.03	<0.3	-0-
18.83-19.58	0.02	0.02	<0.3	-0-
19.58-20.5	0.26	0.24	0.14	0.37
20.5-21.58	0.16	0.17	2.2	2.38
21.58-22.5	0.03	0.03	2.3	2.12
22.5-23.5	<0.01	-0-	0.4	0.40
23.5-24.5	<0.01	-0-	2.1	2.10
24.5-25.5	<0.01	-0-	3.4	3.40
25.5-26.5	<0.01	-0-	2.0	2.00
26.5-28	<0.01	-0-	0.9	1.35
TOTAL		2.96		14.12
AVG/TON } 28 FT		0.11%		0.50oz
AVG./C.Y }		0.11%		0.97oz
TOTAL		2.53		14.12
AVG/TON } 25 FT		0.10%		0.56oz
AVG/C.Y }		0.10%		1.08oz
TOTAL		0.80		14.12
AVG./TON } 18 FT		0.04%		0.78oz
AVG/C.Y. }		0.04%		1.51oz.

HOLE: P-9

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
0-1	0.01	0.01	<0.3	-0-
1-2	0.01	0.01	<0.3	-0-
2-3	0.01	0.01	<0.3	-0-
3-4	<0.01	-0-	<0.3	-0-
4-5	0.02	0.02	<0.3	-0-
(5') 5-6	0.01	0.01	<0.3	-0-
(4') 6-7	<0.01	-0-	<0.3	-0-
7-8	<0.01	-0-	0.74	0.74
8-9	<0.01	-0-	1.29	1.29
9-10	<0.01	-0-	0.47	0.47
10-11	<0.01	-0-	0.91	0.91
TOTAL		0.06		3.41
AVG./TON } 11 FT		-0- %		0.31oz
AVG./C.Y }		-0- %		0.60g.
TOTAL		-0-		3.41
AVG/TON } 4 FT		-0- %		0.85oz
AVG/C.Y }		-0- %		1.64oz
TOTAL		-0-		3.41
AVG/TON } 5 FT		-0- %		0.68oz
AVG/C.Y }		-0- %		1.31oz

HOLE: B-2

FEET	Cu-%	Ft x %	Ag-oz/ton	Ft x oz/ton
210-63	<0.01	-0-	<0.3	-0-
63-64	0.06	0.06	4.1	4.10
64-65	0.04	0.04	<0.3	-0-
65-66	0.04	0.04	<0.3	-0-
66-67	0.05	0.05	<0.3	-0-
67-68	0.05	0.05	<0.3	-0-
68-69	0.14	0.14	<0.3	-0-
69-70	0.16	0.16	<0.3	-0-
70-71	0.18	0.18	<0.3	-0-
71-72	0.20	0.20	<0.3	-0-
72-72.67	0.52	0.35	<0.3	-0-
74-74.67	0.70	0.48	<0.3	-0-
74.67-75.33	0.64	0.32	<0.3	-0-
76-77	0.50	0.50	<0.3	-0-
78-79.25	0.34	0.43	1.7	2.13
79.25-80	0.08	0.06	0.3	0.23
80-81	0.14	0.14	20.6	20.60
81-82	0.02	0.02	<0.3	-0-
82-83	0.22	0.22	<0.3	-0-
83-84	0.02	0.02	10.7	10.70
84-85	0.01	0.01	0.5	0.50
TOTAL		3.47		38.26
AVG/TON } 22 FT.		0.16%		1.74oz
AVG/C.Y. }		0.16%		3.36oz
TOTAL		3.47		38.26
AVG/TON } 85 FT		0.04%		0.45oz
AVG/C.Y }		0.04%		0.87oz
TOTAL		3.47		38.26
AVG/TON } 23 FT.		0.15%		1.66oz
AVG/C.Y }		0.15%		3.2oz