WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 1971

TOGETHER WITH AUDITOR'S OPINION

LLOYD R. MYERS
CERTIFIED PUBLIC ACCOUNTANT
WESTMINSTER, COLORADO

DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
OFFICE OF MINERALS EXPLORATION

OPERATOR'S MONTHLY VOUCHER

For Month of January 1972 Stage I, II, III

Docket No. OME- 6646 (Silver)
Contract 14-08-0001 2236
Contract Amount $ 330,500.00
Gov't. Participation 35% 30% $ 110,100.00

Operator's Name Western States Minerals, Inc.
Address 418 S. 7th E.
Riverton, Wyoming 82501

COST ITEMS (FROM EXHIBIT A)	FOR OPERATOR'S USE: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS	FOR GOVERNMENT USE ONLY: THIS MONTH UNITS	THIS MONTH COSTS	TO DATE UNITS	TO DATE COSTS
		$		$		$		$
Stage I								
Shaft 7'x14'			1300	176,150.00	--	--	1300	176,150.00
Stage II								
Crosscutting 5'x7'			1370	51,001.50			1370	51,001.50
Drilling			1099	7,012.50			1099	7,012.50
Mobilization & demob.			unit	200.00			unit	200.00
Collar pipe			40	296.00			40	296.00
Redrilling			25	337.50			25	337.50
Reaming			31	372.00			31	372.00
Standby time			12	162.00			12	162.00
Lost casing in hole (not left in hole at operator's request)			175	525.00			175	525.00
Stage III								
Drilling 3/Amend. 3 Actual Costs								
Cat. 1 Ind. Contracts			3334	66,650.00			3334	66,650.00
Crosscutting			300	18,004.00			300	18,004.00
1-Outside consultant 1		100.00	22	1,935.00	1	100.00	22	1,935.00
Stage I,II & III Consultant's per diem	1	20.00	22	396.00	1	20.00	22	396.00
Consultant's mile.	83	10.00	1722	209.22	83	10.00	1722	209.22
Core boxes	10	10.00	200	200.00	10	10.00	200	200.00
Assaying (samples)			236	1,250.00			236	1,250.00
TOTALS		$140.00		$325,490.22		$		$325,490.22

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 4-12-72 *Payee Western States Minerals

Per [signature] Title President

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

A willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction is a criminal offense. (U. S. Code, Title 18, Sec. 1001.)

(INSTRUCTIONS ON REVERSE)

Approved as noted, subject to field examination and audit.

Signature J. William Hasler 4/19/72
OME Field Officer Date

Approved for: $
(SUBJECT TO AUDIT)

Signature

Date Vou. No.
(SEE OTHER SIDE)

Void

FOR OPERATOR'S USE	FOR GOVERNMENT USE
REMARKS	REMARKS

OPERATOR'S MONTHLY REPORT

The Operator, under an Office of Minerals Exploration contract, is required to report monthly to the Government. The report consists of two parts.

FIRST, the Operator's Monthly Voucher on Form 9-1648 listing the project costs incurred and claimed by the Operator is the voucher basis for payment of the Government's share of the cost.

SECOND, the Operator's Narrative Report is a concise description of the work performed, results accomplished, and any unusual situations encountered, illustrated and supported by engineering-geological maps or sketches, drill hole logs, assay reports, etc., as pertinent.

The Operator submits the original and three copies of each of the two sections of this report to the OME regional Field Officer at the end of each month during the life of the contract.

PREPARATION OF OPERATOR'S MONTHLY VOUCHER, FORM 9-1648

In the left hand column list the items for which costs were incurred during the month, and also the items for which costs were previously reported. For items previously reported, show only UNITS TO DATE and COSTS TO DATE. Items listed should conform to Exhibit A of the contract (Estimated Costs of the Work). The total of COSTS THIS MONTH followed by the Operator's signature constitutes a claim for payment of the Government's share of the costs. The Operator or his agent must sign the certification in the lower left corner.

Except for amounts claimed under "fixed unit costs" provisions of the contract, all costs claimed in this voucher must be supported by documentary evidence consisting of: (a) certified copies or transcripts of payrolls which list each employee, wage rate, period of employment, gross earnings, and net earnings; (b) original or certified copies of invoices, statements of accounts, or purchase orders which indicate items of materials or services, quantities, unit prices, total charges, and payment terms; and (c) certified memoranda of the Operator for such items as unemployment taxes, employee's liability insurance, and depreciation of Operator-owned equipment. The certification may be stated thus, "Certified True Copy", followed by the signature of the Operator or his agent. One copy of each document should accompany the original of this voucher.

The requirement for submitting documentary evidence of claimed costs may be waived by the OME regional Field Officer if he determines that it is impracticable for an Operator to submit this material. In any case of waiver of this requirement an "on-site" audit by an OME auditor is mandatory prior to payment of the final Operator's Monthly Voucher.

CROWN POINT AND EAST CROWN POINT CLAIMS
TINTIC MINING DISTRICT
UTAH COUNTY, UTAH

Region III
APR 13 1972
Denver, Colorado

FINAL REPORT - MARCH 1972
OME 6646 - LARSEN
COPPER-SILVER-GOLD

SUBMITTED TO:

John Larsen, President
Western States Mining and Contracting Co.
Riverton, Wyoming

William Hasler, Field Officer, Region III
USGS - OME
Denver, Colorado

Jack Bush, Manager of Exploration
American Exploration & Mining Company
San Francisco, California

SUBMITTED BY:

Roger C. Banghart, District Geologist
American Exploration & Mining Company
Ely, Nevada

Roger Banghart

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   With Logs CP 1
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SUMMARY

This report summarizes the work performed under the U. S. Geological Survey's, Office of Minerals Exploration 6646 contract exploring for gold, silver, and copper mineralization on the Crown Point and East Crown Point claims, Tintic Mining District, Eureka, Utah. Western States Mining and Contracting Company has leased the properties and is the operator.

During September, 1967 a geologic report (appendix 3) was submitted to the Denver office of the Office of Minerals Exploration requesting a program to explore for blind ore bodies beneath a pyritized Tertiary volcanic capping. This capping covered the east-west striking Sioux Ajax fault with intersecting north-south mineralized structures in the Bluebell Formation.

Beginning in the summer of 1970 and concluding in February 1972 the following physical exploration work was accomplished:

1. Shaft sinking-Roundy Shaft — 1300 feet
2. Drifting and crosscutting — 1685 feet
3. Diamond drilling
   - Stage 1 - 1105 feet
   - Stage 2 - 3320 feet
   - Total 14 holes — 4425 feet
4. Assaying: gold, silver, lead, zinc, copper
   - Total samples 239
   - Total determinations 1195

The following geologic features were determined and mapped during the life of this program:

1. Sioux Ajax fault was located.
2. The Bluebell-Fish Haven contact was located.
3. Two north-northeast pebble dike zones were discovered.
4. Massive Bluebell breccia bed containing anomalous gold values was discovered. This bed contained up to 20 cents in gold.

5. Base of the volcanic flows in the shaft were located at 980 feet.

6. Manganese-limonite zones containing anomalous values in gold, silver, lead, zinc, and copper were discovered. Values of .5% Pb, .4% Zn and .4% Cu were obtained.

CONCLUSIONS AND RECOMMENDATIONS

It is concluded that the physical exploration program thus far completed has been successful in locating mineralized structures and bedding horizons which have the possibility with a more detail exploration program of locating an ore zone. The recently completed program has discovered mineralized zones on the 1280 level and in the drill holes penetrating above the level. These areas bear further deliniation through diamond drilling, long-holing, raising, and crosscutting.

It is recommended that the walls of the south drift leading toward the Sioux Ajax fault, which contains pockets of manganese and iron mineralization and assayed as high as .5% lead, .4% copper, and .4% zinc, need to be further explored by long-holing. Diamond drilling should be undertaken to explore the breccia zones located 100 feet above the south drift. These breccia zones contain anomalous values in gold up to 20 cents. Also a flat hole should be extended from the west end of the west crosscut to explore through the shaly beds which contain anomalous values in copper. An uphold in this area to the west would be valuable in exploring this anomalous copper area.

Money should be allocated for raising and crosscutting to further explore the breccia zone located approximately 100 feet above the 1280 level.

GEOLOGY

The concepts for exploring the Crown Point and East Crown Point properties are based upon geologic features which are ore bearing parameters in the Main Tintic and East Tintic mining districts. These parameters have lead to the discovery of significant ore bodies in this district and may be categorized as alteration features, structural features, and stratigraphic features.

ALTERATION AND MINERALIZATION

PYRITIZATION

Geological mapping of the surface in the southern portion of the Crown Point properties indicated a Tertiary volcanic cover which contained strong and moderate amounts of pyrite and limonite. In sinking the Roundy Shaft to 1300 feet, volcanics were encountered from the surface down to 980 feet at which point the rubble zone occurred. The volcanics through this 980 foot interval were pyritized and limonite stained. The intensity of pyritization usually depended upon the amount of fracturing which was present.

This pyritization of volcanics has been classified as the latest pre-ore stage of mineralization as defined by Dr. Lovering in his Economic Geology Monograph on this district. These pyritized volcanics gain significence in the district by being the capping above blind ore bodies such as the North Lily, Burgin, Trixie, and Iron Blossom mines.

In the sediments pyrtization is very prominent throughout the Bluebell Formation on the 1280 level of the Roundy Shaft. This pyritization occurs as finely disseminated microcrystaline pyrite and as coarse pyrite bleds and has flooded the entire Bluebell Formation within the project area.

SANDING

Sanding of the dolomite is a common occurrence in the Burgin mine and forms the footwall of the ore zones. This sanding is considered a hydrothermal feature and occurs in varying degrees on intensity within the project area on the 1280 level. In the Main Tintic district this sanding is not as prominent.

MANGANESE

The development of manganese oxides is much more prominent in the East Tintic district and occurs as massive zones within the ore bodies in the Burgin Mine. In the south end of the Main Tintic district manganese is not present, whereas, at the north end of the main district manganese becomes a part of the ore. Thus manganese is a feature of temperature zoning in the Tintic district and occur prominently on the 1280 level of the Roundy Shaft. The workings from the Roundy Shaft are probably in a transition zone between the gold-silver-copper mineralization of the main district and the manganese lead-zinc mineralization of the East Tintic district. Manganese with lead and zinc is prominent as large pockets in the south drift leading toward the Sioux Ajax fault. The manganese would contain up to a half a percent each of lead and zinc.

JASPEROID

Jasperoid is an alteration feature of significance in the Tintic district. It occurs as gossan outcrops on the surface at the Tintic Standard Mine and it occurs throughout the ore bodies in the Burgin Mine. In the Roundy Shaft on the 1280 level jasperoid has been discovered along bedding horizons, within pebble dike zones, and in the bedding breccia located by diamond drilling above the level. It has been noted in the Tintic district that although many jasperoids have a close association with ore bodies, there are also jasperoids which are exceedingly deficient in mineralization. On the 1280 level of the Roundy Shaft it was noted that the productive and unproductive types of jasperoids are present. The jasperoid which occurred in the bedding breccia above the level contained anomalous values in gold, approximating 10 to 20 cents in value.

Jasperoid and manganese zones occurred on the 680 level of the Crown Point No. 3 shaft which would be north of the Roundy Shaft. These zones were instrumental in recommending this exploration program further south toward the Sioux Ajax fault. The jasperoid-manganese zones on the 680 level are in the base of the Victoria Formation and most likely represent the tops of ore channels.

STRUCTURE

The structural features which had a bearing on recommending this OME program consisted of the Sioux Ajax fault and north-northeast pebble dike zones.

SIOUX AJAX FAULT

The Sioux Ajax fault was projected beneath the pyritized Tertiary volcanics from its last known position in the Iron Blossom mine to the west. This fault has been considered a major part of the plumbing system in the Tintic district, and is associated with the ore deposits in the Mammoth, Spy, Iron Blossom, and the Trixie mines.

The Sioux Ajax fault is located about 750 feet south of the Roundy Shaft on the 1280 level. From its location on the 1280 level and from diamond drill holes it would have a strike of North 75° West and a dip 65° to 70° North. On the hanging wall side of the fault the base of the Bluebell Formation would occur 27 feet below the 1280 level. The footwall consist of the Opohonga Formation. A maximum of 1200 feet of stratigraphic displacement can be inferred across the Sioux Ajax fault.

It would appear from the work so far accomplished that no ore occurs directly in the Sioux Ajax fault zone. The best mineralization occurs within the Bluebell dolomite from 50 to 400 feet north of the fault zone. The brecciation which occurs within the Sioux Ajax fault is not anomalous in any metals, however, the Opohonga Formation contains considerable limonite staining and pyrite. Sanding is also prominent in the Opohonga Formation near the fault zone.

PEBBLE DIKES

Pebble dike zones are one of the ore parameters in the East Tintic district. They occur above the North Lily mine, Tintic Standard mine, Burgin mine, Ball Park area, and in the Trixie mine. These north-northeast pebble dikes, usually contain geochemical values. No ore has been found directly in the pebble dike zones but usually occur within close proximity to major ore bodies. These pebble dikes have a north-northeast strike and a vertical dip.

In the Roundy Shaft on the 1280 level two major pebble dike zones containing quartzite fragments and jasperroid fragments have been located. These pebble dikes have a generally north-northeast strike and are located 180 feet apart. These pebble dike zones break up into several small independent pebble dikes and also may occur as pebble zones wider than the drift. In some instances geochemical values have been obtained in these pebble dikes on the 1280 level.

FOLDING

Major folding in the Tintic district consists of a syncline to the west in the main district and an anticline to the east in the East Tintic district. The Crown Point properties occur in between on the gently westerly dipping flank of the East Tintic anticline with dips of 12° to 15° to the west.

On the 1280 level local tight folding, crumpling and brecciation occurs in the lighter gray dolomitic beds. These smaller folds give dips up to 30° and as flat as 0° with some reverse dips.

FAULTING

Faulting occurs across the north-northwest striking rhyolite dikes with minor offsets across several northwest structures. The southeast side of these faults are down dropped. The largest faulting occurs across the north-northwest dike located northeast of the shaft on the 1280 level in diamond drill hole 14. Here the Fish Haven dolomite occurs on the northeast side of the dike and the Bluebell dolomite on the southwest side. The southwest side has been down dropped approximately 180 feet across the dike zone.

Other faulting occurs as flat bedding plane slips and may indicate thrusting of small magnitude.

BRECCIAS

Breccia zones have been located in two diamond drill holes (DDH 9 and 12) and are 100 feet above the south drift within the Bluebell dolomite. These breccia zones occur above the black dolomite which contains large white dolomite eyes and blebs. This breccia zone is 75 feet thick and occurs 150 feet above the base of the Bluebell Formation. The breccia zone contains 10 to 20 cents in gold values. Diamond drill holes No. 9 and No. 12 encountered this breccia zone which would have a north-northwest strike and may be associated with a bedding horizon or a yet to be proven high angle structure. If this breccia zone occurs as a bedding breccia it would occur above the black dolomite and would be encountered within the next few feet in the west drift. The face of the west drift had changed to a black sooty shale which contained anomalous values in copper.

The two north-northeast pebble dikes would cut this bedding breccia in the lower part of the Bluebell Formation. Further exploration from the 1280 level should emphasize this breccia zone.

Other breccias occur on the 1280 level in the tightly crumbled folds in the lighter gray dolomites. These areas also show sanding of the dolomites.

STRATIGRAPHY

The stratigraphy encountered on the 1280 level of the Roundy Shaft consists of the Bluebell Formation, the underlying Fish Haven dolomite, and the underlying Opohonga Formation.

BLUEBELL FORMATION

The entire 1280 level explores the lower portion of the Bluebell Formation. At the shaft station the Bluebell Formation is 27 feet above the Fish Haven. In the drill station 700 feet south of the shaft the base of the Bluebell is also found at this depth below the level. This would give an overall strike in a north-northeast direction with minor interrupting folds. The general dip would be 12° to 15° to the northwest.

Two sedimentary units have been determined on the 1280 level. A lower light and medium gray dolomite occurs at the base of the Bluebell and is 70 feet thick. Overlying this unit is the black dolomite with a few light gray beds which is 65 feet thick. The black dolomite has large scattered white dolomite eyes. Above the black dolomite occurs a dark shaly unit which is just being penetrated in the west drift. The Bluebell Formation on the Crown Point property will have a probable total thickness of 350 feet. The total district production from the Bluebell Formation is 110 million dollars.

FISH HAVEN FORMATION

The Fish Haven dolomite underlies the Bluebell Formation and occurs 27 feet beneath the 1280 level. It has been penetrated in six diamond drill holes and the top of the formation is taken as the first good pisolite bed. The pisolites beds are 70 feet thick and contain a distinct coral marker horizon at 50 feet below the top. The

pisolites appear to be minute sand grains. A massive white chert zone occurs about 100 feet below the top of the Fish Haven Formation. This formation accounted for 10 million dollars of production in this district.

OPOHONGA FORMATION

The Opohonga Formation underlies the Fish Haven Formation and has been penetrated in the south end of the south drift across the Sioux Ajax fault. Here it is shaly oxidized beds of light gray partially sanded dolomite. The Opohonga Formation is considered a poor ore host but has accounted for nine million dollars in production.

Roger C Banghart

APPENDIX I

DIAMOND DRILL LOGS
DDH 1-14

(1)

MINE Crown Point Lease

LEVEL 1280 PLACE Roundy Shaft

DATE Feb. Mar. 1971

BY RCB SCALE 40

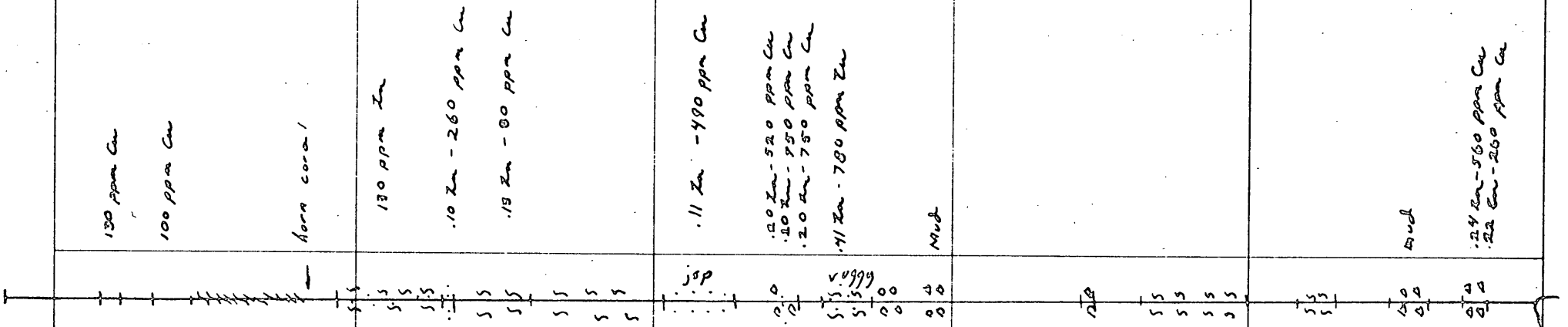
DDH 1

Bearing Due West

Inclination +5°

T.D. 410 ft.

Blue ball dolomite



(2)

MINE Crown Point Lea
LEVEL 1280 PLACE Round Slag
DATE March 1971
BY R.C.B. SCALE H.O.

DDH 2
Bearing Due South
Vert. ∠ + 5°
T.D. 386 ft
Blue ball dolomite

.06 Ag
.36 Pb
130 ppm Cu

.05 Ag
.098 Pb
130 ppm Cu
Py

130 PPM Cu

.21 Zn
250 ppm Cu
260 ppm Cu
260 ppm Cu

.14 Zn
80 ppm Cu
260 ppm Cu

280 ppm Cu

100 ppm Cu

hard dense ddo

sandad

170 ppm Cu

560 ppm Cu

MINE Crown Point Lease

LEVEL 1280 PLACE Bowdy Shaft

DATE March 1971

BY R.C.B. SCALE 40

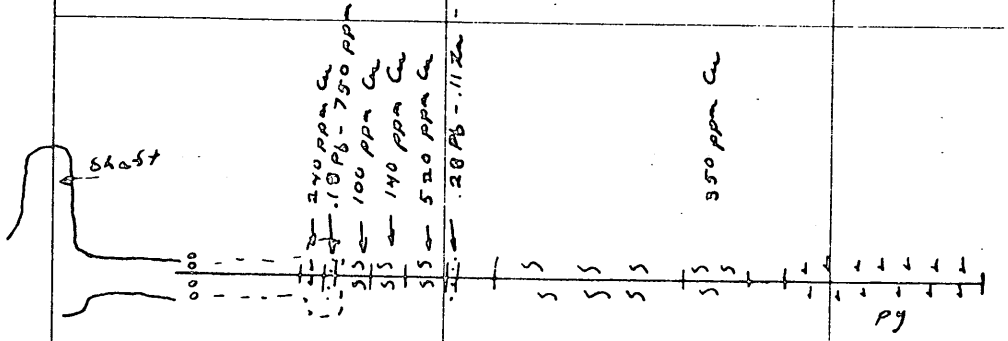
DDH 3

Bearing S 85° E

Inclination + 5°

T.D. 164 ft

Blue ball dolomite



MINE Crown Point Lo

LEVEL 1200 PLACE Round shaft

DATE March 1971

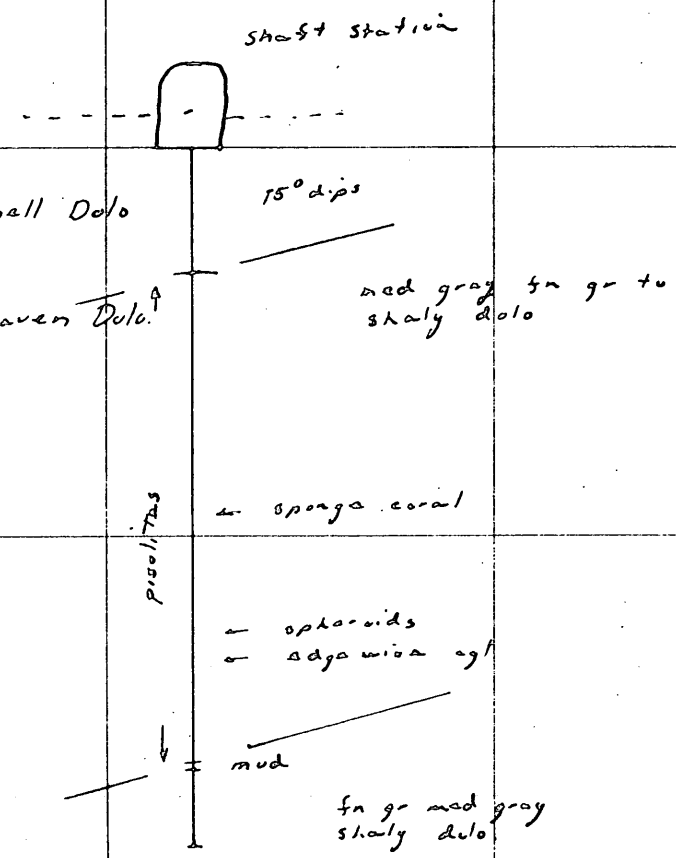
BY R.C.B SCALE 40

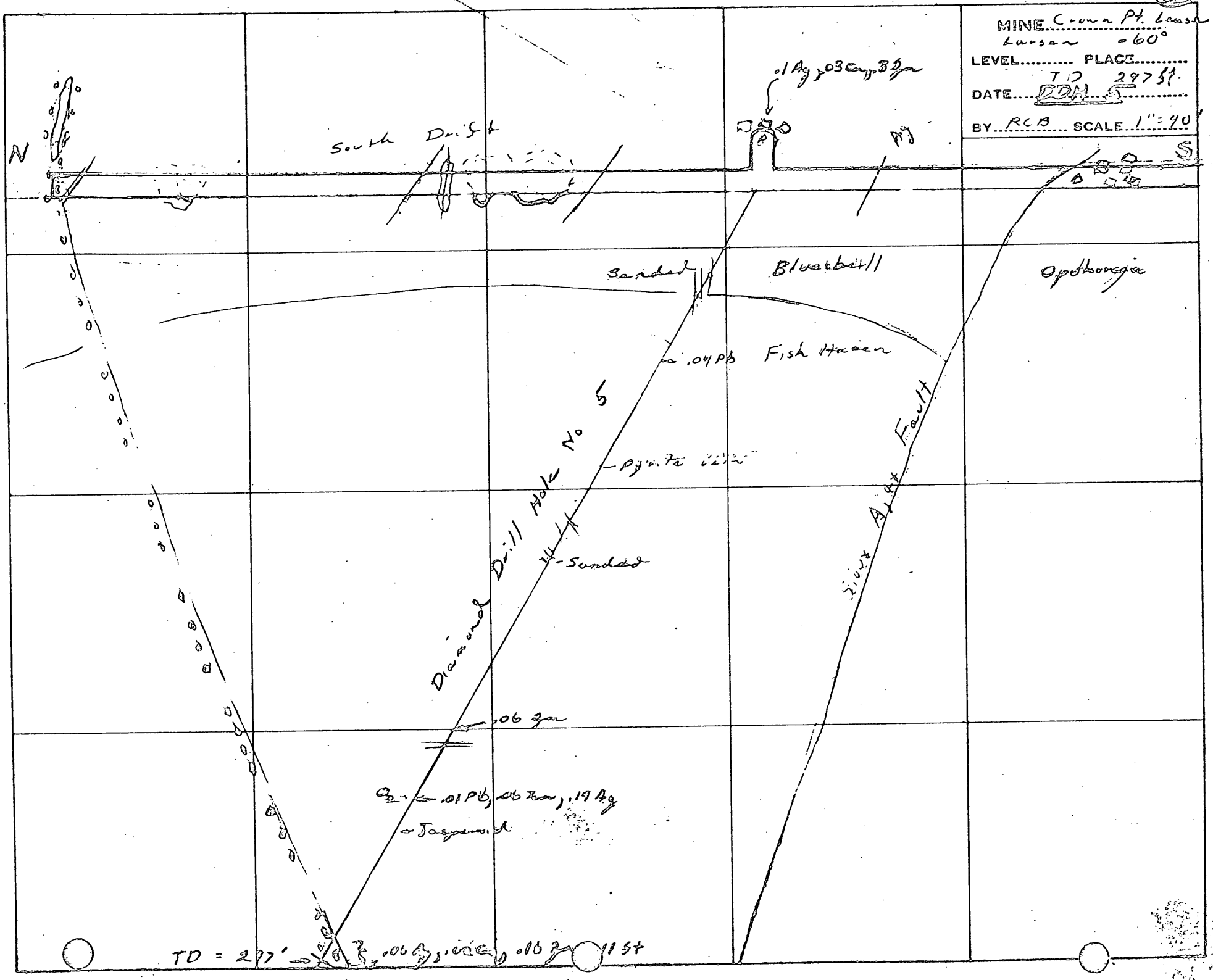
D.D.H. 4

Bearing - -90°

Inclination - -90°

T.D. 145 ft

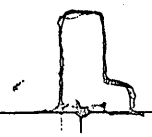



MINE Crown Pt. Lease
Larsen -60°
LEVEL PLACE
TD 297 ft.
DATE DDH 5
BY RCB SCALE 1" = 40'
N
S
South Drift
.01 Ag, .03 Zn, .8 Zn
Ag
Sanded
Bluebell
Opothongia
.04 Pb
Fish Haven
Diamond Drill Hole No 5
Pyrite vein
Sanded
Ajax Fault
.06 Zn
.01 Pb, .06 Zn, .19 Ag
Jasperoid
TD = 297' .06 Zn, .06 Ag, .06 Zn, .06 Zn, 1 ft

(6)

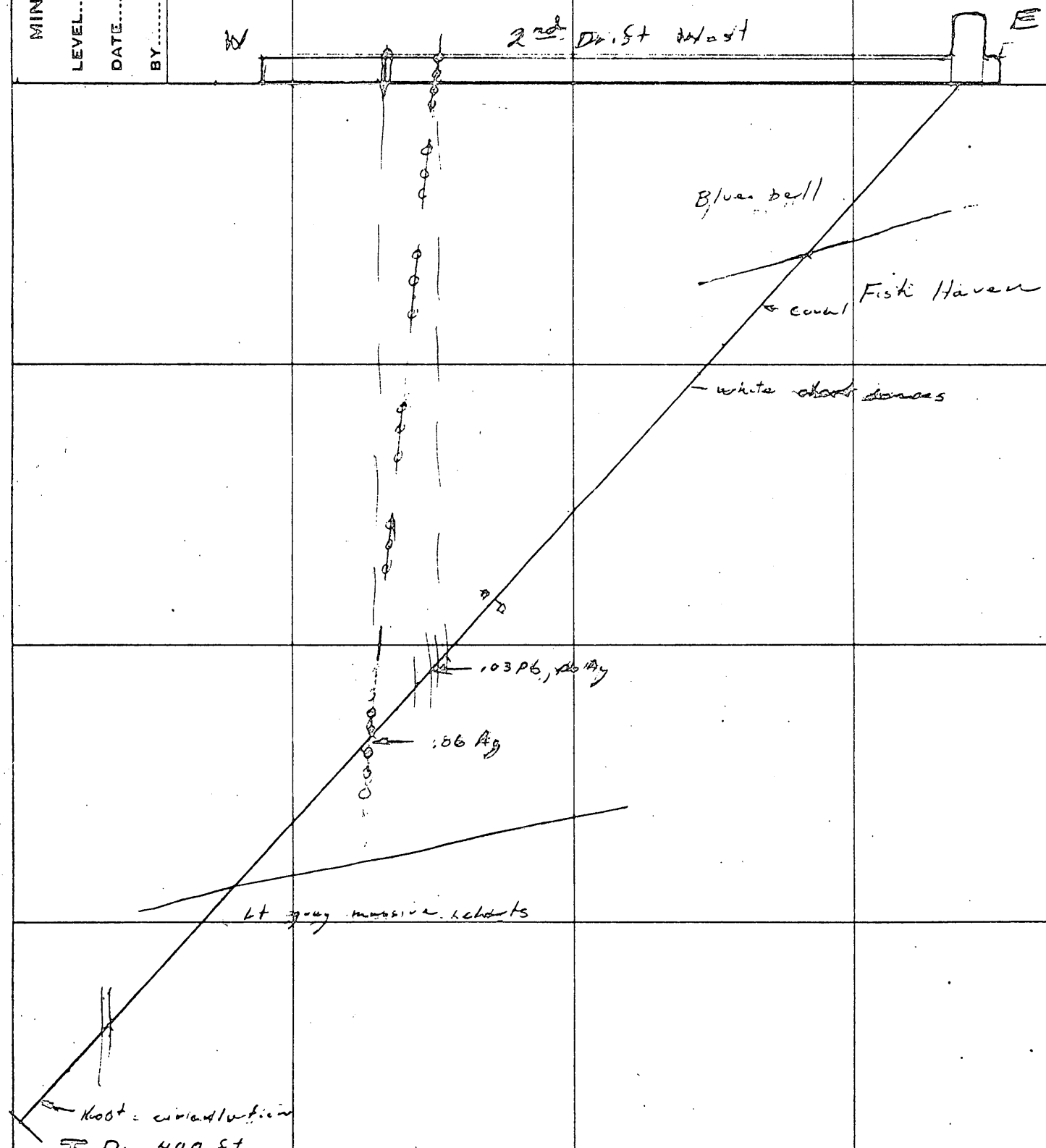
MINE.....
LEVEL..... PLACE.....
DATE.....
BY..... SCALE.....

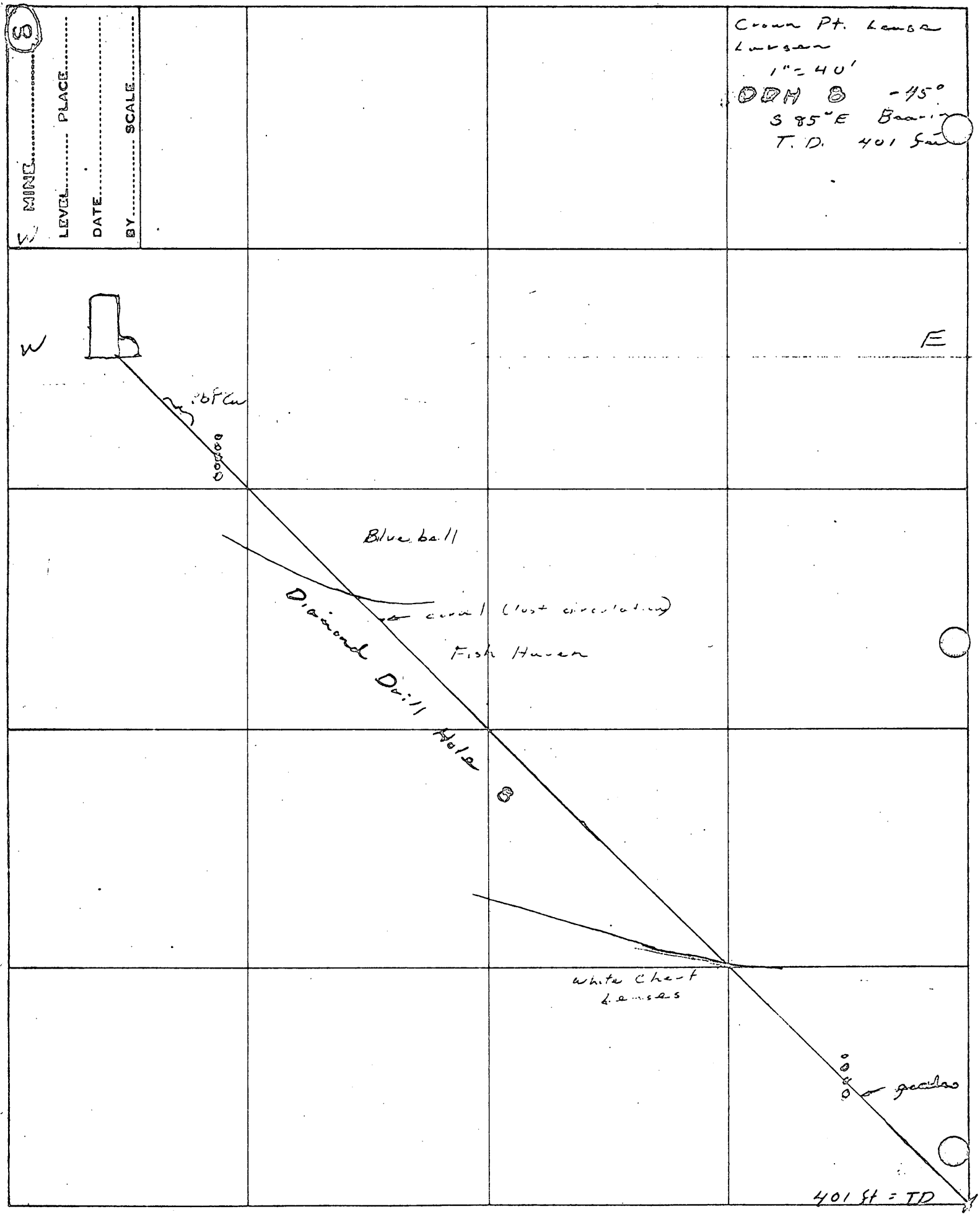
Crown Pt. Lease
Lurgan
1" = 40'
DDH 6 -90°
T.D. 293 feet



MINE
LEVEL PLACE
DATE
BY SCALE

Crown Pt. Lease
Lawson,
1" = 40'
DDH 9 - 40°
N 80° W Bearing
T.D. - 400 ft




8
MINE
LEVEL PLACE
DATE
BY SCALE
Crown Pt. Lease
Larsen
1" = 40'
DDH 8 -45°
S 85° E Bearing
T.D. 401 Feet
W
E
Blue ball
Diamond Drill Hole
Fish Haven
white Chert
Lenses
401 ft = TD

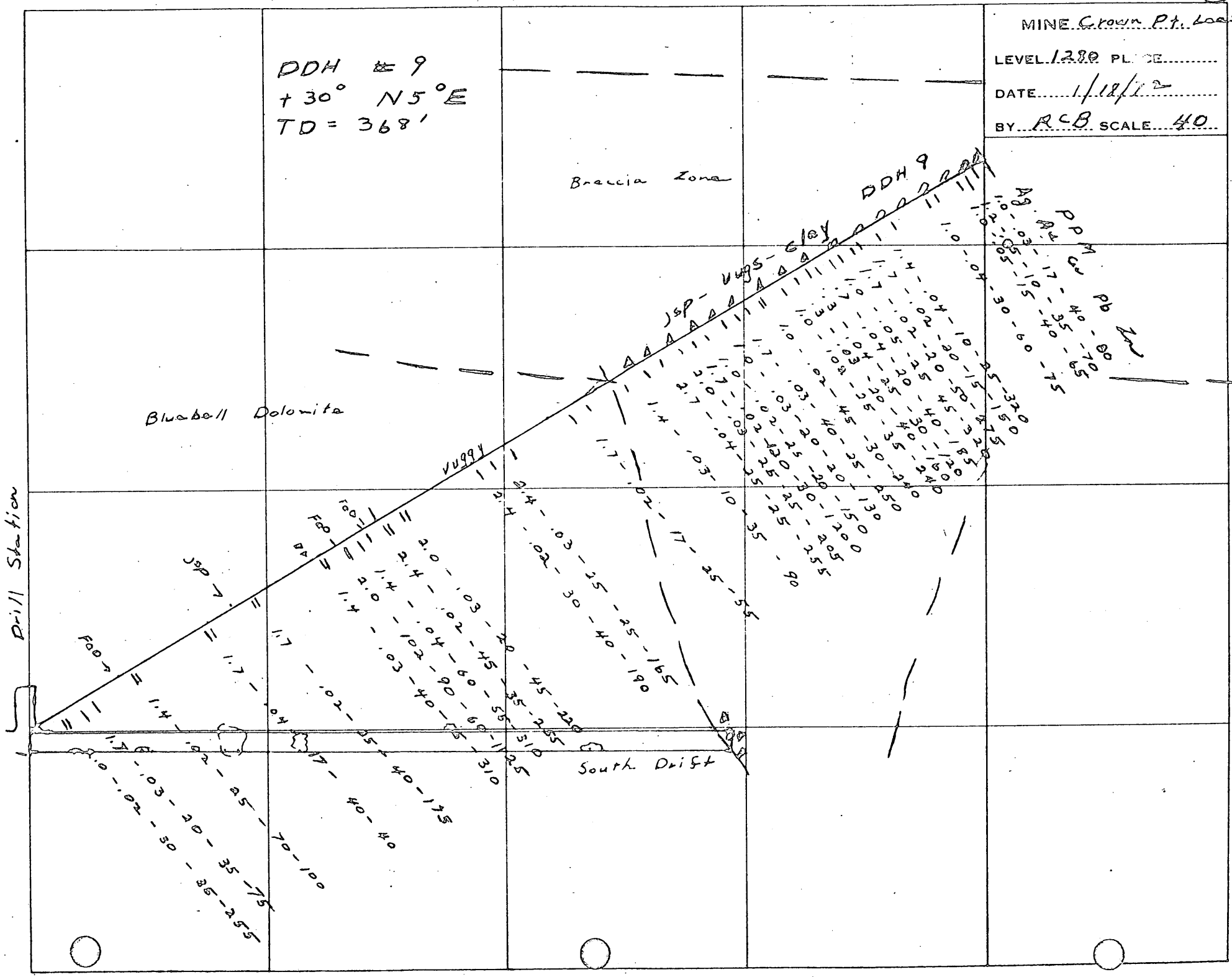
(1)

MINE Crown Pt. Lease

LEVEL 1280 PLACE

DATE 1/18/12

BY RCB SCALE 40



(10)

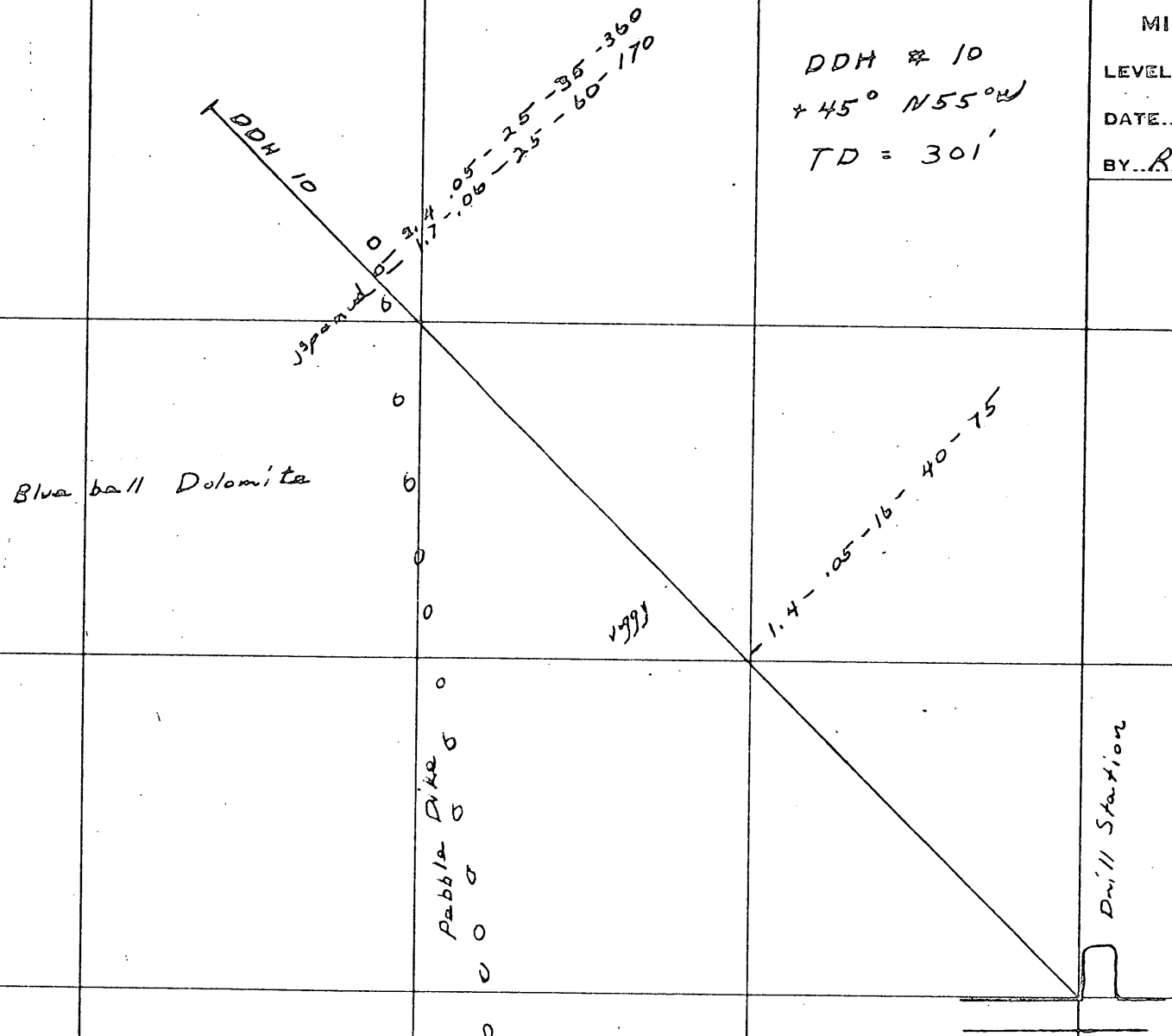
MINE Crown Pt. Lmo

LEVEL 1280 PLACE Sr. DH

DATE 1/22/72

BY RCB SCALE 40

DDH # 10
+45° N55°W
TD = 301'



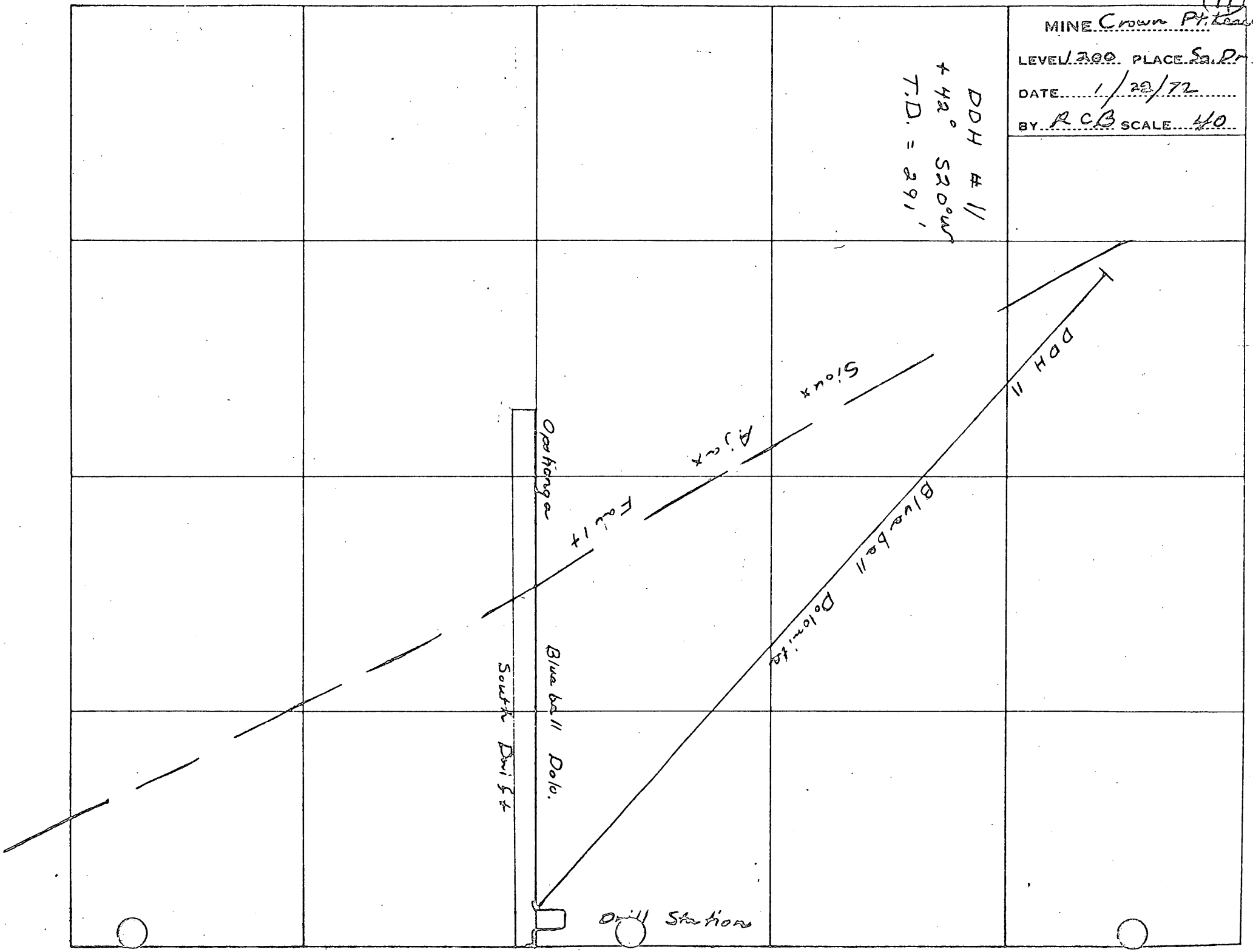
(11)

MINE Crown Pt. Lease

LEVEL 1200 PLACE Sa. Drift

DATE 1/22/72

BY R C B SCALE 40

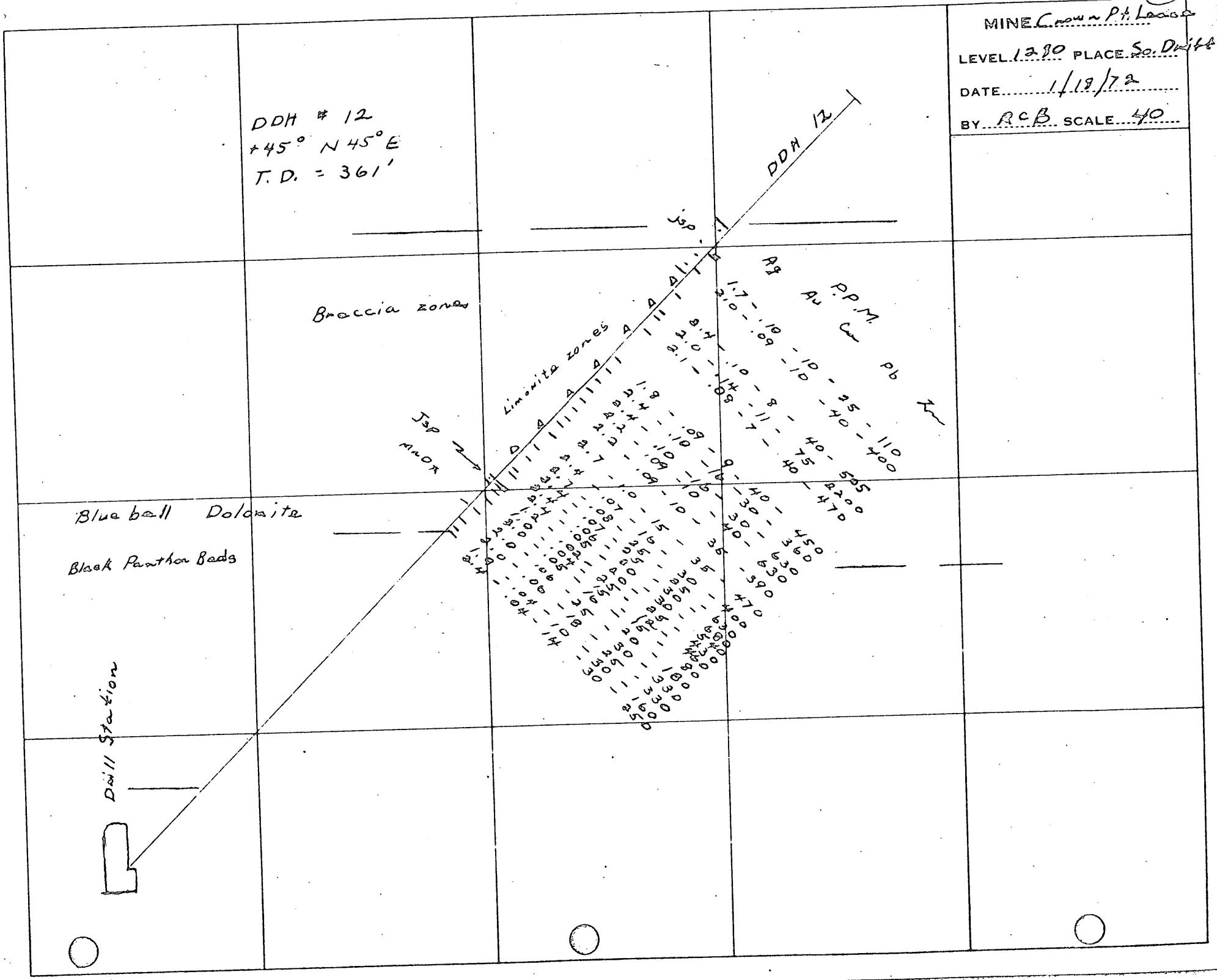


MINE Crown Pt Lease

LEVEL 1280 PLACE So. Drift

DATE 1/18/72

BY RCB SCALE 40



(13)

MINE Crown Point Loc

LEVEL 1280 PLACE Round Shaft

DATE Dec 1971

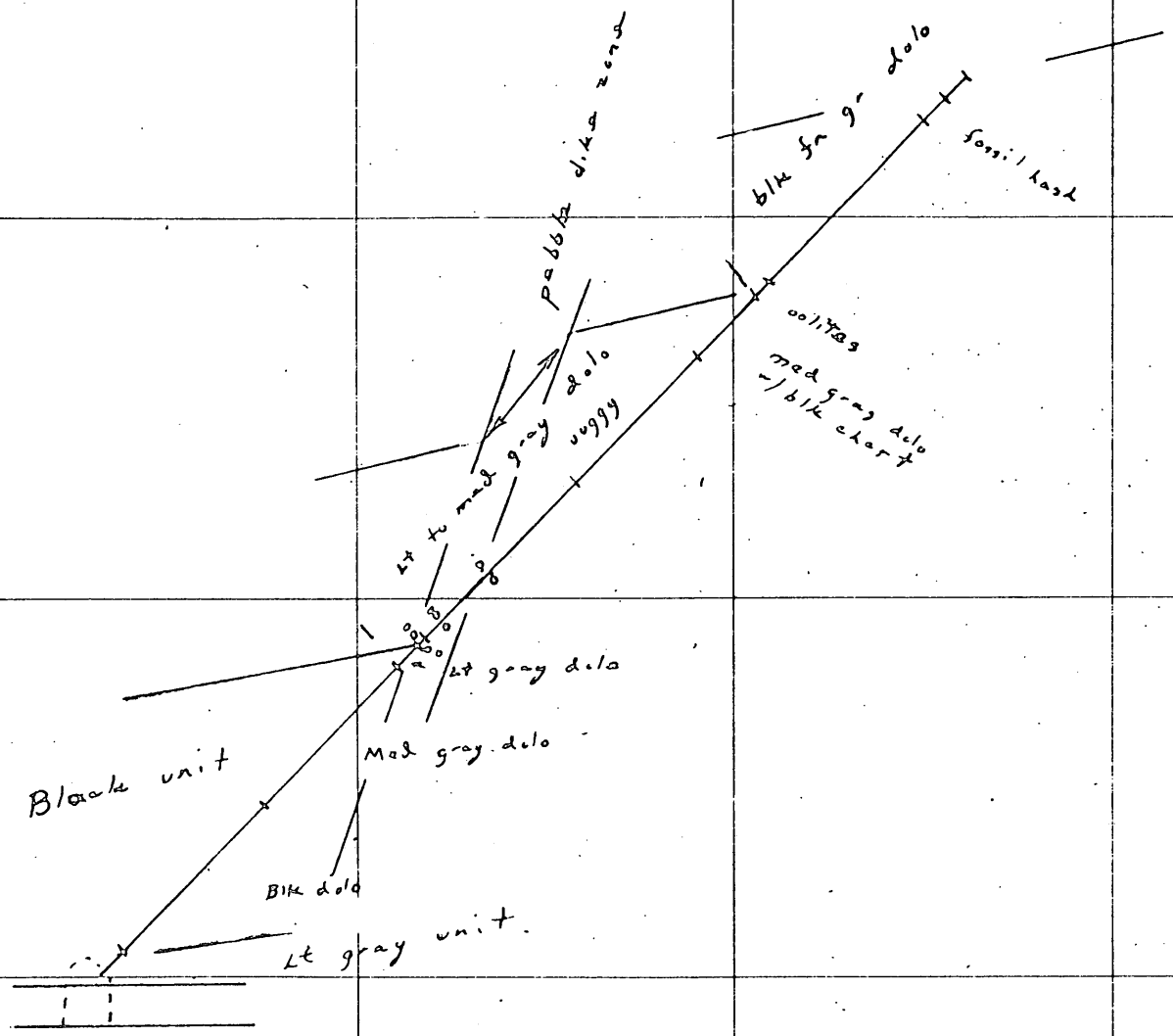
BY R.C. B SCALE 40

D.D.H. 13

Bearing N 20° E

Inclination + 45°

T. D. 265 ft



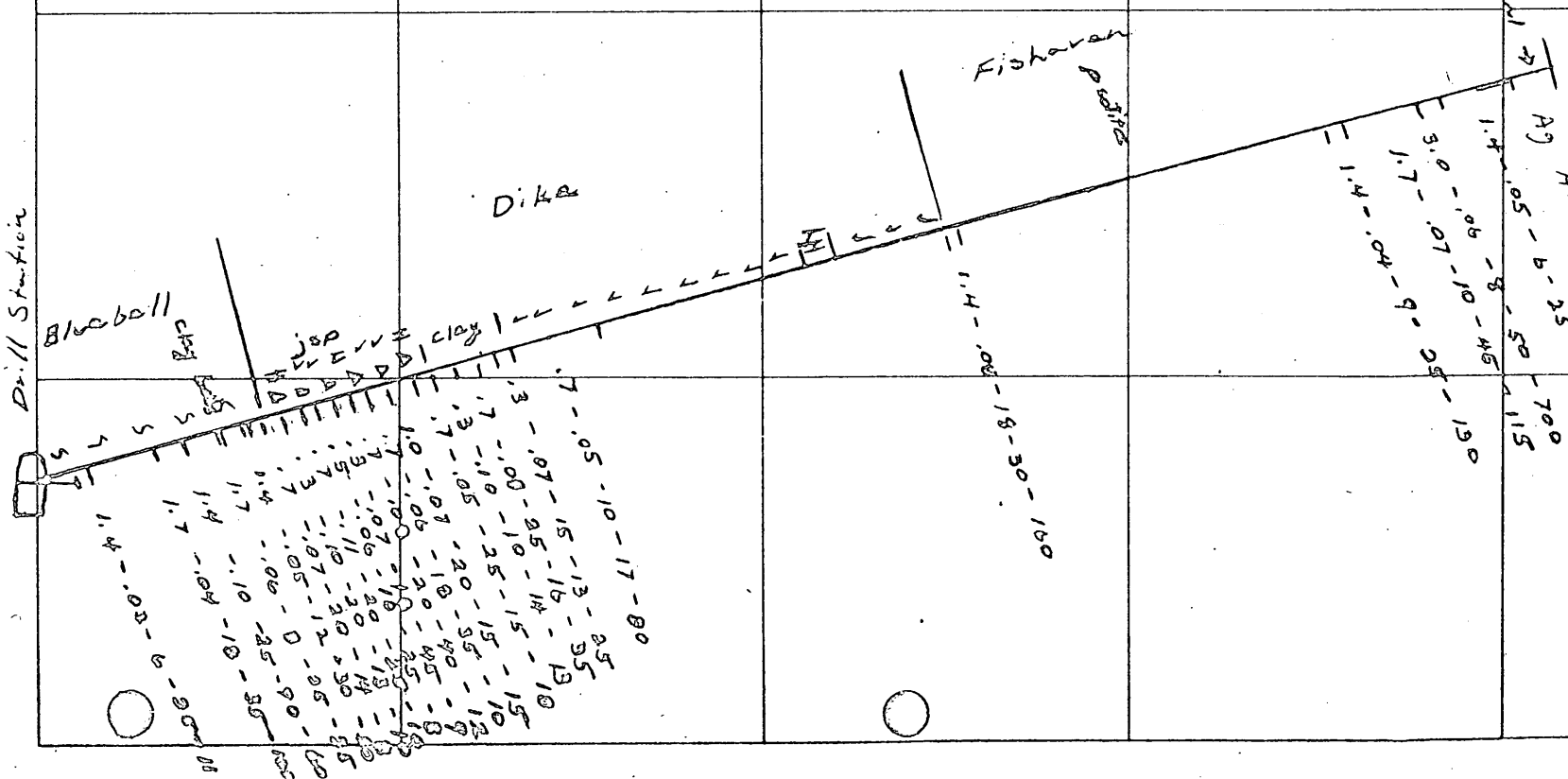
MINE Crown Pt

LEVEL 1280 PLACE Station

DATE

BY RCB SCALE 40

DDH - 14
+15° 343'
N30°E



APPENDIX II

COMPLETE ASSAYS

37/1

ASSAY RESULTS

PHILLIPS PETROLEUM COMPANY

ELY, NEVADA

ASSAYED BY John Zuniga

HOLE NUMBER AMEX DISTRICT DATE 2-9-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
15688 DDH-1 220-240	TR	TR	TR	.11	.049						
15689 DDH-1W 274-296	TR	TR	TR	.13	.009						
15690 " 1W 296-297	TR	TR	TR	.10	.026						
15691 " 297-318	TR	TR	TR	TR	.013						
15692 " 368-375	TR	TR	TR	TR	.010						
15693 [illegible]	TR	TR	TR	TR	.013						
15694 DDH-3 203-213	TR	TR	TR	TR	.036						
15695 " 195-203	TR	TR	TR	.14	.008						
15696 " 174-177	TR	TR	TR	TR	.026						
15697 " 177-186	TR	TR	TR	TR	.026						
15698 " 155-160	TR	TR	TR	.21	.029						
[illegible]98 " 138-144	TR	TR	TR	TR	.013						
15700 " 79-91	TR	.05	.098	TR	.013						
15701 " 63-69	TR	.06	.36	TR	.013						
14 samples, to determine [illegible]											

2

ASSAY RESULTS

PHILLIPS PETROLEUM COMPANY

ELY, NEVADA

ASSAYED BY John Zerwing

HOLE NUMBER EMEX DISTRICT DATE 3-3-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B15523	TR	TR	TR	.41	.078						
B15524	TR	TR	TR	.30	.075						
B15525	TR	TR	TR	.37	.078						
B15526	TR	TR	TR	.32	.026						
B15527 DDH-1- 91.5(21)	TR	TR	TR	.24	.052						
B15528 DDH-1- 209.210	TR	TR	TR	.20	.052						
6 samples, 30 determinations											

ASSAY RESULTS

PHILLIPS PETROLEUM COMPANY

ELY, NEVADA

ASSAYED BY John Zuccus

HOLE NUMBER AMEX DISTRICT DATE 3-17-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B15702 DDH-2-354-365.5	TR	TR	TR	TR	.028						
B15703 " 2 266-290	TR	TR	TR	TR	.010						
B15704 " 2 355-365	TR	TR	TR	TR	.017						
B15705 " 2 365-386	TR	TR	TR	TR	.056						
B15706 " 3 18-24	TR	TR	.18	TR	.075						
B15707 " 3 24-30	TR	TR	TR	TR	.010						
B15708 " 3 11-18	TR	TR	TR	TR	.024						
B15709 " 3 40-47	TR	TR	TR	TR	.014						
B15710 " 3 47-55	TR	TR	TR	TR	.052						
B15711 " 3 55-55.5	TR	TR	.28	.11	.059						
B15712 " 3 56-63	TR	TR	TR	TR	.007						
B15713 " 3 108-117	TR	TR	TR	TR	.035						
B15714 " 3 124-142	TR	TR	TR	TR	.024						

13 samples, 1.5 diameter

Larson

ASSAY RESULTS

PHILLIPS PETROLEUM COMPANY

ELY, NEVADA

ASSAYED BY John Zunino

HOLE NUMBER AMEX DISTRICT DATE 3-23-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Ag	Pb	Zn	Cu		Ag	Pb	Zn	Cu	
B15719	TR	.05	TR	TR	.009		Blk jsp w/yellow staining				
B15720	TR	1.22	4.11	.45	.72		Blk jsp w/yellow & orange staining				
B15721	TR	4.82	TR	TR	.008		Purple drusy qtz w/few blk specs				
B15722	.011	26.98	TR	TR	.10		Blue stained qtz				
B15723	TR	.06	TR	TR	.009		Vuggy qtz w/limonite				
B15724	TR	TR	TR	TR	.026		Qtz-sooty blk w/green				
B15725	TR	TR	TR	TR	.011		Mylony Pt - Vuggy qtz - no colors				
B15762	TR	TR	TR	TR	.026		Large qtz w/minute blk stringers				
B17715	TR	TR	.79	TR	.009		2' Hw - Fine Dis - east dist				
B17716	TR	TR	.36	TR	.026		1' Top wall - Fine - east dist				
B17717	TR	.03	.21	TR	.007		2' Top left wall east dist				
B17718	TR	.21	TR	TR	.005		6" pebble dike - 1st wall east dist				
				Dist along			DDH-3 East Hole				
4 samples, no determination											

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Zumino

HOLE NUMBER AME-X DISTRICT Larson DATE 4/27/71

SAMPLE INTERVAL		ASSAYS						PRODUCTS				
		Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B15727	1	TR	.011	TR	TR	TR						
B15728	2	TR	.015	TR	TR	TR						
B15729	3	TR	.012	TR	TR	TR						
B15730	4	TR	.011	TR	TR	.003						
B15731	5	TR	TR	TR	TR	TR						
		5	5	5	5	5	Sampled					

Taken April 27, 1971
in Shaft drift along pebble dike
Round Shaft
Lawson Lease

5 samples, 25 determinations

0.0040 30
1,000,000

6

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Zumwalt

HOLE NUMBER AMEX DISTRICT DATE 5-25-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B 15741	TR	.11	TR	TR	TR		Mn Cal - vuggy				- 80'
B 15742	TR	TR	TR	TR	TR		gouge over dk dolo				- 100
B 15743	TR	.07	TR	TR	.003		1½' vert fissure - north wall				- 120'
B 15744	TR	.12	TR	TR	.004		Reddish-brown - thick O_2 -				160'
B 15745	TR	.14	TR	TR	TR		Mn + sand in fissure - back				- 170'
B 15746	TR	TR	TR	TR	.009		Red oxidation around breccia				- 180'
B 15747	TR	.06	TR	TR	.003		Pebble Dike - both walls				- 220'
B 15748	TR	.38	TR	TR	TR		Pebble Dike - face				238'
	Glen Larsen										
	Roundy Shaft - Tintic District										
	underground						May 21, 1971				
	West drift										
8 samples no determination											

Larsen

7

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Zimmo
West Drift

HOLE NUMBER AMEX DISTRICT DATE 6-14-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B15749	TR	TR	TR	TR	.043	430 ppm		Face @		384'	
B15750	TR	TR	TR	TR	.069	690 ppm		Lt wall @		382'	
B15751	TR	TR	TR	TR	.064	640 ppm		Rt wall @		382'	
B15152	TR	TR	TR	TR	.051	510 ppm		Flat gouge @		232'	
								Lt. wall			
			West Drift								
4 samples, 20 lbs mineralization											

ASSAY RESULTS

PHILLIPS PETROLEUM COMPANY

ELY, NEVADA

ASSAYED BY John Jimenez

HOLE NUMBER FMFX DISTRICT DATE 6-25-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B15753	TR	TR	TR	TR	TR		470				
B15754	TR	TR	TR	TR	TR		458-470				
B15755	TR	TR	TR	TR	TR		455-460				
B15756	TR	TR	TR	TR	TR		425				
B15757	TR	TR	TR	TR	TR		425				
B15758	TR	TR	TR	TR	.017		415				
B15759	TR	TR	TR	TR	TR		450				
B15760	TR	.03	TR	TR	TR		460				
			waste		Drift						
8 samples, 40 determinations											

801 — 873 — 2398
9

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

West Dr

ASSAYED BY John Gerson

HOLE NUMBER BMEX DISTRICT DATE 6-28-71

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B-157761	TR	TR	TR	TR	TR		Pebble dike 10' South				
B157762	TR	.025	TR	TR	.076		Fault at 506 ft				
2 samples, 10 foot intervals											

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Zimmer

HOLE NUMBER PMEX DISTRICT DATE 7-23-71

SAMPLE INTERVAL		ASSAYS						PRODUCTS				
		Au	Ag	Pb	Zn	Cu		Ag	Pb	Zn	Cu	
B 8801	2	TR	TR	TR	TR	.041	410 PPM		Galena	Larsen		
B 8802	1	TR	.11	TR	TR	.008	80 PPM					
B 8803	3	TR	.08	TR	TR	.005	50 PPM					
B 8804	4	TR	TR	TR	TR	.005	50 PPM					
B 8805	5	TR	.09	TR	TR	.005	50 PPM					
B 8806		TR	.07	TR	TR	.008		Lumi - Iridescent Element				
B 8807		.91						Lumi - Galena Au-Ag Fe vein				
B 8808		.021	2.29	TR				Jarry				
B 8809			.56	TR				Jarry				
5 samples, 25 determinations												
		9	8	8	6	6						

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

So De

ASSAYED BY John Zunino

HOLE NUMBER Pegasus DISTRICT Larson DATE Aug 8/71

SAMPLE INTERVAL		ASSAYS						PRODUCTS				
		Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B 8812	1	TR	TR	TR	TR	.024		535'	2' Hvy + Vert			
B 8813	2	TR	TR	TR	TR	.005		530-535	lst + wall			
B 8814	3	TR	.08	TR	TR	.004		528	jsp	rt + bottom		
B 8815	4	TR	TR	.23	TR	.024		527-535	rt + wall			
B 8816	5	TR	TR	.18	TR	.048		525-530	rt wall			
B 8817	6	TR	TR	.25	TR	.24		508-513	rt wall	slt mud slip mud		
B 8818	7	TR	TR	TR	TR	TR		490-495	rt wall	breccia		
B 8819	8	TR	TR	TR	TR	TR		483-485	rt wall	mud-jsp		
B 8820	9	TR	.09	.59	TR	.007		478-480	MnO_x + FeO	massive		
B 8821	10	TR	TR	.30	TR	.21		471-472	lst wall - vug	hole		
B 8822	11	TR	TR	TR	TR	TR		466-	lst wall	slip w/ MnO_x		
B 8823	12	TR	.03	.15	TR	TR		457-459	rt wall - red + blk	vug		
B 8824	13	TR	TR	TR	TR	.10		350	gray	slabby w/ py		
B 8825	14	TR	TR	.10	.12	TR		355	rt wall	vug w/ jsp, mass FeO		
B 8826	15	TR	TR	TR	TR	TR		335	corner	jsp in fissure		
B 8827	16	TR	TR	TR	TR	TR		305	lt wall	- pebble	dike	
B 8828	17	TR	TR	TR	TR	TR		290	vuggy	jsp	cavern	490'
19 samples	B8 dates	numbers										

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Zeuzuo

HOLE NUMBER AMEX DISTRICT Larson DATE Sept 13 - 1971

SAMPLE INTERVAL	ASSAYS						PRODUCTS				
	Au	Aq	Pb	Zn	Cu		Aq	Pb	Zn	Cu	
B 15779	TR	TR	TR	.30	.012	SA	0-6 Rt wall, bottom				
B 15780	TR	TR	TR	TR	.037	SA	14-26 - Rt wall - high - sorted dolo				
B 15781	TR	TR	TR	TR	TR	SA	38-40 rt wall bottom jsp				
B 15782	TR	TR	TR	TR	TR	SA	36-38 rt wall bottom jsp				
B 15783	TR	TR	TR	TR	TR	SA	34-36 - rt wall - high jsp - gouge				
B 15784	TR	TR	TR	TR	.050	SA	32-34 - West rt wall S.A. Slt porphyry				
B 15785	TR	.015	.159	TR	.037		Fissure 2nd Round - @ 600'				
B 15786	TR	TR	.161	TR	.037		MnOx - only brown w/ jsp. - Repeat				
B 15787	TR	TR	TR	.20	.050		MnOx + FeO only, Rd & R granite at fractured stage				
	sampled twice before - only brown this time										
9 samples, no determination											

Mail Copy to Glen in Provo.

13

ASSAY RESULTS
PHILLIPS PETROLEUM COMPANY
ELY, NEVADA

ASSAYED BY John Jensen

HOLE NUMBER AMEX DISTRICT Larsen DATE Oct. 20-1971

SAMPLE INTERVAL	ASSAYS Au	Aq	Pb	Zn	Cu		PRODUCTS Aq	Pb	Zn	Cu	
B8829 1st Hole West	TR	TR	.25	TR	.062		9'-10' rt wall				
B8830 1st Hole West	TR	TR	TR	TR	.075		11-12' cavern to north				
B8831 2nd Hole West	TR	TR	TR	TR	.062		Lt wall high 14-17'				
B8832 2nd Hole West	TR	TR	TR	TR	.050		face 2'-4' left of center				
B8833 2nd Hole West	TR	TR	TR	TR	.075		vug hole center of face				
B8834 2nd Hole West	TR	TR	TR	TR	.11		2'-4' rt of ℄ of face				
B8835 2nd Hole West	TR	TR	.27	TR	.16		rt wall 16'-17' high				
B8836 2nd Hole West	TR	TR	TR	TR	.075		rt wall @ 16' mud				
B8837 2nd Hole West	TR	TR	TR	TR	.062		vug in back - by Glen				
B8838 1st Hole East	TR	TR	.38	TR	.10		north of drg hole - bottom				
B8839 West Drift	TR	TR	TR	TR	.062		jsp + mud				
B8840 fissure @ 600'	TR	TR	TR	TR	.10		fissure near face south drift				
Better Pb + Ag is below us											
12 samples, 60 determinations											

Copy
Glen & Jack Larsen

CMSL

CHEMICAL & MINERALOGICAL SERVICES 3435 SOUTH STATE STREET, SALT LAKE CITY, UTAH 84115 (801) 266-8228

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2250
One California Bldg. Room 2500	DATE Oct 20, 1972
San Francisco, California 94111	CUSTOMER'S ORDER NO. Samples B [illegible]

Sample #	Ag PPM	Au PPM	Cu PPM	Pb PPM	Zn PPM	
15788	3.0 (.09 oz/T	.05	50	45	80	Pebble like and very fine divided
15789	2.0	.08	180 .01%	65	50	
15790	3.7 (.11 oz/T	.05	25	35	60	Opalized gouge - fill veins Siliceous [illegible]
15791	2.7	.05	30	35	60	
15792	3.0	.05	12	35	55	

Ray Bradshaw

5, 25

CMS
CHEMICAL & MINERALOGICAL SERVICES ~~3435 SOUTH STATE STREET~~ 395 West 2700 South, SALT LAKE CITY, UTAH 84115, (801) ~~268-8223~~ 485-0711

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2292
P. O. Box 769	DATE Nov 14, 1971
Ely, Nevada 89301	CUSTOMER'S ORDER NO.

Larsen Lease

DDH 5
060° N

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
B-16607	2.0	.03	5	25	85	0 - 6
608	1.7	<.01	6	30	65	11 - 16
609	2.4	.01	6	30	160	16 - 19
610	2.0	<.01	6	30	65	21 - 26
611	2.4	.01	9	30	160	30 - 36
612	2.4	.02	8	25	140	38 - 41
613	2.4	<.01	35	40	210	48 - 49
614	2.4	.01	5	25	65	49 - 52
615	2.4	.02	5	30	30	78 - 80
616	2.0	<.01	7	25	35	123 - 134
617	1.7	<.01	10	25	55	119 - 120
618	2.0	.01	13	75	85	198 - 199
619	2.0	.01	8	35	40	181 - 191
620	2.0	.01	6	35	45	170 - 178
621	2.0	<.01	6	30	40	136 - 149
	15					

15, 75

Ray Broadhead

CHEMICAL & MINERALOGICAL SERVICES 3435 SOUTH STATE STREET, SALT LAKE CITY, UTAH 84115 (801) 268-8228

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2309
P. O. Box 769	DATE Nov 27, 1971
Ely, Nevada 89301	CUSTOMER'S ORDER NO.

Larsen Lease

DDH 5 (-60° N)

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
B-16622	3.0 .09	.06	35	350	65	211' 6" Bx
23	2.0 .06	.04	30	95	550	212-214
24	4.4 .14	.06	50	110	560	234 (6")
25	no sample					244-247 Blk jsp
26	2.7	.06	17	40	60	250-251
	4					

4, 20

Ray Broadhead

CMS

CHEMICAL & MINERALOGICAL SERVICES 395 WEST 2700 SOUTH, SALT LAKE CITY, UTAH 84115 (801) 485-0711

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2318
P. O. Box 769	DATE Dec 2, 1971
Ely, Nevada 89301	CUSTOMER'S ORDER NO.

Larsen Lease

DDH 7 -45° West

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
16627	2.0	.03	13	70	80	149'
628	2.4	.05	15	45	40	173-176
629	2.0	.03	6	25	30	178
630	2.0	.05	5	30	25	194
631	2.4	.05	20	45	85	207-208
632	2.4	.03	7	35	35	199-201
633	2.4	.04	7	300	17	225-226
634	2.7	.04	5	60	17	224
635	2.0	.01	8	35	25	212
636	2.0	.03	9	45	10	232-233
637	2.0	.05	6	30	12	244
638	2.4	.04	7	45	17	250-251
639	1.7	.05	7	45	10	252-253
640	1.8	.04	75	40	15	275-277
641	1.4	.05	8	25	16	361-363
642	1.7	.03	8	20	20	365-371
643	1.7	.03	10	25	11	371-374
644	2.0	.04	4	25	13	383-397 End
						DDH 8 -45° East
645	2.0	.03	7	30	70	9'-21'
646	2.4	.05	120	40	70	21-34
647	2.0	.04	15	30	75	46-47 Pebble Dike
21	105					
	21					

CMSI

Larsen Lease

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	DDH 8
16648	1.7	.02	10	30	95	93-94
649	2.0	.04	16	25	45	95-96
650	2.0	.06	9	25	16	154-161
						DDH 6 -90°
651	1.4	.03	20	45	50	230'
652	2.0	.04	7	30	12	153
653	2.0 .004	.02	5	25	20	163'-167'
654	2.4	.06	115	65	1300	Back
655	2.5	.06	280	60	3350	of
656	3.4	.12	45	105	250	Drill
657	2.0	.04	100	75	1290	Station
658	2.7	.04	11	30	85	2nd Drift West
659	2.7	.02	15	30	125	
						DDH 5 -60° North
15793	1.7	.05	12	25	220	281-282
794	2.7	.03	14	130	60	265-266
795	2.4	.06	220	70	1630	289-300 - End Pebble Dike
796	2.4	.02	25	35	90	DDH 7, -47° West 5'-8'
797	2.0	.03	14	40	50	43'
798	2.0	.03	30	45	50	108'
799	2.0	.03	30	60	70	110-111
15800	2.0	.04	10	35	17	133'
	20					

Ray Broadhead

20,100

CMSI

CHEMICAL & MINERALOGICAL SERVICES 3435 SOUTH STATE STREET, SALT LAKE CITY, UTAH 84115 (801) 266-8228

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2330
P. O. Box 769	DATE Dec 20, 1971
Ely, Nevada 89301 Rec'd 12/22/71 Lanam	CUSTOMER'S ORDER NO.

DDH 8 -45° East

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	DDH # 8
16660	1.4	.04	30	30	80	164 - 5
661	1.6	.03	20	30	55	230
662	1.0	.04	19	40	80	260 - 1
663	1.0	.04	30	80	75	249 - 50
664	1.7	.03	115	60	40	343 - 4 pebble D.L.
665	2.0	.04	18	20	30	350 - 8
666	1.0	.02	13	35	40	392 - 3
			DDH 9			
667	1.7	.02	20	15	180	319 - 327
668	1.7	.02	20	50	275	317 - 319
669	.7	.03	20	30	295	312 - 316
670	1.0	.05	25	45	320	308 - 310
671	.7	.04	20	40	185	304 - 307
672	<.3	.04	25	30	120	301 - 304
673	.3	.03	20	40	160	296 - 301
674	1.0	.02	25	35	240	290 - 296
675	1.0	.02	45	30	240	281 - 282
676	1.7	.03	40	25	250	273 - 278
677	1.0	.03	20	20	130	268 - 273
678	1.0	.02	25	20	150	261 - 268
679	1.7	.02	120 .012%	30	1200 .12%	257 - 261
680	2.0	.03	25	25	205	252 - 257
	21					

Pebble Dike and Breccia Zone

21.15

CMSI

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
16681	2.7	.04	25	25	255	244-252
682	1.4	.03	10	35	90	228-238
683	1.7	.02	17	25	55	206-214
684	2.4	.03	25	25	165	176-185
685	2.4	.02	30	40	190	173-178
686	2.0	.03	20	45	220	142-143
687	2.4	.02	45	35	255	135-137
688	1.4	.04	60	55	310	125-129
689	2.0	.02	90	60	1125 .11%	120-120.5
690	1.4	.03	40	45	310	111-113
691	1.7	.02	25	40	175	54-55
692	1.7	.04	17	40	40	65-67
693	1.4	.02	25	70	100	37-37.5
694	1.7	.03	20	35	75	15-20
695	2.0	.02	30	35	255	9-9.5
	15					

Usually with Sphaer oxidation

15, 25

Ray Broadhead

CMSL
CHEMICAL & MINERALOGICAL SERVICES 395 WEST 2700 SOUTH [redacted], SALT LAKE CITY, UTAH 84115 (801) 485-0711

ANALYTICAL REPORT FOR:

American Exploration & Mining Company	OUR NUMBER 2351
P. O. Box 769	DATE Jan 15, 1972
Ely, Nevada	CUSTOMER'S ORDER NO. Larsen

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
	DDH 10	+45°	N45°E	So. Drill Sta.		
16274	1.7	.06	25	60	170	240½ - 241
275	2.4	.05	25	35	360	125 - 127
276	1.4	.05	16	40	75	114 - 114.5
	DDH #9	+30° N	So. Drill Sta.			
16696	1.4	.04	10	25	320	327 - 332
697	1.0	.04	30	60	75	348 - 349
698	1.0	.05	15	40	65	358 - 361
699	1.2	.05	10	35	70	361 - 363
700	1.0	.03	17	40	80	364 - 368
	DDH #12	+45°	N15°E - So. Drill Station			
8841	1.2	.02	25	12	460	182 - 3
8842	1.0	.04	15	15	80	180 - 2
8843	2.0	.05	16	20	180	177 - 180
8844	2.0	.06	25	30	330	171 - 174
8845	2.0	.06	18	25	330	166 - 171
8846	1.9	.04	10	30	160	162 - 166
8847	2.4	.04	14	30	250	160 - 161
8848	2.4	.05	20	25	430	184 - 188
8849	2.4	.06	20	30	540	188 - 190
8850	2.4	.07	25	30	680	191 - 196
8851	2.7	.08	25	25	630	196 - 200
	19					

19.95

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
8852	2.4	.07	16	30	400	201 - 206
8853	2.7	.10	15	35	470	211 - 214
8854	2.2	.09	10	35	390	218 - 222
8855	2.2	.09	10	40	630	224 - 231
9956	2.4	.10	16	30	360	231 - 235
8857	1.8	.09	9	40	450	236 - 240
8858	2.1	.08	7	40	470	255 - 261
8859	2.0	~~XXX~~ .14	11	75	2200	263 - 263½
8860	2.4	.10	8	40	505	264 - 271
8861	1.7	.10	10	25	110	289 - 290
8862	2.0	.09	10	40	400	253 - 290
8863	1.9	.09	25	45	110	288
	12					

Gold

Anomalous

12, 60

Ray Broadhead

CMS
CHEMICAL & MINERALOGICAL SERVICES 395 WEST 2700 SOUTH [redacted] STATE STREET, SALT LAKE CITY, UTAH 84115 (801) [redacted] 485-0711

ANALYTICAL REPORT FOR:

American Exploration Company	OUR NUMBER 2370
P. O. Box 769	DATE Jan 29, 1972
Ely, Nevada Larsen	CUSTOMER'S ORDER NO.

DDH # 14 +15° N30°E From East End of Shaft Station

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
8864	.7	.05	25	15	18	86-90
8865	1.0	.07	20	15	15	80-86
8866	.7	.06	18	35	10	76-80
8867	.7	.08	20	40	12	72-76
8868	.3	.07	18	45	9	68-72
8869	.5	.06	10	25	8	65-68
8870	.7	.11	20	25	10	61-65
8871	.3	.10	20	13	10	57-61
8872	1.7	.06	8	25	25	41-43
8873	1.4	.05	12	30	20	47-48
8874	.7	.07	20	14	8	53-57
8875	1.7	.04	18	35	100	28-29
8876	1.4	.10	25	90	60	33-33½
8877	1.4	.03	6	25	11	8-11
8878	.3	.10	10	14	13	92-95
8879	.7	.08	25	16	35	95-100
8880	1.4	.08	18	30	160	20[illegible]-20[illegible]
8881	.3	.07	15	13	25	10[illegible]-10[illegible]
8882	.7	.05	10	17	80	108-128

19,95

Sample #	Ag ppm	Au ppm	Cu ppm	Pb ppm	Zn ppm	
8883	1.4	.04	9	25	130	293 - 297
8884	1.4	.05	6	25	45	316 - 333
8885	1.7	.07	10	45	115	297 - 313
8886	3.0	.06	8	50	700	313 - 313½

4, 20

Roy Broadhead

O M E

EXPLORATION PROGRAM

CROWN POINT AND EAST CROWN POINT CLAIMS

TINTIC MINING DISTRICT, UTAH CO., UTAH

APRIL, 1967

REPORT SUBMITTED TO:

Messrs John & Glen Larsen
Western States Mining and
Contracting, Inc.
Riverton, Wyoming 82501

REPORT SUBMITTED BY:

Mr. Roger C. Banghart
East Ely, Nevada
Registered professional engineer
Missouri E 11320
Idaho Geol. Eng. 1736

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- Stratigraphy
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Fig I - General stratigraphy of Tintic District with production figures.

APPENDIX

1 - East Crown Point Lease

Crown Point Lease

2 - Crane, G. W., 1928, Report on Property of Crown Point Consolidated Mining Co., Tintic District

3 - Log of CP #1 Rotary and Diamond Drill Hole, 1964

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PLATES

1 - Mines and General Geology of Tintic Mining Districts - 1" = 2000'

2 - Engineering Map - Crown Point Leases 1" - 300'

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5 - Mine Map Crown Point No. 3 Shaft with 680 level and cross sections

SUMMARY

The enclosed report requests exploration assistance under the U. S. Department of Interior, Office of Minerals Exploration program for silver. The funds would be used to develop 223 acres of potential silver bearing claims in the Tintic Mining District, Eureka, Utah.

This lease claims 3700 feet of strike length along an undeveloped yet strongly pyritized lava covered portion of the productive Sioux Ajax Fault. Structural knowledge strongly aided by alteration studies and geochemical techniques have effectively aided in the discovery of new blind ore bodies along the Sioux Ajax-Eureka Standard Fault system, namely the Trixie and Burgin areas.

It is proposed that a two compartment shaft, 1300 feet deep, be excavated which would penetrate through pyritized Tertiary volcanics and then explore a full section of the productive Bluebell Formation. A level would be established at 5300 foot elevation and 2000 feet of drifting along the north side of the Sioux Ajax Fault would be necessary to locate the northsouth trending ore channels in the Bluebell Formation.

The end result of this work would be to discover silver-copper-gold ore bodies similiar in tenor to those found in the southern portion of the Tintic ore channels in limestones near the monzonite stock. These ore bodies along the Sioux Ajax Fault would be characterized by the Mammoth, Spy, and Iron Blossom Mines.

PROPERTY (PLATE 2)

Plate 1 shows the leased property in its relationship to the entire district.

The property consists of a unitized agreement combining the Crown Point Consolidated Mining Company and the East Crown Point Consolidated Mining Company. The lessee is Mr. Glen Larsen, who is requesting this OME loan. The combined properties include 223 acres located in Sections 20, 28, and 29, T 10 S, R 2W, Tintic Mining District, Utah Co., Utah. Appendix I, which contains copies of the leases gives the legal description of the property. Plate No. 2, Engineering Map shows the individual claims and the lease boundary as tied into the land grid.

Plate 2 also shows the existing roads and distances to Eureka and other landmarks. The Crown Point 1, 2, and 3 Shafts with their known underground workings are also shown.

As noted on Plate 2, only the northwest portion of the property has been developed. No production has been recorded from these properties. Crown Point No. 1 Shaft is 400 feet deep, and there are no reports concerning the geology and workings. Crown Point No. 2 Shaft has approximately 10,000 feet of workings from the surface down to 1000 feet. No mine maps are available; however, G. W. Crane's report, dated 1928, on this shaft is included in its entirety in Appendix 2.

Crown Point No. 3 Shaft has one level at 680 feet and in this report the maps and cross sections are included as Plate 5. The No. 3 Shaft has the most significant data for use in this exploration program. The stratigraphy encountered, Victoria Formation, with its

strike and dip, and the ore channel inferred from the galena, jasperoid, and manganese mineralization will be used in recommending deeper work in the Bluebell Formation further south towards the Sioux Ajax Fault.

The two drill holes shown on Plate 2, CP 1 and CP 2 were drilled in 1964 by Mr. Larsen. The drill log of CP 1 is included in Appendix 3. CP 1 located a marker bed at the top of the Bluebell Formation and also minor galena. This hole is 300 feet south of the Crown Point No. 3, 680 level and the mineral galena is found 40 feet deeper.

CP No. 2 drill hole, 900 feet southeast of CP No. 1, penetrated the rubble zone at the base of the volcanics at 1174 feet. The deep volcanics are probably reflected by the prevolcanic erosion trace along the Sioux Ajax Fault.

HISTORY OF EXPLORATION

In recommending this exploration program, a voluminous amount of published and private company reports and maps were available for study. An assimilation of the significant data is included in this report, and Appendix 4 lists the pertinent references. An additional reference not listed is the author's own personal knowledge of the district. The author spent five years between 1958 and 1964 employed as a geologist and project engineer for Bear Creek Mining Co. and Kennecott Copper Corp. at the Burgin Mine.

Historically, discoveries in the Tintic District were made from south to north and from west to east. A fifth ore channel has always been inferred and has been prospected for, east of the four major producing ore channels in the district. In addition, these ore channels had their initial discoveries made as surface exposed northeast fissures in the monzonite stock. When crossing the Sioux Ajax Fault to the north, the fissuring changes to north-south trending replacement ore channels in limestone.

Plate 1 shows these features and also shows that a major northeast fissure zone occurs which projects east of the productive ore channels. This fissure zone becomes covered by altered Tertiary volcanics in the area of the Sioux Ajax Fault on the Crown Point properties.

As pointed out by Crane, 1928, the northwest portion of the Crown Point properties has been adequately explored through the Crown Point No. 2 Shaft. The Crown Point No. 3 Shaft, located in the central portion of the leased area, has the 680 foot level, which crosscuts and drifts in the Victoria Formation, Plate 5. In

addition, a northsouth striking manganese-jasperiod ore channel containing scattered galena was located. Abundant pebble dikes are also present on this level indicating deep seated northsouth structures.

Beginning in the late 1940's and through the 1950's the U. S. Geol. Survey made a thorough study of the district with special emphasis on hydrothermal alteration and geochemical methods for locating blind ore bodies through Tertiary pre-ore lavas.

Almond and Morris's report (Reference 1) shows the anomalous geochemical values developed in the pyritized and argillized volcanics. These volcanics cover the Sioux Ajax Fault where this fault crosses the Iron Blossom ore run and formed the Van Stope (Reference 2).

Lovering's Economic Geology Monograph 1, (Reference 7) entitled "Alteration as a Guide to Ore in the East Tintic District", is a classic economic geology report depicting the various stages of hydrothermal alteration of the Tertiary volcanics overlying the North Lily ore body. These same alteration studies were applied to the rest of the East Tintic District. Plate 4 is a 300 scale enlargement of this work on the Crown Point leased ground. Here pyritic ore stage alteration of Tertiary volcanics has been used to trace the Sioux Ajax Fault and northeast striking fissures south and north of this fault. These same techniques were used in the Chief Oxide-Burgin area and Trixie area discoveries which are along the Sioux Ajax-Eureka Standard Fault System.

In July, 1964, Glen Larsen drilled two surface holes on the leased ground. CP No. 1 (Appendix IV) was collared 300 feet south of the end of the 680 level of the Crown Point No. 3 Shaft. Here pyritized volcanics were rotary drilled to906 feet. Beneath the rubble zone and 40 feet below the 680 level, the uppermost beds of the Bluebell Formation Were cored, which contained minor galena. CP No. 2, (Plate 2), drilled further to the southeast, was still in the rubble zone at 1177 feet. These deep volcanics probably depict the prevolcanic trace of the Sioux Ajax Fault.

GEOLOGY

Plate 1 shows the general geology of the Tintic District, and the references listed adequately cover the geology, ore controls, and exploration of the district. Figure 1 shows the production according to formation and it should be noted that just about every unit has produced some ore. The Bluebell Formation should be singled out as the most receptive host rock for ore in the district, having produced $110,000,000 or ¼ of the total district production.

Only that geology which is pertinent to the Crown Point leases will be discussed.

Sioux Ajax Fault

The Sioux Ajax Fault is one of the most important structures in the Tintic District. It strikes generally east-west and dips steeply to the north. Its width is as much as 500 feet. Fissure ore bodies are characteristically to the south and limestone replaced ore channels are to the north. Where the Sioux Ajax Fault intersects the horizontal ore channels, the vertical extent of the ore is extended so that chimneys or ore are developed over much greater vertical distances.

At the west end of its strike, the Sioux Ajax Fault intersects the Mammoth-Chief ore zone forming the copper-silver-gold bearing Apex Stope and East Stope in the Mammoth Mine. The Apex Stope extends from the surface down to 1500 feet (Reference 11).

Next, to the east, the Sioux Ajax Fault intersects the Godiva ore channel forming the Spy ore body which was developed through the Sioux Tunnel. No production records of this copper-silver-gold-lead ore body are available (Reference 5).

Farther to the east the Sioux Ajax Fault intersects the Iron Blossom ore run forming the Van Stope, Plate 2. Cross sections

through the Iron Blossom No. 3 Shaft show the discontinuous vertical extent of the ore from the 300 level down to the 1200 level (Reference 1 and 2).

Adjoining the Iron Blossom ground on the east are the Crown Point leases which shows the Sioux Ajax Fault to be covered by altered lavas for 3700 feet (Plates 3 and 4). The exact sub-volcanic trace of this fault will have to be determined in this proposed exploration program.

To the east of the Crown Point properties the Sioux Ajax Fault joins the Eureka Standard Fault in the Trixie area. Here again the fault is covered by altered volcanics; however, surface drilling by the U. S. Geol. Survey and Bear Creek Mining Company have disclosed in the Trixie area silver-lead sludge and core intercepts of commercial importance.

The Eureka Standard Fault locallized the Eureka Standard silver-gold mine, the Apex Standard Mine and terminates against the East Tintic thrust fault where the Burgin Mine is presently being mined.

The Sioux Ajax Fault together with the Eureka Standard Fault can be traced for approximately four miles. The Sioux Ajax Fault has a normal displacement of approximately 1500 feet (north side down).

Alteration (Plate 4)

Hydrothernal alteration studies of pre-ore Tertiary volcanics have contributed significantly to the discovery of major ore bodies in the East Tintic District.

Almond and Morris 1951 (Reference 1) show the geochemical anomalous values in the pyritized and argillized volcanics covering

the Iron Blossom - Sioux Ajax intersection, which formed the Van Stope.

Lovering, 1949, deciphered the pre-ore to ore stage hydrothernal alteration sequence which was developed in the Tertiary volcanics above the North Lily ore body. On Page 2 of this report he states, "This alteration (pyritic) is localized near major channels of mineralization and is more closely related to ore than to visible instrusives." These alteration studies coupled witha knowledge of the underlying structures have lead to the discovery of the Burgin ore body (Reference 8) and a yet to be developed Trixie discovery. Plate 3 is a 300 scale enlargement of Reference 6 and shows that 78% of the surface of Crown Point leases are covered by Tertiary pre-ore volcanics. The 22% which are sediments are in the northwest corner of the property. Approximately 40% of the volcanic cover has been strongly pyritized.

This pyritization would reflect ore channels at depth and as noted on Plate 2, the entire south portion of the property has not been prospected below these lavas. These strong pyritic zones would reflect the east-west striking Sioux Ajax Fault and north-south and north-east trending ore channels.

These subvolcanic structures would be explored in this requested program.

Stratigraphy

Reference 9 is a detail report on the stratigraphy of the East Tintic mountains. Figure 1 is a generalized stratigraphic column showing the production of the district related to the formations. It is readily seen that the Bluebell formation produced ¼ of the total district's production, or $110,000,000.

In the area, of this recommended exploration program, the 680 level (Plate 5) and CP 1 drill hole shows the closest known sub-volcanic stratigraphy. The 680 level, elevation 5863, crosscuts and drifts through the basal beds of the Victoria Formation, The gentle westerly dips show the beds to be on the east limb of the Main Tintic Syncline. The strike is west of north reflecting the axis of the syncline. Drill hole CP 1 (Plate 2) located the "speckled bed" which is near the base of the Victoria Formation, and would be 40 feet lower that the 680 level.

Of major importance to this proposed program, is the 550 feet of highly productive Bluebell Formation, which presents itself for exploration beneath the 680 level and above water table.

Ore Channels

The ultimate objective of this program is the locating and discovery of ore channels.

Ore stage mineralization in the form of jasperoid, managanese, and galena was found on the 680 level of the No. 3 Shaft (Plate 5). This mineralization which is in the Victoria Formation could be a reflection of an ore channel in the underlying Bluebell Formation. A crystal of galena was also discovered in drill hole CP 1, 300 feet due south of the 680 level.

The strong pyritic alteration of the overlying lavas strongly suggest north striking ore bearing structures at depth.

Other surface and 680 level indications of the deep seated, north-south structures, are the pebble dikes which transect the volcanics and the sediments.

CONCLUSIONS

The structural intersection of the Sioux Ajax Fault with known and probable north-south structures in the highly receptive host, Bluebell Formation, beneath hydrothermally altered volcanics lends the Crown Point properties to a very promising exploration program.

EXPLORATION PROPOSALS (Plate 2)

It is recommended that a two compartment shaft 1300 feet deep be excavated to the 5300 foot elevation. This shaft would penetrate the Tertiary lavas and penetrate a full section of the Bluebell Formation. A short Drift should be run to the south to locate the Sioux Ajax Fault. At the 5300 foot level, a drift parallel to the hanging wall of the Sioux Ajax Fault would be driven to explore for north striking ore channels. A total of 2000 feet of drifting and crosscutting is requested.

Exploration drifting should stay near or within the Sioux Ajax Fault as a greater vertical extent of ore is usually developed at these structural intersections which would increase the odds for locating an ore channel.

APPENDIX III

OME REPORT APRIL 1967

LOG OF CP 1

CROWN POINT REPORT
G. W. CRANE, 1928

REFERENCES

APPENDIX 3

July/64

LOG OF DRILL HOLE CP-# 1
Crown Point Property

0 - 880' (rotary)	Highly argillized quartz latite with varying amounts of fine grained pyrite with some Fe-staining throughout. Layer of dark-gray, fairly fresh quartz latite at 700'.
880' - 890' (rotary)	Highly Fe-stained (near base of volcanic cover).
890' - 896' (rotary)	Rubble zone: mixed fragments of limestone, jasperiod and volcanic material, fair pyrite
896' - 906' (cored)	Brecciated limestone; well healed, dark-gray, dense, massive, fine to medium grained; occasional frags of quartz latite in breccia which indicates that this breccia is related to the rubble zone.
906' - 960' (rotary)	Mostly medium gray, medium grained limestone, with occasional jasperoid frags and minor f.g. pyrite (could be Vic. formation).
960' - 975' (cored from 960' down) (NX size)	Dense, blue-gray, fine grained dolomite laced with small secondary dolomite veinlets. (typical of Bluebell dolomite) One piece of core @ 960' shows a few white spheroids which may be part of "speckled bed". Also occasional nodules of possible chert of dark-gray jasperoid. Bedding @ 972' about 45° to core axis.
975' - 977'	Fissure zone; intensely oxidized with much limonite and manganese oxides; some preserved fine grain cubic pyrite.
977' - 996'	Dense, blue-gray, f.g. dolomite as above. Mn. dendrites on frac. planes.
996' - 1000'	Fine grained silt stone, slightly limey; abundant tiny horn corals and large nodules of f. g. dark-gray chert. Bedding: about 30° to core axis.
1000' - 1012'	Intensely bleached, light-gray, fine grained dolomite; much limonite and some Mn. oxides generally highly fractures and altered and vuggy; much development of calcite x stals in vugs and seams. (3" frag. of porphyry dike material at 1009') Occassional seams of massive limonite.

	Copper	Zinc	Lead	Silver
Sample No. 3	10	90	45	-1

1012' - 1022'	Intensely bleached light-gray, f.g. dolomite as above but much less fractured. Much development of spots of limonite and Mn-oxides on fractured planes; fairly soft and altered.

@1016'	One small bleb of galena rimmed with secondary Pb mineral (probably cerussite) in highly bleached zone @ 1016'.
1022' - 1028'	Less bleached, med.-gray, f.g. dolomite, with sec. dolomite stringers. Slight increase of limonite and spots of Mn-oxides Occassional vugs which look like coral remnants. Bedding: 45° to core axis.
1028' to 1038'	Highly bleached, med. gr. dolomite with crystalline calcite and quartz linings in stringers and vugs. Much Fe oxides; and Mn-oxide dendrites. Much mud and brecciation towards bottom.
1038' to 1058' (Poor Recovery) (No Return circulation) from here	Highly altered brecciated limestone. (formational change) Could be a fault zone?? Only one foot of core recovery. Much limonite and minor Mn-oxides - crystalline calcite and quartz in vugs and fissures.

	Copper	Zinc	Lead	Silver
Sample No. 1	15	210	60	-1
Sample No. 2	15	175	40	-1

1058' - 1062'	Altered, bleached, fine-med-grained limestone; much Fe-staining and minor Mn dendrites; fair core recovery; tiny calcite crystals on frac. planes.
1062' - 1064'	Soft, decomposed, highly argillized prophyry dike rock; abundant f.g. pyrite; (mostly cubic structure) fair chlorite throughout; occassional qtz. crystals.

	Copper	Zinc	Lead	Silver
Sample No. 4	40	+1000	180	-1

1064' - 1075'	Highly oxidized, fractured zone of light-gray, bleached limestone; much Fe-staining and Mn-dendrites; much mud and gouge.
1075' - 1078'	Slightly fresher, less bleached, crystalline limestone. (good recovery.)

All assays in parts per million

APPENDIX 0

REFERENCE LIST

1 - Almond & Morris, 1951, Geochemical Techniques as Applied in Recent Investigations in the Tintic District, Utah; Economic Geol. Vol. 46, No. 6 p608-625

2 - Colorado Consolidated Mining Co. - Mine maps of Iron Blossom Mine.

3 - Cook and Others, 1957, Geology of the East Tintic Mountains and Ore Deposits of the Tintic Mining Districts; Utah Geological Society Guide book No. 12.

4 - Crane 1928, Report on Property of Crown Point Consolidated Mining Co., Tintic Mining District, Utah Co.

5 - Lindgren & Loughlin, 1919, Geology and Ore Deposits of the Tintic Mining District, Utah, U.S. Geol. Survey Prof. Paper 107

6 - Lovering & Others, 1960, Geologic and Alteration - Maps of the East Tintic District, Utah Minerals Investigation Map MF-230 U.S. Geol. Survey

7 - Lovering 1949 - Rock Alteration as a Guide to Ore-East Tintic District, Utah; Monograph 1, Economic Geology

8 - Lovering, Morris, Cook, Bush, 1960, The Chief Oxide Burgin Area Discoveries, East Tintic District, Utah; a Case History; Economic Geology Vol. 55, No. 6

9 - Morris & Lovering, 1961, Stratigraphy of East Tintic Mountains, Utah; U.S. Geol. Survey Prof. Paper 361

10 - Morris, 1964, Geology of Eureka Quadrangle, Utah & Juab Counties, Utah U. S. Geol. Survey Bulletin 1142-K

11 - McIntyre - Mine Maps of Mammoth Mine

APPENDIX 2

General Report
on the Property
of the
CROWN POINT CONSOLIDATED MINING COMPANY
Tintic Mining District - Utah County, Utah
by G. W. Crane
JUNE, 1928

LOCATION - The Crown Point property is located in the east central portion of the Tintic Mining District, Utah County, Utah. It adjoins the old Iron Blossom and Colorado Consolidated properties on the west and the Iron King and East Crown Point on the east. The highly productive Iron Blossom-Colorado channel lies parallel and about 1000 feet to the west. (See map of the Tintic district accompanying this report.)

HOLDINGS - The property consists of about 150 acres of valuable mineral ground held by an undivided interest in nine lode mining claims all of which are patented. The company is capitalized for $100,000.00 represented by 1,000,000 shares of a per value of ten cents each, of which all but 130,620 shares are issued. Accompanying this report is an official map of the property on a scale of 200 feet to the inch showing details of the claims, general surface geology and most of the underground developments. I have also prepared an east- west cross-section through the Crown Point shaft showing the geological structures and formations developed by the mine workings.

SURFACE CONDITIONS - The property lies along the east foot of the main mountain range which rises to elevations of 1500 feet above it. Surface elevations range from 7000 to 6500 feet and the slopes are generally easterly. The shaft is reached by a fair road up a brushy gulch not too steep for an auto or truck.

GEOLOGY - The surface formations consist of dolomite limestone and shale of the Pine Canyon and Gardner formations which strike nearly north and south and dip 20° to 30° to the west thus forming a part of the east limb of the major Tintic syneline. At the collar of the Crown Point shaft the depth to the Tintic quartzite is approximately 6000 feet, which means 6000 feet of limestones and dolomites, three fourths of which are especially amenable to replacement by ore where found in connection with Tintic type of mineralization.

Overlying the sedimentary beds at the south end of the property are bordering it on the north are rhyelite flows and tuffs of Tertiary age that are generally recognized as non-ore-bearing and as having had no part in the mineralization of the camp.

QUARTZ LEDGES - Along the eroded contact of the rhyelites and the underlying sediments are numerous prominent surface quartz ledges that are the result of silicification of the limestones and shales due to an ascending hot water circulation following the advent of the rhyelite flows. The hot waters carrying much silica in solution replaced the limestones and surface talus rocks forming jaspery quartz and quartz breccias which usually give an assay but seldom more than traces of gold and silver. The silicification process is one that took place long before the formation of the regular type of Tintic ore deposit and should not be confused with the latter. Rusty ledges of jaspery quartz of this origin are traceable at intervals all along the old rhyelite-limestone contacts, especially near the horizon of the black shale which seems to have been readily ailicified. But as they do not extend to depths below the ryhelite contact, underground developments have shown no such quartz bodies.

FAULTING - Faulting of any importance is practically wanting on the surface but we know that the Sioux-Ajax fault which crosses the Iron Blossom channel near the Iron Blossom No.3 shaft must cross the south end of the Crown Point property, perhaps near the middle of the Divide No. 2 claim. More, however, the surface formation is rhyelite which is younger than the faulting and therefore covers it. The Sioux-Ajax fault being pre-mineral may be the locus of ore deposition and therefore deserves special attention.

MONZONITE - The extreme south end of the property laps for 130 to 200 feet upon the surface exposure of the monzonite, an intrusive stock, that is generally considered, in the light of abundant evidence, to be the source of the mineralizing solutions in the Tintic district. The presence of the monzonite on the south and the abundance of replaceable limestones and dolomites to depths of 5000 or 6000 feet over the whole of the property complete the setting of almost ideal conditions for the occurrence of another ore channel of the Tintic type. To determine the existance of such an ore channel considerable work has been done through a shaft located near the north end of the property. (See general surface map for the location of these workings.)

DEVELOPMENTS - The Crown Point shaft, consisting of one compartment and manway, has been sunk to a depth of 1000 feet with laterals at the 250, 400, 500, 550, 750 and 1000 feet levels, underground explorations totaling about 10,000 feet. The geological plattings on the cross-section show the bedding dipping from 20° to 30° to the west with only a minor amount of faulting. The formations explored include the Gardner or Chief series of limestones and dolomites, the Victoria quartzite and a portion of the Bluebell limestones which with the exception of the Victoria and the Blue Fossilifarous member of the Gardner are generally good ore-bearing formations which in the Chief and other mines of the district have been highly productive.

Crown Point Report by B. W. Crane

Faulting in the mine is of minor importance except near the east boundary of the property where a nearly east-west fault shown on the 250 level lifts the mottled dolomite to 200 feet or more to a position opposite the sugary dolomite. The fault planes are tight and show no mineralization. They were not entered elsewhere by any of the lower workings.

FISSURING - A little farther to the southeast on the 250 level considerable work was done on the promising break or fissure which strkies N 40° E and dips about 70° to the northwest. On the plane of this break is a 6 to 8 inch seam of brecciated limestone mixed with intrusive porphyry with here and there some secondary quartz due to the silicification of the fissure walls and at one point considerable iron accompanies the quartz. The best of this material was sampled with considerable expection but was found to carry only traces of gold and silver and no lead. A break of similar Character has been cut near the face of the east drift on the 1000 level but shows less indication of mineral than that on the 250 level.

BRECCIA DIKES - At various points east of the shaft breccia dikes varying from a few inches to 4 feet in width have been cut. The strike of these dikes is generally 10° to 30° east of north and the dip 60° to 80° to the northwest. They consist of both angular and rounded limestone fragments inbedded in a matrix of porphyry but show no signs of mineralization. Judging from their occurrence elsewhere in the camp under conditions showing their relation to ore bodies I believe these dikes to be on intrusive origin and to be younger thanthe ore bodies, therefore affording no clue to the location of the latter.

BRECCIA-FILLED CAVES - On the 250 level and about 300 feet west of the shaft drifting has exposed an area about 150 feet wide and 200 feet long over which the formation is almost entirely a soft breccia consisting of angular fragments of various types of limestone and shale and much black chert imbedded in a clayey matrix but in places fairly clean and partly cemented by white incrustations of calcite. Excepting the black chert no quartz is present and there is very little iron or other indications of ore depostion. Over the larger part of the area opened up the breccia has the appearance of a cave filled by materials from the surface the amount and character of the clay matrix varying from place to place but the character of the breccia materials remaining much the same. Where under went by the 500 and 750 levels no such breccia formation is shown indicating that it is neither intrusive nor the result of important structural movements. The probabilities are that it is a cave filling of recent origin and has no important bearing on the location of mineral deposits.

CHERT - One of the characteristic dolomitic limestone horizons out by the Crown Point mine workings is that known in the Chief mine as the Sugary dolomite which is one of the very best ore bearing horizons in that mine. Near the middle of the Sugary dolomite there is everywhere present a bed of glassy chert varying from one foot to 8½ feet in thickness which is an original sedimentary member in that formation and is in no way directly indicative of ore. In the Crown Point workings this bed of chert has been cut at all levels down to the 750 and is usually from 5 to 5½ feet in thickness. In some places it is porous and rusty and has been taken for mineral quartz and although it has been prospected considerably on both strike and dip no ore discoveries were made.

IRON SHOWINGS - At several points throughout the mine, particularily in the Sugary and Mottled dolomite formations, there are encouraging showings of limonitie iron filling small solution cavities in the limestones, some of which feels gritty to the hand. All such showings were sampled and assayed to detect any possible evidence of their having been deposited by mineralizing solutions of a magnatic source. The results of this sampling are as follows:

Lev	Drift-Location of sample	Character	Au. Ozs	Ag. Ozs	% Pb.
250 East	Raise at point T	Fe.& Qtz.	Tr.	Tr.	none
250 West	16 ft. N. point R	Fe.	Tr.	Tr.	none
400 East	25 ft. NW point D	Fe.&Qtz.	Tr.	Tr.	none
500 East	57 ft. E. point M	Fe.	Tr.	Tr.	none
500 West	8 ft. NW point D	Fe. & Mn.	Tr.	Tr.	none
750 West	8 ft. E. point M	Fe. & Mn.	Tr.	Tr.	none

It will be noted that for each sample the assay returns showed only traces of gold and silver and no lead. As this is no more than is usually obtained from iron showings in general one is hardly warranted in accepting the iron as a definite indication of the Tintic type of deposition for which quartz or manganese as well as iron is required. Perhaps the nearest approach to such a showing is the silicified iron stained limestone adjacent to the fissure described as occurring at the east end of the 250 level. Samples of this however when assayed showed no mineral other than the usual traces of gold and silver.

Another showing of special interest was obtained in the 119 feet winze 400 feet west of the shaft on the 750 level. Here, at a depth of about 80 feet, the winze is reported to have cut 4 feet of 22% manganese ore which also assayed about 2 oz. of silver to the ton. The winze is now inaccessible but the reported character of the material cut is certainly interesting in that it appears to contain enough manganese and silver to be classed as indicative of ore deposition of the Tintic type. Under The circumstances it would be advisable to further prospect this showing, either by work in the winze or by undercutting it on the 1000 foot level. The

accompanying section shows that such a drift on the 1000 level would tap the Mottled dolomite, a very good ore-bearing horizon directly under the showing in the winze. Should more work be untertaken at the old stand I think it would be done here.

PRESENT STAGE OF DEVELOPMENTS - In the search for an ore channel of the Tintic type, the shaft and mine workings on the Crown Point property were well planned and thoroughly carried out down to the 1000 foot level. The distance to the east of the Iron Blossom channel is just about right for the interception of a new channel and in my opinion the underground workings were spaced sufficently close to avoid missing a channel occuring within the depth prospected. While there is still a fair prospect to find an ore channel at depths greater than these of the present workings no doubt the best horizons have been prospected for that locality and excepting the work I have suggested for the 1000 foot level of the No. 2 shaft I believe that further work might better be directed to another part of the property.

UNEXPLORED AREAS - Refering to the property map it will be noted that practically all the work on the Crown Point tract to date has been done near its north end while much the larger part of the property, lying to the south and east, is still undeveloped.

In a geological sense, and considering the almost negative results of the work on the north, the southeastern portion of the property is at present much the more attractive development proposition, Should the ore channel sought be farther to the east than at first anticipated, here is the place to look for it and here also is an opportunity to locate an ore body of the East Tintic type. In general structure, the southern portion of the property is similar to that on the north in so far as the dip of the bedding is concerned and the same series of limestone formations are represented.

Another encouraging feature lies in the fact that this part of the property is closer to an eastern belt of intrusive monsonite plugs which are thought to be directly allied to the agencies producing the East Tintic ore bodies. On the surface this belt of intrusion is tracable from a point on the East Crown Point property north and east through the Zuma, Iron King, Big Hill, Bullion and North Lily properties to a point on the railroad near Canyon siding and is accompanied all the way by surface deposits of iron and manganese oxide of undoubted magmatic (igneous) origin.

CONDITIONS FAVORING ORE DEPOSITION - The deposition of the Tintic type of ore channel is dependent primarily upon two factors - first, a good supply of mineralizing solutions and second, a favorable horizon for its deposition by replacement. The structures involved vary widely in the several channels indicating that structure is of secondary importance.

The source of the mineralizing solutions for the four or five known Tintic channels is definitely known to have been at certain points along the contact of the monzonite and the limestone in the south end of the district varying considerable as to depth beneath the surface. In at least two cases the points of sources are marked by large iron deposits at the surface as exemplified by the Dragon Iron mine at the south end of the Iron Blossom- Colorado channel and the Black Jack Iron deposit at the south or contact end of the Mammoth channel. Each of the channels are represented near the monzonite contact by true fissure veins in the more or less metamorphosed limestone with but little replacement of the wall rocks and only at some distance to the north of the monzonite contact or point of source is there pronounced replacement of the limestone beddings. When limestone replacement becomes important the bedding structure and the faulting come into play in controlling the course or direction of the ore channel and in determining its shape and manner of occurrence. For instance

the clay synclinal structure north of the Sioux-Ajax fault in the Colorado channel held the ore to practically one horizon and to a nearly straight line course. In the Centennial Channel, the vertical bedding in the Eureka Hill and Gemini mines held the ore to lines parallel to the bedding. In the Chief and Plutus mines the ore occurs replacing beds dipping at angles of 20° to 30° as in the Crown Point and while following the bedding takes a tertuons or meandering course as influenced by any break or cross structure but clings closely to certain favorable beds. In all of these cases the dip of the bedding while influencing the course followed by the ore has had little or nothing to do with the amount of deposition or the character of the ore which are features that are controlled entirely by the strength and character of the ore depositing solutions and the thickness and character of the limestone bedding rather than by any particular structure.

The Crown Point property is favorably located with respect to the known mineralized areas. Given a strong mineralizing solution from off the contact of the monzonite on the south the structural features and character of the limestone formations on the tract are certainly such as to satisfy all the usual requirements for extensive ore deposition.

PROBABLE CHANNEL - Among students of geological conditions in East Tintic the opinion is general that there will be found another ore channel to the east of the more or less parallel to the Iron Blossom-Colorado channel. Evidence of the existance of such a channel is had in the numerous surface showings of iron and manganese on the adjacent Iron King property and by ore and quartz showings in the underground workings at the old Iron King shaft on the Clipper claim and in the Yankee east workings further north.

On that part of the Iron King property adjoining the Crown Point on the east deposits of manganiferous iron are numerous and have been worked considerably as a flux for old time lead smelters. These deposits were formerly buried beneath the rhyolite flows and no doubt other deposits of the kind lie unexposed under the rhyolite covering the southeast portion of the Crown Point property.

In several places in the Tintic district these manganiferous deposits are directly related to the monzonite intrustons and in at least two instances they are directly associated with lead-silver deposits and cary low silver values. In every case they are proof of local magnatic section and therefore, I believe, offer the best surface evidence we have in East Tintic of the probably existence of ore bodies of the lead-silver type.

The showing in the old Iron King shaft workings is reported to include some lead-silver ore as well as structures indicative of an ore channel. The showing in the Yankee mine was on the 1500 level east drift at a point about 1500 feet east of the shaft and consisted of undoubted ore quartz carrying low values in silver that must be recognized as belonging to the Tintic type of mineralization.

Accepting the above described mineralization as evidence of the probable existance of another ore channel in these parts and judging from developments to date, we may conclude that such a channel must lie somewhere in the undeveloped section between the Crown Point workings on the west and the workings in the Zuma, an adjacent mine on the east, in which case it will be pretty sure to cross the eastern portion of the Crown Point tract.

RECOMMENDATIONS - In the light of the conditions discussed above the southeastern portion of the Crown Point property certainly warrants thorough prospecting. This may be initiated either by an electrical survey or by drilling or by sinking a new shaft and working from that. Should the property contain ore bodies not deeper than say 500 or 600 feet they may be detected by electrical surveys at depths depending largely upon their mine, but should the ore bodies be thoroughly oxidized probably little would be gained by such a survey. The iron ore which was found at depths

600 to 800 feet beneath the surface, a short distance to the east, was about 80% sulphide and for this reason I believe an ore body on the Crown Point property, occurring under similar conditions, could be expected to contain enough sulphides to be detected by an electrical survey if not too deep. Any indications of ore shown by such a survey might first be checked by drilling but since sulphide mineral in Tintic is so generally good lead-silver ore, I would be inclined to recommend dispensing with the drilling and that a shaft be sunk at once to any indications. Should be electrical survey not be made then I recommend that a two compartment shaft be sunk at a point near the west end of the Ridge claim from which, beginning at about the 800 foot level, a camapign of development similar to that on the north be conducted.

Respectfully submitted,

/s/ G. W. Crane

Geologist

June 28, 1928

507 Dooly Block
Salt Lake City, Utah

September 28, 1967

P. O. Box 537
East Ely, Nevada

Mr. William Hassler
USBM OME
Federal Center Bldg.
Denver, Colorado

Dear Mr. Hassler:

The enclosed report and supporting maps are submitted to you as our revised program for exploring the Crown Point properties in the Tintic District, Eureka, Utah. This program explores a specific target area and should meet the requirements of the Government's OME program.

In addition to our own examination, this property and the ore controls contained thereon, have been thoroughly studied by the U.S.G.S.. The Survey has been very instrumental in using these guides for discovering ore in the Tintic District.

The mining equipment, financial requirements and ability to direct and support this program can be very ably handled by the Larsens.

The Larsens and I will be most willing to meet with you and other OME representatives either in Denver or Washington to further discuss and/or clarify this requested program.

Sincerely,

Roger C. Banghart

REVISED

O M E

EXPLORATION PROGRAM

CROWN POINT AND EAST CROWN POINT CLAIMS

TINTIC MINING DISTRICT, UTAH CO., UTAH

SEPTEMBER, 1967

REPORT SUBMITTED TO:

Messrs John & Glen Larsen
Western States Mining and
Contracting, Inc.
Riverton, Wyoming 82501

REPORT SUBMITTED BY:

Mr. Roger C. Banghart
East Ely, Nevada
Registered professional engineer
Missouri E 11320
Idaho Geol. Eng. 1736

INTRODUCTION

In April, 1967, a report was submitted on the Crown Point and East Crown Point claims in the Tintic Mining District, Utah County, Utah requesting exploration assistance under the government's OME program for silver. An evaluation of this report concluded that the program was too broad and should be centered on a specific target area encompassing the more definite geologic features and ore controls within the leased ground.

The enclosed map and cross sections will help visualize the ore controls and the target area.

ORE CONTROLS

Without repeating in detail the report of April, 1967, the pertinent geological criteria for finding an ore body on this property will be re-emphasized and a revised program recommended.

The geologic features which control the deposition of ore within the Crown Point leases are outlined below:

1. Sioux Ajax Fault

   This major east-west fault has localized four mines in the Tintic District: Mammoth, Spy, Iron Blossom, and Trixie discovery. The Eureka Standard fault which is probably a continuation of the Sioux Ajax Fault locallized three mines, the Eureka Standard, Apex Standard, and Burgin.

2. North Trending Ore Channels

   On the 680 level of the Crown Point No. 3 shaft ore channels have been discovered in the basal beds of the Victoria formation. The ore channels as mapped consist of a system of breccia zones and pebble dikes containing ore stage mineralization.

This mineralization consists of galena, jasperoid, and manganese oxide. The Tintic quartzite boulders in the pebble dikes indicate the structures reach to great depths. CP #1 drill hole, collared 350 feet due south of the 680 level toward the Sioux Ajax Fault located minor galena and the speckled bed at the base of the Victoria Formation. The mineralization encountered in this hole further emphasized and extends the 680 level ore channels to the south toward the Sioux Ajax fault.

3. Bluebell Formation

A full section of the highly receptive host rock, the Bluebell Formation presents itself for exploration immediately below the 680 level and between 950 feet and the bottom of the proposed 1300 foot shaft. This formation has accounted for ¼ of the district's production or $110,000.00.

The ore channels which were discovered on the 680 level are in the basal beds of the overlying Victoria Formation. The Victoria Formation was the least productive in the district and the ore stage mineralization consisting of galena, jasperoid and manganese oxides had to transgress through the Bluebell Formation to be deposited in the Victoria Formation.

4. Mineralization

The jasperoid and manganese minerlization is directly associated with the ore and was deposited during the early part of the ore stage of deposition. Only the Victoria Formation which contains this mineralization and galena has been explored within the Crown Point lease. These mineralized structures traced downward into the Bluebell Formation will most probably blossom out into major ore zones.

Although the pyritic zones in the volcanics are broader type ore controls, it should be noted that such pyritic areas overly the Iron Blossom mine, Eureka Lily mine, Tintic Standard Mine, Trixie discovery and Burgin mine.

REVISED EXPLORATION PROGRAM

A definite target area presents itself for exploration by extending the known mineralized ore channels of the 680 level southward to the Sioux Ajax fault and downward into the Bluebell Formation.

To adequately explore this area the following program is recommended:

1. Collar a 1300 foot shaft at a point 250 feet west and 200 feet south of CP #1 drill hole. This shaft will penetrate directly into the target area and will explore the Bluebell Formation.
2. Drift 200 feet south on the 1300 foot level to locate the Sioux Ajax fault.
3. Crosscut 500 feet east along the north wall of the Sioux Ajax fault to locate and explore the downward and southerly projected ore channels.
4. Diamond drill ten, 400 feet holes to explore the ore channels along strike and dip.

CONCLUSIONS

This revised OME program explores a specific target area through a 1300 foot shaft, 700 feet of drifting and crosscutting and 4000 feet of diamond drilling.

This target area consists of projecting downward known ore channels from the unproductive Victoria Formation into the most favorable host rock in the district, the Bluebell Formation. In addition, these

ore channels will be explored at their intersection with the Sioux Ajax Fault which is one of the most important structures in the Tintic District for locallizing ore bodies.

The structural intersection of the Sioux Ajax Fault with the north trending ore channels in the most favorable host rock, the Bluebell Formation would lend itself to a program for finding flat ore channels in the Bluebell Formation and chimney type ore bodies at the intersection with the Sioux Ajax fault.

These geologic features define a definite target area of major importance to the discovery of ore in the Tintic District.

LLOYD R. MYERS

WESTMINSTER, COLORADO 80030

Certified Public Accountant

To the Stockholders and Board of Directors,

Western States Mining, Incorporated.

I have examined the consolidated balance sheet of Western States Mining, Incorporated and subsidiary as of September 30, 1971 and the related consolidated statement of operations, and source and application of funds for the nine month period then ended. My 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 I considered necessary in the circumstances.

In my opinion, subject to the realization of the Company's investment in the Crown Point Joint Venture of $238,815 as discussed in Note 4 of the notes to the consolidated financial statements, the accompanying consolidated balance sheet and consolidated statement of operations, and source and application of funds present fairly the financial position of Western States Mining, Incorporated and subsidiary at September 30, 1971 and the results of their operations and the source and application of funds for the nine months then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Lloyd R. Myers

Westminster, Colorado

November 12, 1971.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET -- SEPTEMBER 30, 1971

ASSETS

CURRENT ASSETS:		
Cash		$ 4,531
Marketable securities, at cost (Note 3)		43,120
Accounts receivable - trade		49,205
Accounts and notes receivable - other		13,021
Undelivered ore stockpiled - at estimated net realizable amounts		23,200
Prepayments		5,366
Total current assets		$138,443
INVESTMENTS IN JOINT VENTURE AND NON-SUBSIDIARY COMPANIES, at cost (Note 4)		249,980
PROPERTY, BUILDINGS AND EQUIPMENT, at cost (Notes 5, 6, and 7):		
Land, building and equipment	$233,314	
Mining claims	120,032	
	$353,346	
Less accumulated depreciation	122,010	231,336
DEFERRED CHARGES:		
Mine development costs (Note 6)	$ 19,674	
Interest, less current portion	1,157	20,831
		$640,590

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Notes payable to bank		$140,000
Current portion of long-term debts (Note 7)		9,740
Accounts payable		48,789
Accrued liabilities		14,673
Loans from stockholders		5,990
Total current liabilities		$219,192
LONG-TERM DEBT, less portion classified as current liability (Note 7):		
United States Office of Mineral Exploration Contract, including accrued interest thereon	$ 80,123	
Notes payable to financial institutions	5,702	85,825

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET -- SEPTEMBER 30, 1971

DEFERRED CREDITS:		
Federal income taxes (Note 8)	$ 51,600	
Other	1,250	$ 52,850
STOCKHOLDERS' EQUITY:		
Capital stock, $.01 par value, authorized 10,000,000 shares, issued and outstanding 1,390,000 shares (Note 9)	$ 13,900	
Capital in excess of par value	259,477	
Retained earnings	9,346	282,723
		$640,590

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE NINE MONTH PERIOD ENDING SEPTEMBER 30, 1971 (Note 2)

INCOME:		
Sale of mining claims		$ 650
Less cost of mining claims		325
		$ 325
Contract-		
Mining	$105,999	
Drilling and validating claims	37,821	
Other	23,198	167,018
		$167,343
EXPENSES:		
Mining, administrative and general expenses	$203,023	
Depreciation (Note 6)	27,918	
Interest	10,128	241,069
Loss before reduction in deferred income taxes		$ 73,726
REDUCTION IN DEFERRED FEDERAL INCOME TAXES (Note 8)		6,450
Net loss		$ 67,276
RETAINED EARNINGS AT BEGINNING OF YEAR		76,622
RETAINED EARNINGS AT END OF YEAR		$ 9,346
LOSS PER SHARE (Note 10)		$.05

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE NINE MONTH PERIOD ENDING SEPTEMBER 30, 1971 (Note 2)

SOURCE OF FUNDS:		
Results of operations		($ 67,276)
Add charges (credits) to loss not requiring (providing) funds:		
Depreciation	$30,205	
Reduction in deferred Federal income taxes	(6,450)	23,755
Funds applied to operations		($ 43,521)
Contributions from minerals exploration contract		44,078
Increase in deferred credits		1,250
Decrease in deferred charges		546
Decrease in working capital		161,323
		$163,676
FUNDS APPLIED:		
Investment in Crown Point Joint Venture		$105,556
Capital expenditures		31,768
Deferred development costs		19,674
Investment in Ruby Mining Company		5,000
Decrease in long-term debts		1,555
Exploration costs		123
		$163,676

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 1971

(1) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Western States Minerals, Inc. All inter-company accounts have been eliminated.

(2) CHANGE IN ACCOUNTING PERIOD

During the year, the Company changed its year end from December 31, to September 30, for financial reporting purposes. Further, an application was filed with and approved by the Internal Revenue Service to adopt a similar year end for income tax reporting purposes.

(3) MARKETABLE SECURITIES

The investment, $43,120, in securities at September 30, 1971 represents an investment, $40,000, in 40,000 shares of Crown Point Consolidated Mining Company and an investment, $3,120, in 6,500 shares of East Crown Point Consolidated Mining Company. The underlying quoted market value of these stocks at September 30, 1971 aggregated approximately $22,000.

(4) INVESTMENTS IN JOINT VENTURES AND NON-SUBSIDIARY COMPANIES

Investments include $238,815 applicable to the Company's 57½% participation in a joint venture with Century Nuclear, Inc. and Vipont Mining Company, and $6,165 applicable to the Company's ownership of 308,250 shares of unregistered capital stock of Century Nuclear, Inc. (approximately 8% of the outstanding stock of that company) and, $5,000

applicable to the Company's ownership of 500,000 shares of unregistered capital stock of Ruby Mining Company (approximately 25% of the outstanding capital stock of that Company).

Crown Point Joint Venture, is in the development stage and has not begun mining operations. Accordingly, all development and other costs have been deferred. Equity in the joint venture is stated at cost.

Investment in Century Nuclear, Inc. stock is stated at cost.

Investment in Ruby Mining Company stock is stated on the equity method which is equal to cost since all development and other costs are being deferred until mining operations have begun.

On March 30, 1971 the Company and Century Nuclear, Inc. entered into a joint venture agreement with Central Mining Corporation for the mining of certain mining leases. The Company and Century Nuclear, Inc. are required to perform all mining operations on the leases and to contribute up to $100,000 to establish the working capital of the joint venture. The Company will share in net profits after 10% retainage by the joint venture for working capital and return of the Company's initial contribution, of 50% to May 1, 1973, then 40% to May 1, 1975, and 30% there after.

As of March 15, 1971, the Company entered into a joint venture agreement with Ruby Mining Company, Century Nuclear, Inc., and Chambers Investment Co. for the exploration, development, and mining of certain claims in the Ruby Mining District, Gunnison County, Colorado. Under the terms of the agreement, the Company has agreed to contribute to the joint venture, its one-half interest in 133 Elk claims. The Company has a cost of $6,253 attributable to these claims.

(5) ROYALTIES

The Company has retained overriding royalties in approximately 61,000 acres of mining claims and leases that it has sold. The value or potential income from these overriding royalties is not determinable and accordingly no value is reflected in the accompanying financial statements.

(6) PROPERTY

Property at September 30, 1971 is summarized as follows:

	Gross Investment (at cost)	Accumulated Depreciation	Net Investment
Equipment	$223,803	$119,563	$104,240
Buildings	7,248	2,129	5,119
Land	1,500	-	1,500
Leasehold improvements	763	318	445
	$233,314	$122,010	$111,304

Depreciation and amortization of property and equipment is provided for financial statement purposes over estimated useful lives, computed by using principally the straight-line method as follows:

Portable shop buildings	10 years
Mining and drilling equipment	3 to 8 years
Mobile equipment	3 to 8 years
Airplane	6 years
Office furniture and equipment	5 years
Leasehold improvements	3 years

The Company has followed the accounting policy of capitalizing all exploration and claim costs.

Mine development costs are deferred by project and will be charged against income from the applicable project, or will be written off, as appropriate. Miscellaneous income from the projects has been offset against the unrecovered development costs.

(7) LONG-TERM DEBT

Long-term debt at September 30, 1971 is as follows:

	Unpaid Balance	Classified As Current	Classified As Long-Term
Non-interest bearing chattel mortgage payable in monthly installments of $306. Secured by a chattel mortgage on the airplane with a depreciated cost of $11,881.	$7,657	$3,675	$3,982
Non-interest bearing chattel mortgage payable in monthly installments of $199. Secured by a chattel mortgage on an automobile with a depreciated cost of $5,686.	3,986	2,392	1,594
Non-interest bearing chattel mortgage payable in monthly installments of $131. Secured by a chattel mortgage on a truck with a depreciated cost of $1,385.	912	786	126
Miscellaneous lease purchase contracts	2,887	2,887	
	$15,441	$9,740	$5,702

Under terms of an exploration contract dated July 10, 1969 between the Company and United States Office of Mineral Exploration, the Government will contribute a sum not to exceed $75,025 for the exploration of the Crown Point properties (as further described in Note 4). Under the terms of the contract, the government shall receive a 5% royalty of the gross proceeds from any future production sold until the amount of Federal funds contributed is fully repaid with interest at the rate of 8½% per annum. At September 30, 1971 the funds advanced by the government amounted to $74,986 and accrued interest as of September 30, 1971 of $5,137. The Company does not anticipate that any royalty payment will be required within one year.

(8) FEDERAL INCOME TAXES

During 1970, the Company made a change of accounting method

under Revenue Procedure 67-10, with the consent of the Internal Revenue Service, for the taxable year beginning January 1, 1970. As a result of the change in accounting method, income of approximately $134,000 was deferred as of December 31, 1969, and is taxable to the Company in subsequent years. A deferred Federal income tax of $64,500 was provided in 1969 and is being amortized over 10 years as provided in Revenue Procedure 67-10.

Further, the joint venture has elected to deduct development expenditures currently for Federal income tax purposes. No recognition of the related Federal income tax benefits has been deferred to future years.

As a result of the operating loss for the nine months ended September 30, 1971, no provisions for Federal income taxes has been made.

Further, the Company has an operating loss carryover which may be used against income in future years of approximately 300,000 as of September 30, 1971, which includes the adjustments of deferred income previously mentioned and the deduction for the development costs of the joint venture.

(9) WARRANTS

A total of 30,000 shares of capital stock are reserved for warrants issued in connection with the public offering dated July 22, 1970. The warrants provide for the purchase of no more than 30,000 shares of capital stock at $1.10 per share until July 22, 1974 when they expire.

(10) LOSS PER SHARE

Loss per share was computed by dividing net loss by the

weighted average number of shares of common stock outstanding during the year.

CENTURY NUCLEAR INC. AND SUBSIDIARY

FINANCIAL STATEMENTS

AS OF JUNE 30, 1971

(Prepared without audit or confirmation)

LLOYD R. MYERS
CERTIFIED PUBLIC ACCOUNTANT
WESTMINSTER, COLORADO

LLOYD R. MYERS

WESTMINSTER, COLORADO 80030

Certified Public Accountant

To the Stockholders and Board of Directors,

Century Nuclear Inc.

The accompanying consolidated balance sheet of Century Nuclear Inc. and subsidiary as of June 30, 1971 and the related consolidated statements of earnings, and source and application of funds for the year then ended were not audited by me and accordingly I do not express an opinion on them.

Lloyd R. Myers

Westminster, Colorado

July 15, 1971.

CENTURY NUCLEAR INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET -- JUNE 30, 1971

(Prepared without audit or confirmation)

ASSETS

CURRENT ASSETS:		
Cash		$ 32,891
Accounts receivable		15,453
Prepaid expenses		670
Total current assets		$ 49,014
INVESTMENTS, at cost (Note 2):		
Royalty, interest-mining claims	$ 43,001	
Non-subsidiary companies	14,000	
Crown Point joint venture	120,000	177,001
PROPERTY AND EQUIPMENT, at cost (Note 3)		
Building and equipment (Note 5)	$ 77,855	
Undeveloped uranium claims	80,439	
	$158,294	
Less accumulated depreciation	14,365	143,929
OTHER ASSETS:		
Unrecovered promotional, exploratory and development costs (Net of amortization of $22,304) (Note 3)	$ 15,932	
Accounts and interest receivable - Colorado Corporation (Note 4)	26,642	42,574
		$412,518

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:	
Notes and mortgages due in one year (Note 5)	$ 4,913
Accounts payable	13,489
Accrued liabilities	1,812
Total current liabilities	$ 20,214
LONG-TERM DEBT, excluding current portion (Note 5):	15,431
	$ 35,645
DEFERRED FEDERAL INCOME TAXES (Note 6)	42,400

CENTURY NUCLEAR INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET -- JUNE 30, 1971

(Prepared without audit or confirmation)

STOCKHOLDERS' EQUITY		
Common stock, 10,000,000 shares authorized, 3,865,000 shares issued and outstanding, $.01 par value (Note 7)	$ 38,650	
Capital in excess of par value	271,877	
Retained earnings	23,946	$334,473
		$412,518

CENTURY NUCLEAR INC. AND SUBSIDIARY

CONSOLIDATED INCOME STATEMENT

FOR THE NINE MONTHS ENDED JUNE 30, 1971

(Prepared without audit or confirmation)

INCOME:		
Sale of mining claims		$ 650
Less cost of mining claims		325
		$ 325
Other income		
Rental	$ 7,583	
Interest	3,663	
Miscellaneous	5,752	16,998
		$17,323
EXPENSE:		
Administrative and general expenses	$59,242	
Depreciation and amortization (Note 3)	15,394	
Interest	1,189	75,825
Net loss for the period		($58,502)
EARNINGS (LOSS) PER SHARE (Note 8)		($.01)

The accompanying notes to consolidated financial statements are an integral part of this statement.

CENTURY NUCLEAR INC. AND SUBSIDIARY

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE NINE MONTHS ENDED -- JUNE 30, 1971

(Prepared without audit or confirmation)

SOURCE OF FUNDS:		
Results of operations		($58,502)
Add: Charges (credits) to income not requiring (providing) funds		
Depreciation (Note 3)	$15,394	
Loss on surrender of oil and gas leases (Note 4)	3,702	19,096
Funds applied to operations		($39,406)
Surrender of working interest in oil and gas (Note 4)		21,000
Decrease in working capital		77,964
		$59,558
FUNDS APPLIED:		
Increase in investment in Crown Point Joint Venture (Note 2)		$20,000
Investment in capital stock of Ruby Mining Company (Note 2)		5,000
Additions to undeveloped uranium claims (Note 3)		6,243
Additions to plant, property and equipment		986
Accounts and accrued interest receivable-Colorado Corporation (Note 4)		26,642
Decrease in long-term debts		687
		$59,558

The accompanying notes to consolidated financial statements are an integral part of this statement.

CENTURY NUCLEAR INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 1971

(Prepared without audit or confirmation)

(1) PRINCIPLES OF CONSOLIDATION

The consoliated financial statements include the accounts of the Company and its wholly-owned subsidiary, Admiral Nuclear, Inc. All inter-company accounts have been eliminated.

(2) INVESTMENTS

Investments include $120,000 applicable to the Company's 32½% participation in a joint venture with Western States Mining, Incorporated, Western States Minerals, Inc., and Vipont Mining Company; $5,000 applicable to the Company's ownership of 500,000 shares of unregistered capital stock of Ruby Mining Company (approximately 25% of the outstanding capital stock of that company); and $9,000 applicable to the Company's ownership of 1,000 shares of Pacific Leisure Enterprises, Inc.

Crown Point Joint Venture, is in the development stage and has not begun mining operations. Accordingly, all development and other costs have been deferred. Equity in the joint venture is stated at cost.

Investment in Ruby Mining Company stock is stated on the equity method which is equal to cost since all development and other costs are being deferred until mining operations have begun.

As of March 15, 1971, the Company entered into a joint venture agreement with Ruby Mining Company, Western States Mining, Incorporated and Chambers Investment Co. for the exploration, development, and mining of certain claims in the Ruby Mining District, Gunnison County, Colorado. Under the terms of the agreement, the Company has agreed to contribute to the joint venture, its one-half interest in 113 Elk claims. The Company has a cost of $5,593 attributable to these claims.

The Company has retained varying percentages of overriding royalty interests on mining claims sold. The costs allocated to the royalty interest are being carried as an investment as they are not held primarily for resale. The formula used to allocate costs equates a 1% royalty interest to 10% of the cost of the claim. Included in this amount is $17,498 of royalty interests on claims that were received for the issuance of capital stock at the time of incorporation.

(3) ACCOUNTING POLICIES

Depreciation and amortization of property and equipment is provided for financial statement purposes over the estimated useful lives, computed by using the straight-line method as follows:

Building	25 years
Office furniture and equipment	10 years
Airplane	6 years

During the development stage, the Company deferred all promotional, exploratory and development costs. These costs are being amortized over a three year period.

The Company has followed the accounting policy of capitalizing all exploration and claim costs.

(4) JUDGMENT RECEIVABLE

On June 15, 1970, the Company acquired from The Colorado Corporation, a Colorado corporation, a 12½% unitized working interest in oil and gas leases located in Campbell County, Wyoming, for $25,000.00. Colorado Corporation entered into an operating agreement with Pubco Petroleum Corporation whereby The Colorado Corporation was to furnish one-half of the drilling costs of a well to be completed on the leases. The well was drilled and completed and has produced oil and gas. The Colorado Corporation failed to pay its one-half share of the drilling costs and Pubco proceeded to foreclose its interest against The Colorado Corporation. Consequently, Century filed a lawsuit against The Colorado Corporation and received a judgment for $26,224.95 on April 12, 1971. The Company is informed that The Colorado Corporation owns an interest in a uranium ore body located in Sweetwater and Fremont Counties, Wyoming, and this judgment has been filed in the respective Counties so as to become liens on that property.

The judgment bears interest at 7% from the date of the judgment. The Company does not anticipate any collections against the judgment during the next year.

(5) NOTES PAYABLE

Notes payable are as follows:

Non-interest bearing note payable to Western States Mining, Incorporated, due upon deman, secured	$ 4,000
7% mortgage payable to First Guaranty Savings and Loan Association, $2,110 due annually including interest, secured by a mortgage on land and building	16,344
	$20,344

Current portion	$ 4,913
Long-term portion	15,431
	$20,344

(6) DEFERRED FEDERAL INCOME TAX

For Federal income tax purposes, the Company's share of development expenses deducted during the year totaled $101,422. The taxes deferred, as a result of this deduction, have been reflected in the accompanying statements.

No provisions for additional Federal income tax has been made because of the net operating loss.

(7) STOCK OPTIONS

The stockholders adopted a qualified stock option plan at their annual meeting on August 28, 1970. The stock to be offered under the plan shall be shares of the Company's authorized $0.01 par value common stock and shall not exceed in the aggregate 500,000 shares. An option can be granted by the Board of Directors to any employee of the Corporation. The option price shall be 100% of the fair market value of the stock at the time the option is granted. On September 30, 1970, options had been granted to five employees for a total of 75,000 shares. None of the options have been exercised.

(8) LOSS PER SHARE

Loss per share is computed by dividing net loss by the weighted average per share of common stock outstanding during the year.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 1970

TOGETHER WITH AUDITOR'S OPINION

LLOYD R. MYERS
CERTIFIED PUBLIC ACCOUNTANT
WESTMINSTER, COLORADO

LLOYD R. MYERS

WESTMINSTER, COLORADO 80030

Certified Public Accountant

To the Stockholders and Board of Directors,

Western States Mining, Incorporated.

I have examined the consolidated balance sheet of Western States Mining, Incorporated and subsidiary as of December 31, 1970 and the related consolidated statement of earnings, stockholders' equity, and source and application of funds for the year then ended. My 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 I considered necessary in the circumstances. I made a similar examination for the period ended December 31, 1969.

A substantial portion of the Company's assets consists of an investment in Crown Point Joint Venture at December 31, 1970. As explained in Note 2 to the accompanying consolidated notes to financial statements, the venture is still in the development stage. Realization of this investment is dependent upon the successful discovery and production of minerals in sufficient quantity and at a price to permit profitable operation.

In my opinion, subject to the effect of the matter referred to in the preceding paragraph, the accompanying consolidated balance sheet and consolidated statement of earnings, stockholders equity, and source and application of funds present fairly the financial

position of Western States Mining, Incorporated and subsidiary at December 31, 1970 and the results of their operations and the source and application of funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Lloyd R. Myers

Westminster, Colorado

April 19, 1971.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET -- DECEMBER 31, 1970 AND 1969

A S S E T S

	1970	1969
CURRENT ASSETS:		
Cash	$ 13,772	$ 20
Certificate of deposit and accrued interest thereon	102,500	
Marketable securities, at cost (Market value, $45,170 and $1,500, respectively)	43,120	3,120
Accounts receivable - trade	33,598	198,771
Accounts and notes receivable - other	26,933	22,000
Undelivered contract ore stockpiled	8,400	-
Prepayments	1,165	1,165
Total current assets	$229,488	$225,076
INVESTMENTS IN JOINT VENTURE AND NON-SUBSIDIARY COMPANY, at cost (Note 2)	$139,424	$ 58,269
PROPERY AND EQUIPMENT, at cost (Note 3 and 4):		
Building and equipment (Note 5)	$201,546	$178,365
Undeveloped uranium claims (Note 9)	119,909	53,100
	$321,455	$231,465
Less accumulated depreciation	91,805	60,200
	$229,650	$171,265
OTHER ASSETS:		
Deferred interest, less current portion	$ 1,703	$ 2,867
Organization expenses, net of amortization		50
	$ 1,703	$ 2,917
	$600,265	$457,527

L I A B I L I T I E S

	1970	1969
CURRENT LIABILITIES:		
Notes payable to banks	$ 75,000	$ 75,000
Current portion of long-term debts (Note 5)	5,247	4,985
Accounts payable	49,765	77,218
Accrued liabilities	11,369	10,668
Employees withholdings	1,543	3,040
Loans from stockholders	5,990	8,700
Total current liabilities	$148,914	$179,611
LONG-TERM DEBT, excluding current portion (Note 5):		
Notes payable to financial institutions	$ 7,257	$ 12,766
United States Office of Mineral Exploration contract, including accrued interest thereon	36,045	
	$ 43,302	$ 12,766
DEFERRED FEDERAL INCOME TAXES (Note 6)	$ 58,050	$ 64,500
STOCKHOLDERS' EQUITY (Note 7):		
Capital stock, $.01 par value, authorized 10,000,000 shares, issued and outstanding-		
1970 - 1,390,000 shares of $.01 par value	$ 13,900	
1969 - 4,000 shares of no par value		$ 5,623
Capital in excess of par value	259,477	
Retained earnings	76,622	195,027
	$349,999	$200,650
	$600,265	$457,527

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 1970 AND 1969

	1970	1969
INCOME:		
Sale of mining claims	$ 16,200	$438,065
Less cost of mining claims	6,603	195,126
	$ 9,597	$242,939
Contract -		
Mining	203,738	153,645
Drilling and validating claims	12,270	59,610
Other	7,066	9,572
	$ 232,581	$465,766
EXPENSES:		
Mining, adminstrative and general expenses	$ 316,555	$348,167
Depreciation and amortization (Note 4)	30,271	25,792
Interest	5,871	4,183
Provisions for deferred income taxes (Note 6)		64,500
	$ 352,697	$442,642
Income (loss) before reduction in deferred income taxes	$(120,116)	$ 23,124
REDUCTION IN DEFERRED FEDERAL INCOME TAXES (Note 6)	6,450	
Net income (loss)	$(113,666)	$ 23,124
EARNINGS (LOSS) PER SHARE (Note 8)	($.10)	$.02

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY

FOR THE YEAR ENDED DECEMBER 31, 1970 AND 1969

	December 31, 1970			December 31, 1969	
	Capital Stock	Capital Paid In Excess of Par Value	Retained Earnings	Capital Stock	Retained Earnings
Balance at the beginning of period, as previously reported (shares issued and outstanding 4,000, no par value, capital stock)	$ 5,623		$195,027	$5,623	$171,903
Restatement of capital shares to $.01 par value (Note 7)	2,777		(2,777)		
Stock issued for the acquisition of subsidiary (Note 1)	2,500		(1,992)		
Proceeds from public offering - net of offering costs of $37,523 (Note 7)	3,000	$259,477			
Sale of stock warrants (Note 7)			30		
Net income (loss) for the year			(113,666)		23,124
Balance at the end of period	$13,900	$259,477	$ 76,622	$5,623	$195,027

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 1970 AND 1969

	1970	1969
SOURCE OF FUNDS:		
Results of operation	$(113,666)	$ 23,124
Add charges (credits) to income not requiring (providing) funds:		
Depreciation and amortization (Note 4)	31,654	24,688
Reduction in deferred Federal income taxes (Note 6)	(6,450)	64,500
Amortization of deferred interest	1,165	565
Funds derived from (applied to) operations	$(87,297)	$112,877
Proceeds of sale of capital stock (Note 7)	262,477	
Contributions from minerals exploration contract (Note 5)	36,045	
Net working capital of acquired subsidiary at date of acquisition (Note 1)	508	
Sale of warrants (Note 7)	30	
	$211,763	$112,877
FUNDS APPLIED:		
Increase in investment in Crown Point Joint Venture	$ 81,155	$ 47,104
Exploration costs	66,809	40,400
Additions to equipment	23,181	51,740
Decrease in long-term debts	5,509	1,628
	$176,654	$140,872
Increase (decrease) in working capital	35,109	(27,995
	$211,763	$112,877

The accompanying notes to consolidated financial statements are an integral part of this statement.

WESTERN STATES MINING, INCORPORATED AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1970

(1) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Western States Minerals, Inc. All inter-company accounts have been eliminated.

On April 10, 1970, the Company acquired all of the outstanding capital stock of Western States Minerals, Inc. for 250,000 shares of its capital stock. The transaction has been accounted for as a pooling of interest. The consideration given exceeded the net assets acquired by $1,992. The excess was charged to retained earnings, since the Company did not have any contributed capital at the date of acquisition.

The subsidiary has had no income or loss since inception (September 8, 1966). The balance sheet for December 31, 1969 has not been restated to include Western States Minerals, Inc. The unaudited assets and liabilities amounted to $12,364 and $11,856, respectively.

(2) INVESTMENTS IN JOINT VENTURE AND NON-SUBSIDIARY COMPANY

Investments include $133,259 applicable to the Company's 65% participation in a joint venture with Century Nuclear, Inc. and Vipont Mining Company, and $6,165 applicable to the Company's ownership of

308,250 shares of unregistered capital stock of Century Nuclear, Inc. (approximately 8% of the outstanding capital stock of that company).

The venture, Crown Point Joint Venture, is in the development stage and has not begun mining operations. Accordingly, all development and other costs have been deferred. Equity in the joint venture is stated at cost.

A condensed financial statement of the joint venture is as follows:

	September 30, 1970
Assets:	
Cash	$ 7,649
Mining equipment - net	6,729
Unrecovered development	238,788
	$253,166
Liabilities and participants equity:	
Accounts payable	$ 11,505
Participants' equity	241,661
	$253,166

(3) ROYALTIES

The Company has retained overriding royalties in approximately 114,500 acres of mining claims and leases that it has sold. The value or potential income from these overriding royalties is not determinable and accordingly no value is reflected in the accompanying financial statements.

(4) DEPRECIATION AND AMORTIZATION POLICIES

Depreciation and amortization of property and equipment is provided for financial statement purposes over estimated useful lives, computed by using principally the straight-line method as follows:

Portable shop building	10 years
Mining and drilling equipment	3 to 8 years
Mobile equipment	3 to 8 years
Airplane	6 years
Office furniture and equipment	5 years
Leasehold improvements	3 years

The Company has followed the accounting policy of capitalizing all exploration and claim costs.

(5) LONG-TERM DEBT

Long-term debt outstanding at December 31, 1970 consisted of non-interest bearing chattel mortgages to financial institutions. Aggregate annual payments for the next 3 years vary from $5,247 to $3,062. Chattel mortgages payable at December 31, 1970 aggregating $12,504 are secured by the airplane and equipment having a cost of $23,666.

Under terms of the exploration contract dated July 10, 1969 between the Company and United States Office of Mineral Exploration, the Government will contribute a sum not to exceed $75,025 for the exploration of the Crown Point properties. Under the terms of the contract, the government shall receive a 5% royalty of the gross proceeds from any future production sold until the amount of Federal funds contributed is fully repaid with interest at the rate of 8½% per annum. At December 31, 1970 and 1969, the funds advanced by the government amounted to $34,044 and $11,856, respectively, and accrued interest thereon for the period ended December 31, 1970 and 1969 was $2,001 and $142, respectively. The Company does not anticipate that any royalty payment will be required within one year.

(6) FEDERAL INCOME TAXES

Prior to 1970, the stockholders of the Company and its

subsidiary elected under the provisions of Sub-chapter S of the Internal Revenue Code to have its corporate net income whether or not distributed as a dividend, taxed to the stockholders of the Company. The election has been terminated effective January 1, 1970.

In addition, since inception, the Company has filed its corporate income tax returns on a cash basis. During 1970, the Company made a change of accounting methods under Revenue Procedure 67-10 with the consent of the Internal Revenue Service for the taxable year beginning January 1, 1970. As a result of the change in accounting method, income of approximately $134,000 has been deferred under the cash method of accounting as of December 31, 1969, and is taxable to the Company in subsequent years. A deferred Federal income tax of $64,500 was provided in 1969 and is being amortized over 10 years as provided in Revenue Procedure 67-10.

Further, the joint venture has elected to deduct development expenditures currently for Federal income tax purposes. No recognition of the related Federal income tax benefits has been deferred to future years.

The Internal Revenue Service has disallowed as a Federal income tax deduction approximately $41,000 of depletion taken in 1967. The Company is presently contesting this adjustment. In the event the Company is not successful, the additional income will be taxable to the stockholders of record at December 31, 1967, rather than the Company, since the Company was a Sub-chapter S corporation in 1967.

As a result of the operating loss for the year ended December 31, 1970, no provisions for Federal income taxes has been made.

Further, the Company has an operating loss carryover which may be used against income in future years of approximately $173,553, which includes the adjustment of deferred income previously mentioned and the deduction for the development cost of the joint venture.

(7) STOCKHOLDER'S EQUITY

On March 31, 1970, the stockholders amended the Articles of Incorporation to change the authorized capital from 45,000 shares of no par common stock to 10,000,000 shares of $.01 par value capital stock. Each share of no par value capital stock outstanding has been surrendered in exchange for 210 shares of $.01 par value common stock. After the exchange, 840,000 shares of $.01 par value capital stock was outstanding. As a result of the recapitalization, $2,777 was transferred from retained earnings to equal the $.01 par value.

During 1970, the Company sold 300,000 shares of its $.01 par value common stock through a public offering at $1 per share.

Under the underwriting agreement, the underwriter has purchased warrants to purchase a total of 30,000 shares of the capital stock of the Company after the expiration of 13 months from the date of the offering (July 22, 1970) and prior four years after the exercise date at a price of $1.10 per share.

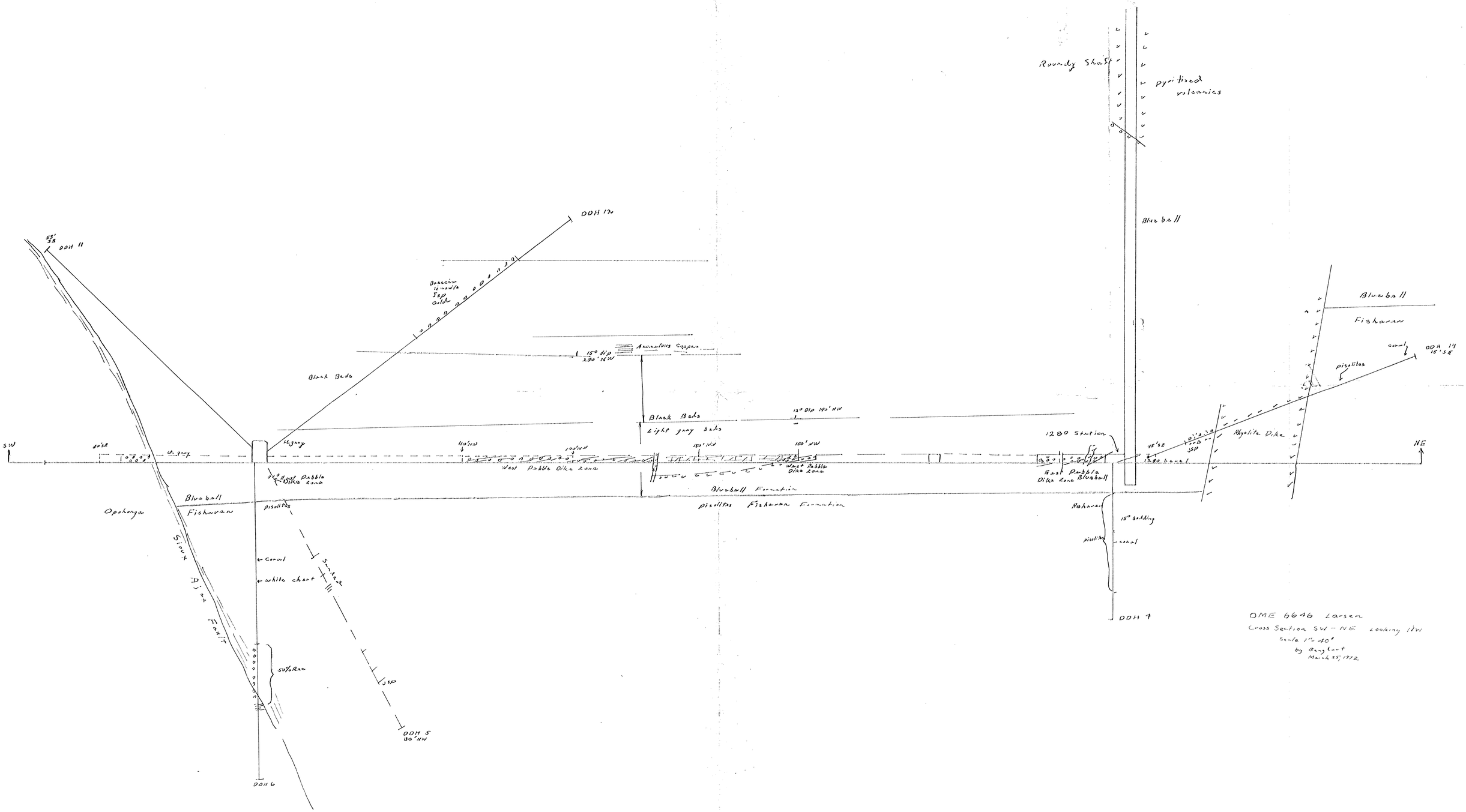
(8) EARNINGS PER SHARE

Earnings per share were computed by dividing net income by the weighted average number of shares of common stock outstanding during the year.

(9) SUBSEQUENT EVENT

On February 16, 1971, the Company purchased 25% of the outstanding capital stock of Ruby Mining Joint Ventures, Inc., a newly formed Colorado corporation, for $ 5,000.

As of March 15, 1971, the Company entered into a joint venture agreement with Ruby Mining Joint Ventures, Inc., Century Nuclear, Inc., and Chambers Investment Co. for the exploration, development, and mining of certain claims in the Ruby Mining District, Gunnison County, Colorado. Under the terms of the agreement, the Company has agreed to contribute to the joint venture, its one-half interest in 113 Elk claims. The Company has a cost of $5,593 attributable to these claims.



OME 6646 Larsen
Cross Section SW - NE looking NW
Scale 1" = 40'
by Baughart
March 25, 1972

R 2 W

Knightsville 1 mi.
Eureka 2 mi.

IRON KING No. 2

IRON KING No. 1

IRON KING

BECK

T 10 S

CROWN POINT No. 2

MINNIE MOORE

COLORADO No. 1

CROWN POINT CONSOLIDATED MINING COMPANY

IRON BLOSSOM ORE ZONE

CROWN POINT No. 1

CROWN POINT No. 3 (area)

ZUMA

BURRISTON CANYON ROAD

1/2 Mi. Eureka Std. Mine
2 Mi. Bergin Mine

20 21
29 28

EAST CROWN POINT

SIOUX

IRON BLOSSOM No. 3

CP 1

HOUNDY SHAFT & 1300' LEVEL

CP 2

TRUMP

TRIXIE DISCOVERY

SILVER PASS ROAD

MANHATTAN

UTAH CO.
JUAB CO.

SIOUX AJAX FAULT

EAST CROWN POINT CONSOLIDATED MINING COMPANY

SOUTH STANDARD

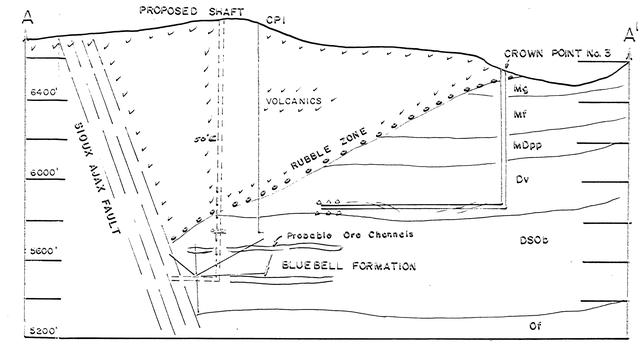
N

REVISED ENGINEERING MAP
CROWN POINT and EAST CROWN POINT PROPERTIES
TINTIC MINING DISTRICT, EUREKA, UTAH

LARSEN LEASE

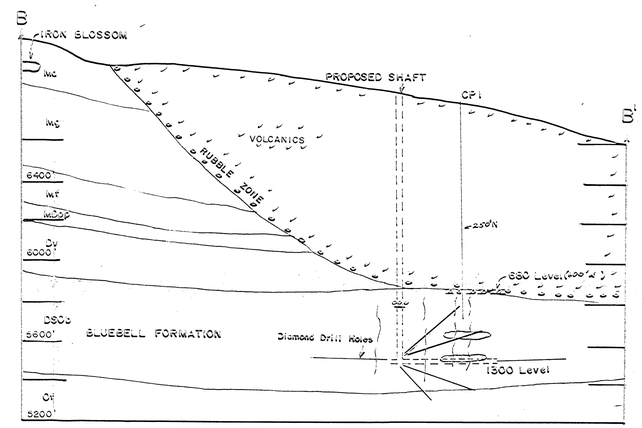
SCALE 1" = 300'

DRAWN BY Bangharr
SEPT. 1967
MARCH 1972



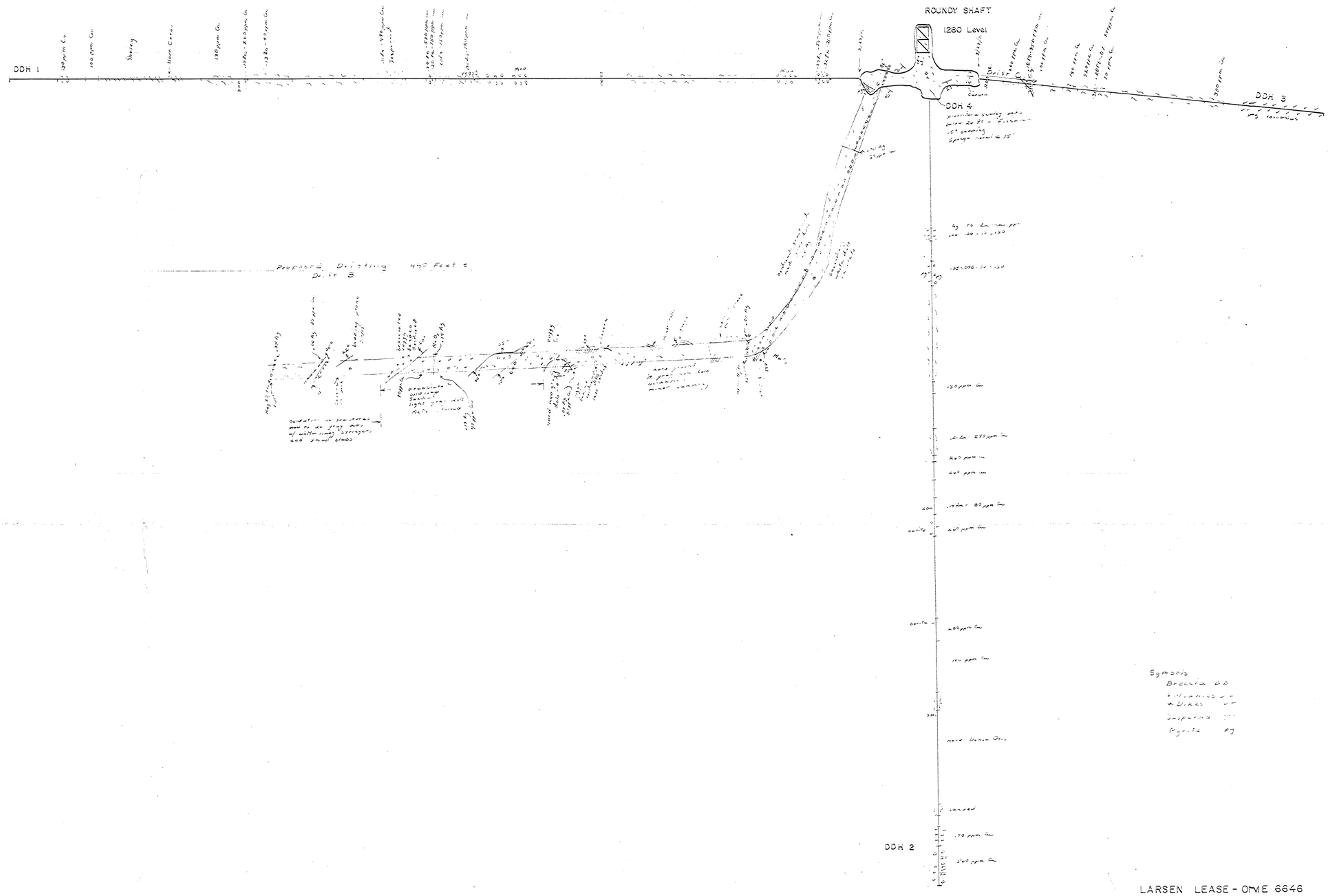
CROSS SECTION AA'

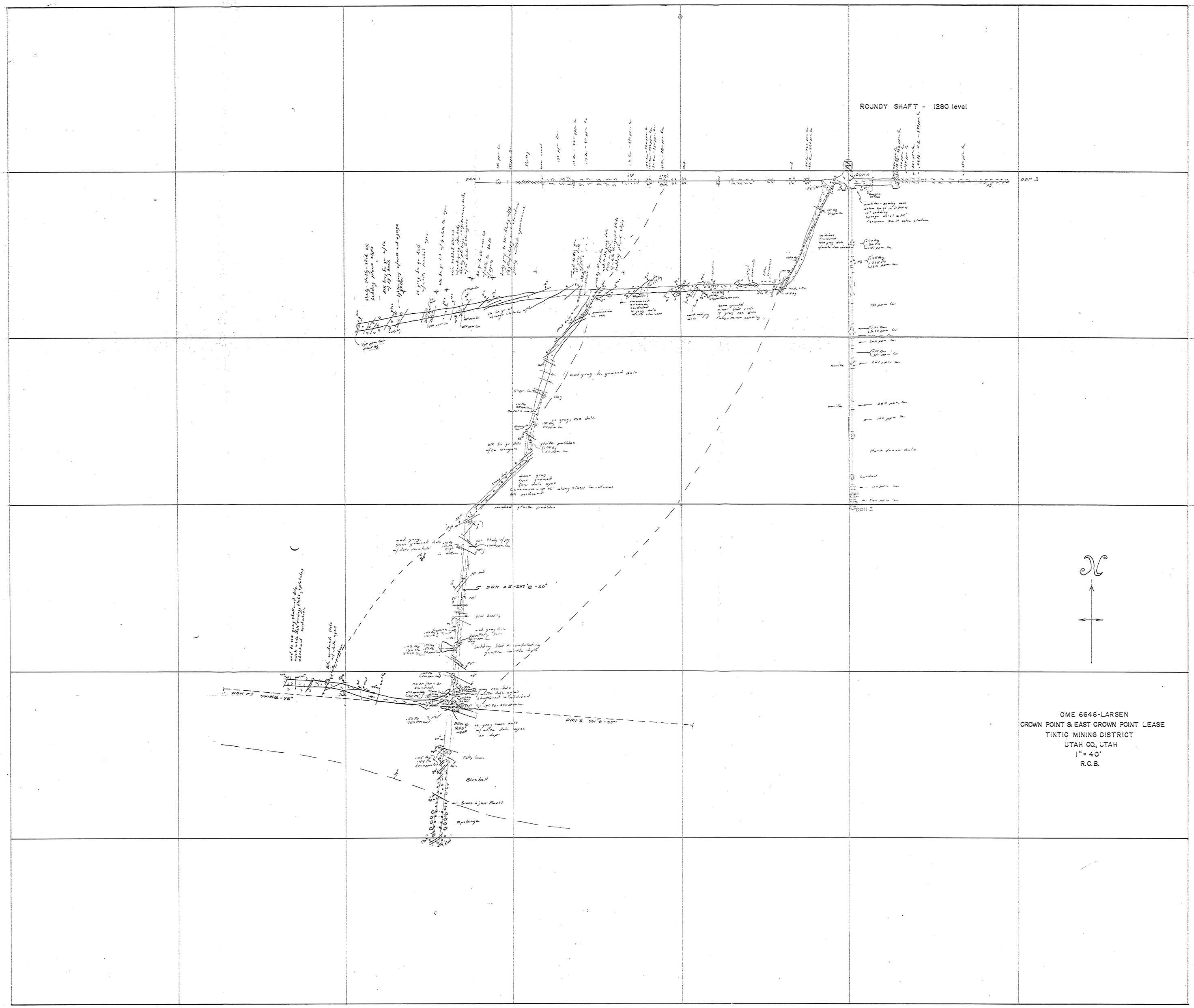
SCALE 1" = 300' HOR. = VERT.



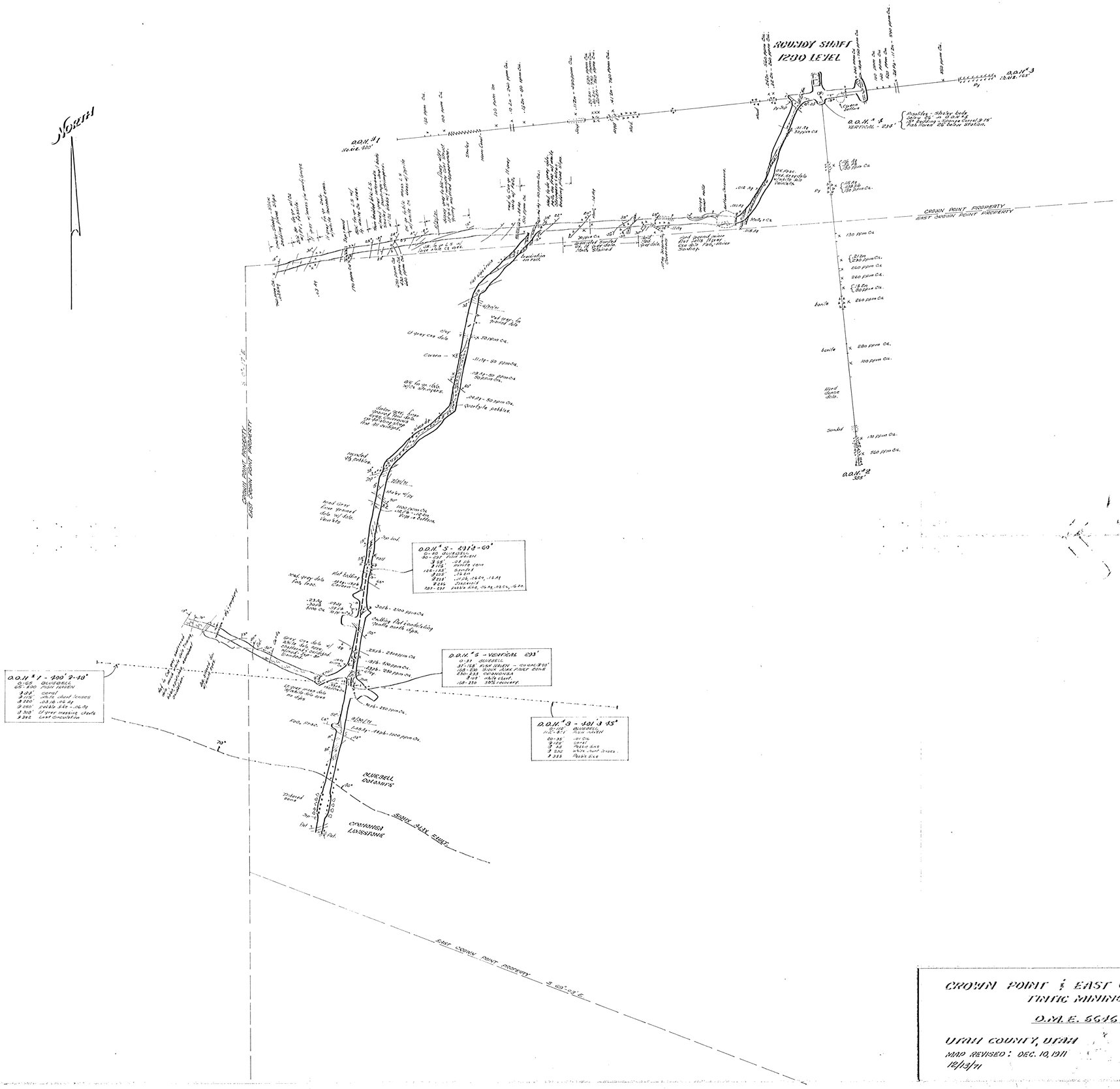
CROSS SECTION BB'

SCALE 1" = 300' HOR. = VERT.


ROUNDY SHAFT
1280 Level
DDH 1
DDH 3
DDH 4
DDH 2
Proposed Drifting 470 Feet
Drift B
Symbols
Breccia
Diorite
Aspenite
Pyrite
LARSEN LEASE - OMME 6646
1280 Level Drifting
1" = 20'
R.C.B. Mar 24 1971
R.C.B. May 29, 1971
N



OME 6646-LARSEN
CROWN POINT & EAST CROWN POINT LEASE
TINTIC MINING DISTRICT
UTAH CO., UTAH
1" = 40'
R.C.B.

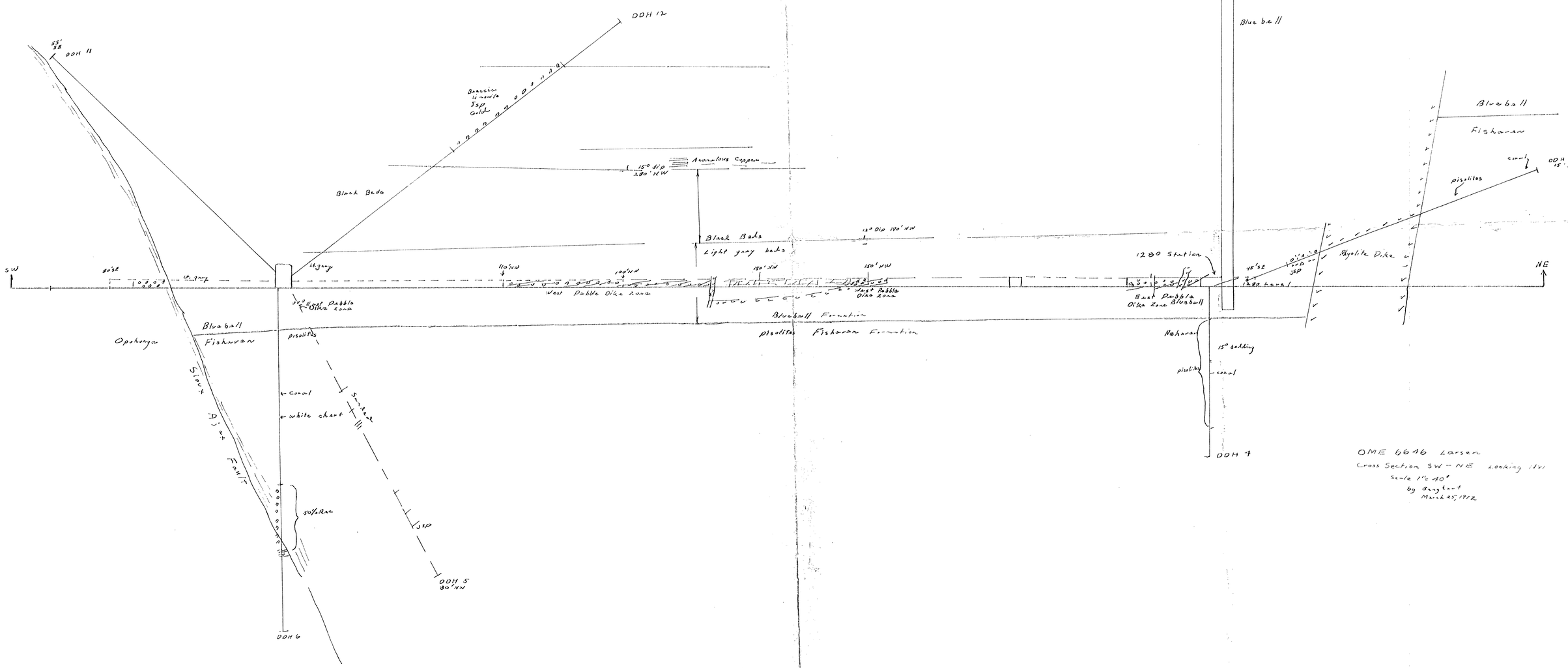


CROWN POINT & EAST CROWN POINT LEASE
TINTIC MINING DISTRICT

D.M.E. 5646 - LARSEN

UTAH COUNTY, UTAH
MAP REVISED: DEC. 10, 1911
12/13/11

SCALE 1" = 50 FT.
SURVEY: OCT. 29, 1911
TRANSIT



OME 6646 Larsen

Cross Section SW – NE Looking NW

Scale 1" = 40'

by Bragdon

March 25, 1912

Nov. 71 voucher

TELEPHONE "307" 856 9271
418 SOUTH SEVENTH EAST
RIVERTON, WYOMING 82501

November 2, 1971

Mr. William J. Hasler
Field Officer, Region III
Office of Minerals Exploration
Department of Interior
Federal Center Room 28
Denver, Colorado 80220

Region III
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NOV - 4 1971
Denver, Colorado

Dear Bill:

Enclosed, please find an up to date geological map on work we have completed to present at Crown Point.

We have extended in straight lines all intersections with faults and/or slips that have crossed the work. Our intent in this is to give everyone that is proposing drilling a full perspective of the drilling goals.

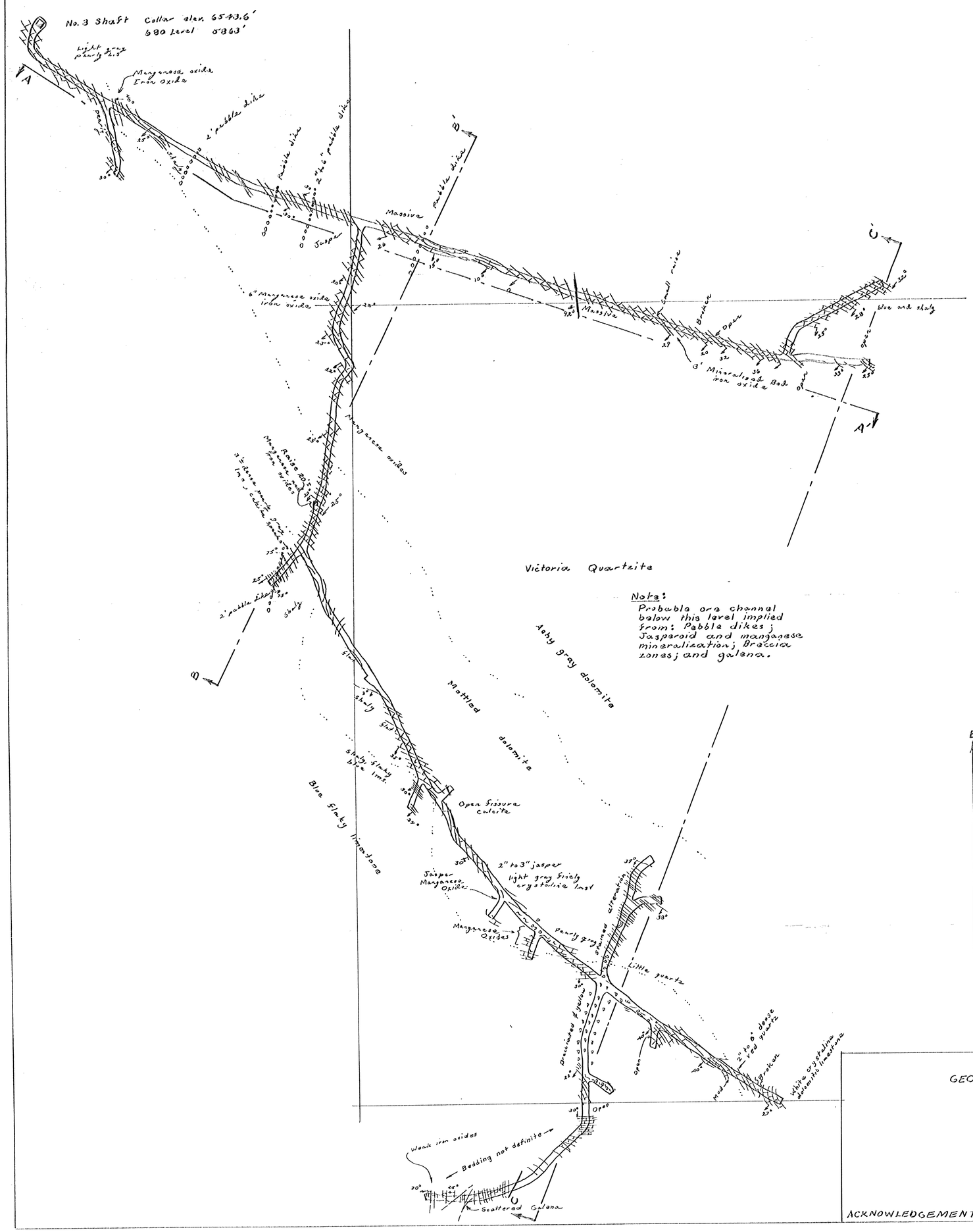
I will attempt a conference call the first part of next week to discuss this drilling program. Hope to have Hal Morris, Roger Banghart, Bill Hassler, and Jack Larsen on this conference.

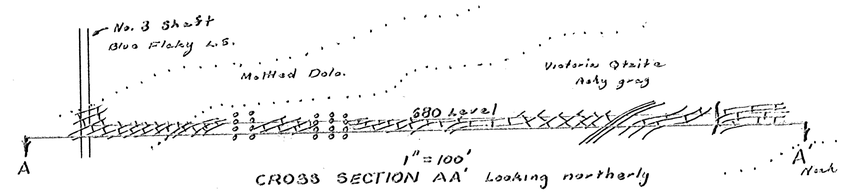
Thank You.

Sincerely,

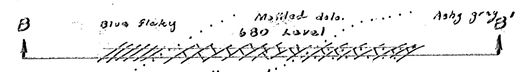
Jack Larsen

JL/sml

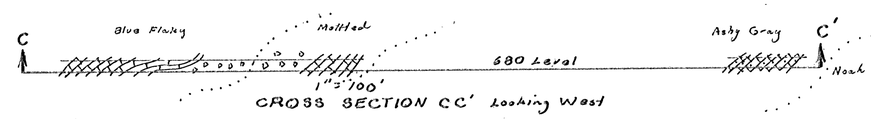




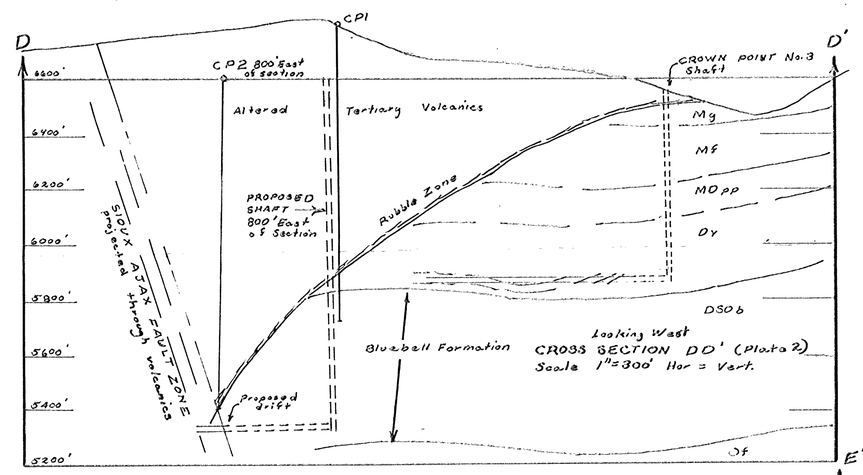
CROSS SECTION AA' Looking northerly

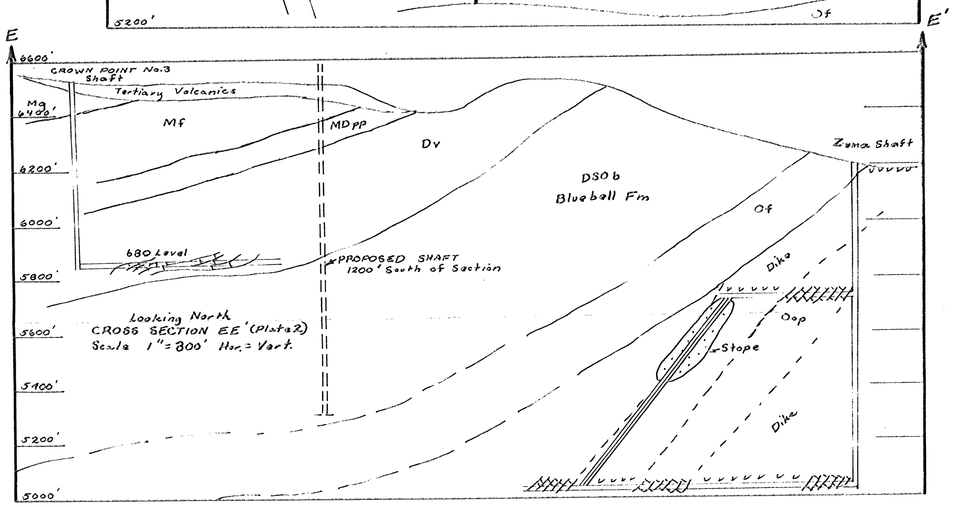


CROSS SECTION BB' Looking West



CROSS SECTION CC' Looking West





GEOLOGY PLAN MAP and CROSS SECTIONS OF CROWN POINT No. 3 SHAFT

CROWN POINT and EAST CROWN POINT PROPERTIES

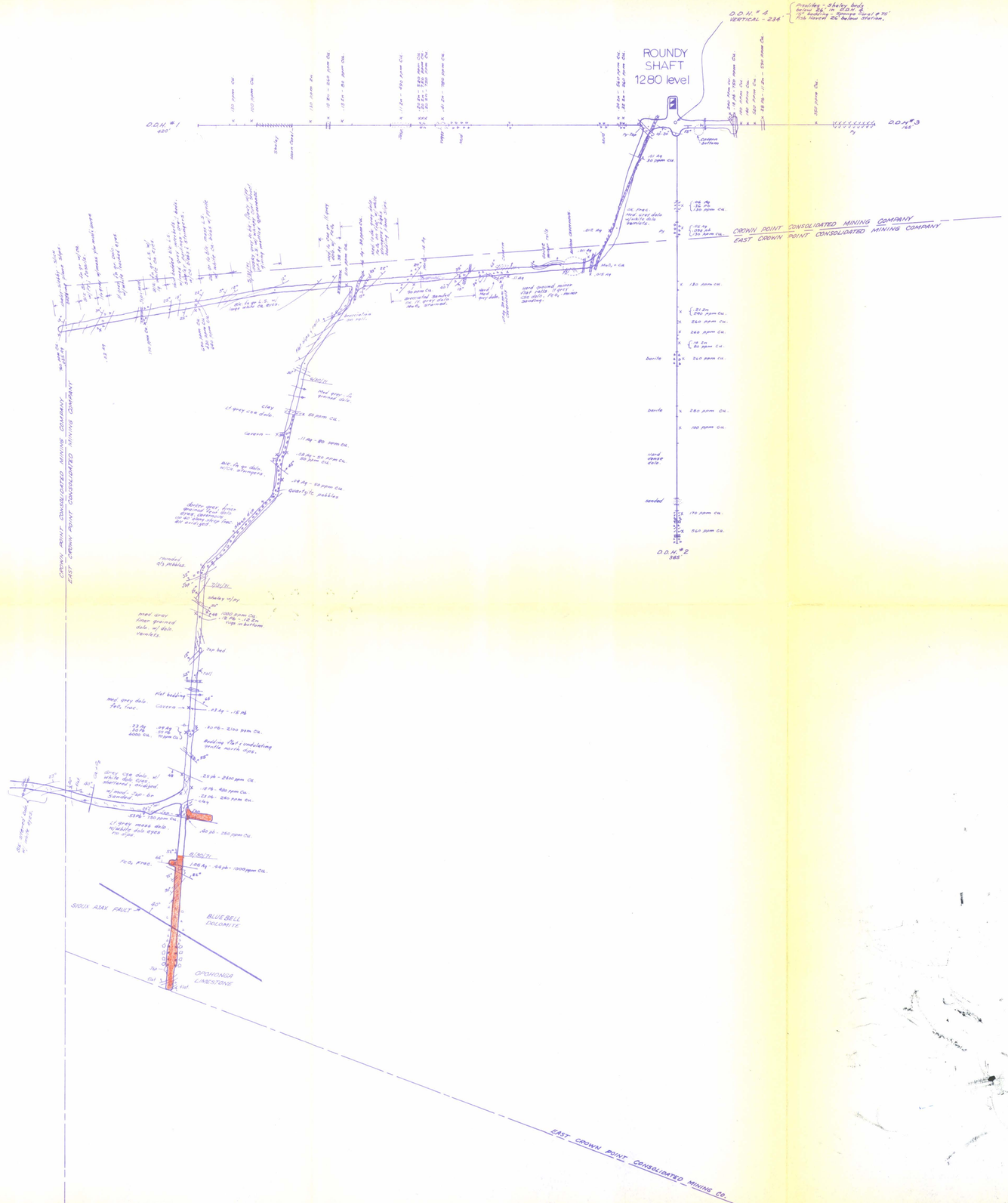
TINTIC MINING DISTRICT, EUREKA, UTAH

LARSEN LEASE

SCALE 1" = 50' Plan — Drawn by Banghart April 1967
1" = 100' Cross Sections AA'-BB'-CC'
1" = 300' Cross Sections DD'-EE' See Plates 2 + 3

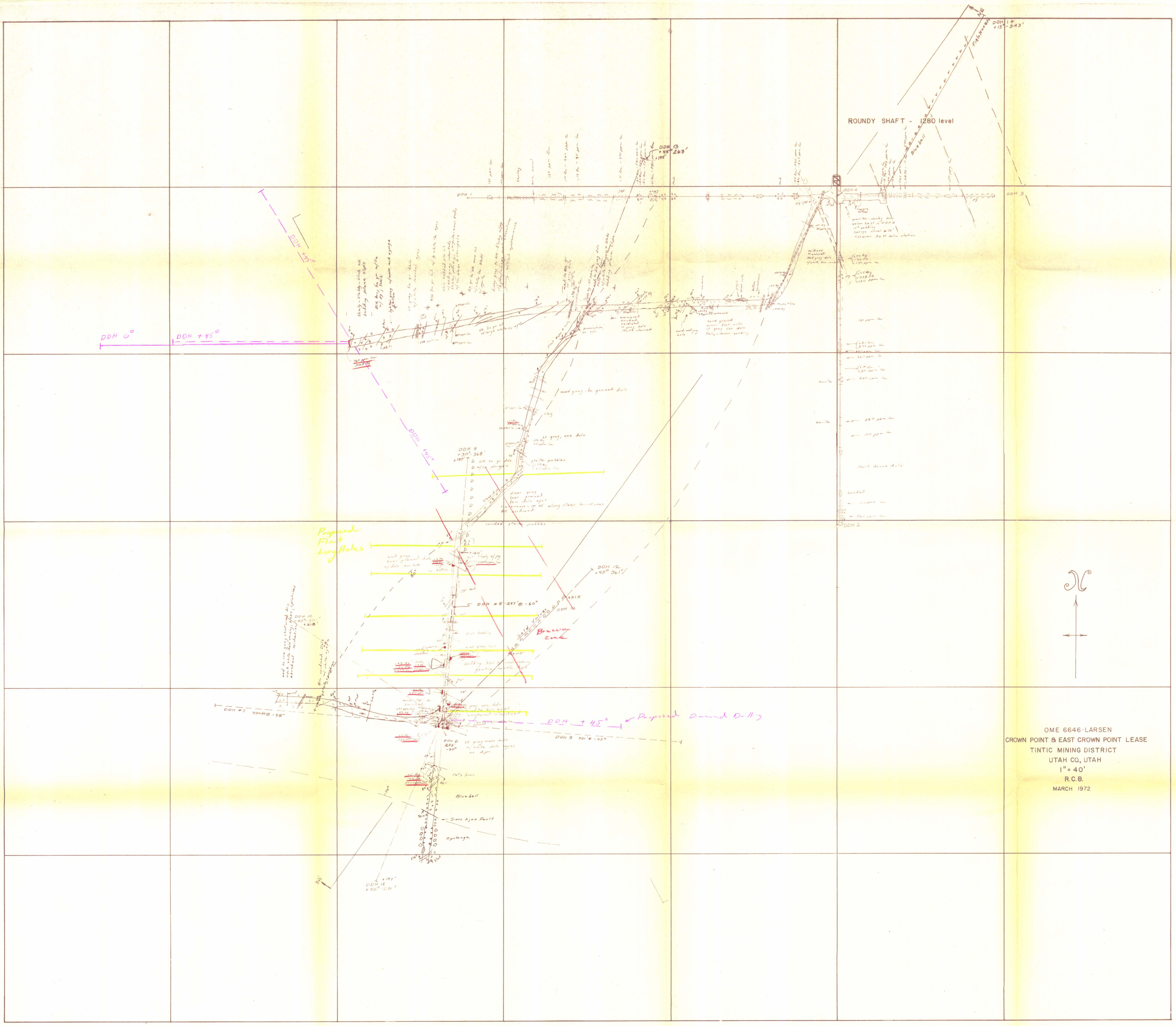
ACKNOWLEDGEMENT - Brunton, Topo. + Geology by R.F. Welch A.S.&R. Co. Aug. 1938 Plan Map + Sections A-B-C.

Plate 5

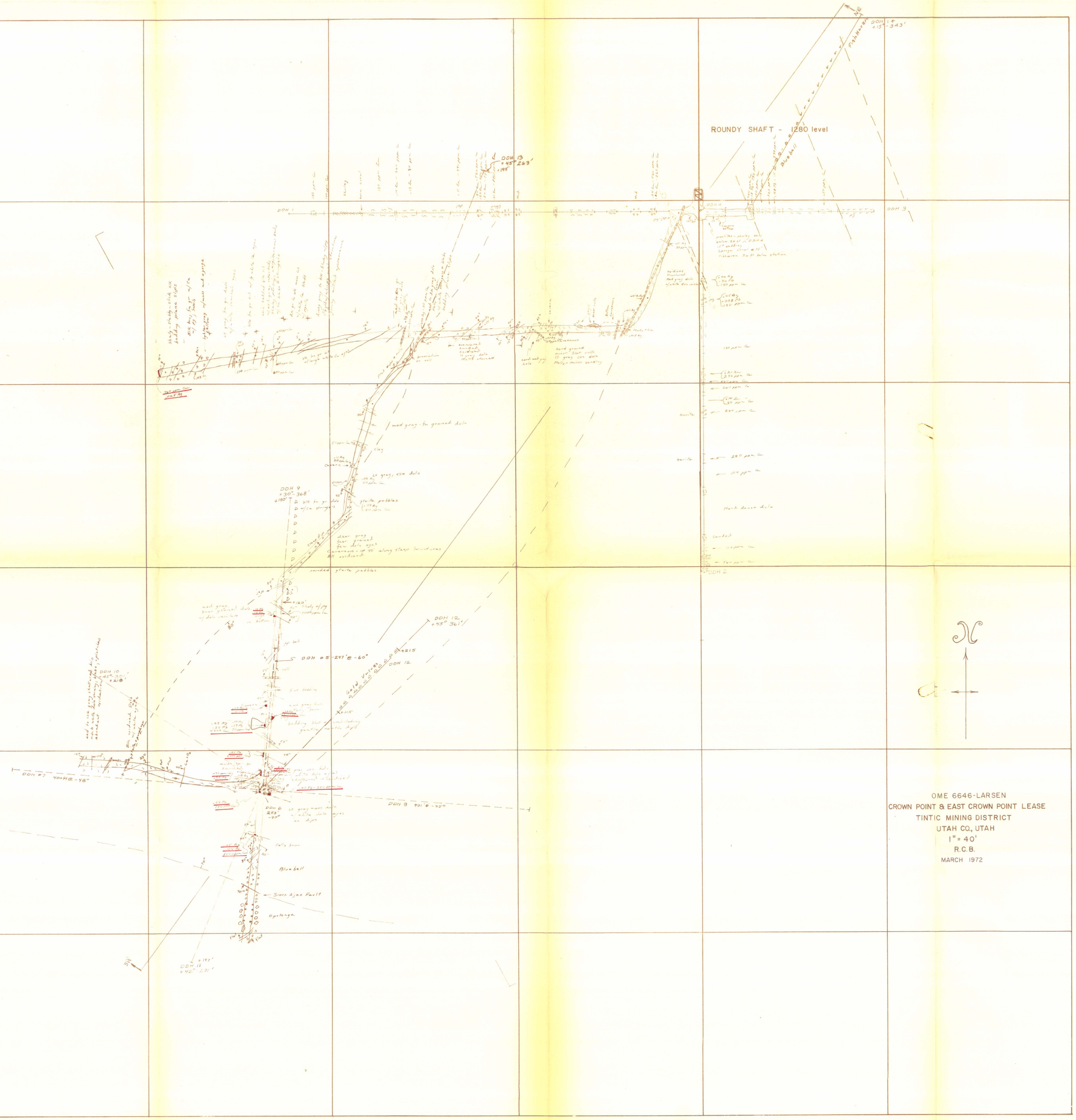


DEC 1, 1971

LARSEN LEASE
OME 6646
scale 1" = 50'
MAY 18, 1970



OME 6646-LARSEN
CROWN POINT & EAST CROWN POINT LEASE
TINTIC MINING DISTRICT
UTAH CO., UTAH
1" = 40'
R.C.B.
MARCH 1972



OME 6646-LARSEN
CROWN POINT & EAST CROWN POINT LEASE
TINTIC MINING DISTRICT
UTAH CO., UTAH
1" = 40'
R.C.B.
MARCH 1972