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

JAN 16 1956

Mr. Walter S. Prior, President
American Strategic Minerals Corporation
Post Office Box 503
Tacoma 1, Washington

Re: Docket No. DMEA-3790 (Brandon-Langston)
Mineral Leases
Okanogan County, Washington

Dear Mr. Prior:

Your application for aid in an exploration project and other information available to us in Washington concerning the above-named property have been reviewed.

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

Careful study of all our information indicates to us that the probability of discovering minable ore reserves is not sufficiently promising to justify Government participation. We regret to advise you that, under these circumstances, your application for exploration assistance is denied.

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

Sincerely yours,

C. O. Mitchell

Administrator

MChing/gla
1-10-56
cc to: Adm.'s Reading File
Operating Committee
Docket
Messrs. JStranford, Rm. 3611
THHillegaard, Rm. 3225
JWheeler, Rm. 3210, GSA
Code 700
Mr. Ching
DMEA Field Team, Region I, Northwest District (2)

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

January 3, 1956

Memorandum

To: Ernest William Ellis, DMEA Member
Uranium Commodity Committee, Room 4445

From: James Paone, Bureau of Mines Alternate Member
Uranium Commodity Committee

Subject: Report of Examination, DMEA Docket 3790, American Strategic Minerals Corporation, McDaniel Lease, Okanogan County, Washington, and DMEA Docket 4022, Riverside Claims, Okanogan County, Washington

I have reviewed the report of examination of DMEA Dockets 3790 and 4022, dated December 15 and received in this office December 30. I have also discussed it with Joseph O. Hosted, Washington representative of the Atomic Energy Commission.

The McDaniel and Riverside properties were examined on November 1 and 2, 19556, by a DMEA Field Team to determine the possibilities of the subject properties relative to a uranium exploration program in which Government participation was requested.

The Field Team concluded that the properties do not have merit as uranium prospects as there are no significant radioactive anomalies on either property, and consequently the Field Team recommends that the applications for DMEA assistance be denied.

We concur in the recommendation that the applications be denied.

The report is being forwarded to the Chief, Division of Minerals, in accordance with the routing slip attached thereto.

JPaone:ds

Copy to: Div of Minerals
Br of Rare and Precious Metals
J O Hosted
T Kiilsgaard
R W Geehan
J E Crawford
Files

James Paone

Docket file

IN REPLY REFER TO:

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

December 30, 1955

Re: DMEA 3790
American Strategic Minerals Corporation
Riverside and McDaniel properties
Okanogan County, Washington
$150,000 Uranium-Tungsten

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Report.

The applicant requested aid in exploring in a large way 2 properties by drifting, drilling, and bulldozing. The proposal was based on radioactivity detected by a special instrument built by a so-called geophysicist.

The examiner appears to have given the application the "benefit of the doubt" and to have subjected the radioactive showings to a severe examination. He found some signs of radioactivity, but sampling and assaying indicate the material is very much below ore grade, the highest assay having been rock from a [illegible]" stringer of alaskitic material in Pit No. 1. The assay shows 0.045% eU.

I conclude, with the examiner, that there are no significant occurrences of radioactive minerals on either property and concur with the recommendation of denial of the Field Team.

N. E. Nelson

NENelson:jeh
S-12/30/55
cc: Director's running 4212
Branch running 4212
DMEA (3)
Docket file
J.E.Crawford, 3041 Int.
J.O.Montel, 3210,GSA

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 12/28/55

REFERRED TO:

1. Mr. Kiilsgaard
2.
3.
4.

FOR:

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

REMARKS: Field Exam. Report on DMEA-3790 and DMEA-4022 For Agenda 12/30/55

Check (X) before the items needing attention.

Initials of sender.

GPO 16—63815-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~
So. 157 Howard Street
Spokane 4, Washington

DEC 8 7

December 15, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-3790 (Uranium-Tungsten)
American Strategic Minerals Corporation
McDaniel Lease
and
Docket No. DMEA-4022 (Uranium-Zirconium)
Riverside Claims
Okanogan County, Washington

Dear Mr. Selfridge:

Enclosed are four copies of a report by Mr. James J. Quinlan, Geological Survey, on the American Strategic Minerals Corporation properties.

In our opinion the properties have no merit as uranium prospects. Mr. Ernest E. Thurlow, Chief, Salt Lake Exploration Branch, Division of Raw Materials, Atomic Energy Commission, has the same opinion as expressed in his letter of November 13, 1955, copies enclosed.

Neither does the McDaniel property have merit as a tungsten prospect; outcrops were lamped, and the applicant was urged to show the examiners any tungsten occurrences which he was unwilling or unable to do.

We recommend that these applications be denied.

By Field Team, Region 4, No District

DMEA [illegible]

(Date)

A. A. Reissenborn, Executive Officer
U. S. Geological Survey

Thomas E. Howard, Acting Member
U. S. Bureau of Mines

Enclosures
cc: USBM(2)
USGS(SRD)
A&C, Salt Lake(2)
Quinlan

REFER TO	ACTION	NOTED	DATE
ANSWERED			

UNITED STATES
ATOMIC ENERGY COMMISSION
DIVISION OF RAW MATERIALS
Salt Lake Exploration Branch

ADDRESS REPLY TO:
U. S. Atomic Energy Commission
P. O. Box 2196
Salt Lake City, Utah

AND REFER TO:

SLEB:DLD:af

November 18, 1955

RECEIVED
DEC 27 1955

Mr. A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I, NW District
South 157 Howard Street
Spokane 4, Washington

Dear Al:

Reference is made to your letter of October 28 concerning Docket No. DMEA-4022 (uranium-zirconium), American Strategic Minerals Corporation, Riverside Claims, Okanogan County, Washington.

These properties were visited by Atomic Energy Commission personnel November 7, 1955. We concur in your conclusion that DMEA assistance is not warranted.

Very truly yours,

Ernest E. Thurlow, Chief
Salt Lake Exploration Branch
Division of Raw Materials

Reviewed by
DMEA OPERATING COMMITTEE

(date)

cc: L. D. Jarrard
D. L. Hetland

RECEIVED
NOV 23 1955
U. S. G. S.
SPOKANE, WASH.

Dmea

RECEIVED
DEC 27 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
So. 157 Howard Street
Spokane 4, Washington

December 14, 1955

MEMORANDUM

To: DMEA Field Team, Region I, Northwest District

From: James J. Quinlan, Geologist, U. S. Geological Survey

Subject: Field Examination Report, Docket No. DMEA-3790 (Uranium-Tungsten), McDaniel Lease, and Docket No. DMEA-4022 (Uranium), Riverside Claims, properties of the American Strategic Minerals Corporation, Okanogan County, Washington

INTRODUCTION

The McDaniel and Riverside properties of the American Strategic Minerals Corporation were examined by Mr. Paul Weis, Geological Survey, and the writer on November 1 and 2, 1955. Mr. Walter S. Price, President of the American Strategic Minerals Corporation, accompanied the field examiners during the examination. Mr. F. B. Satterlee, employed by the applicant as a consultant geophysicist, also accompanied the examiners the first morning of the examination.

A snowstorm on November 2 caused some inconvenience, but it did not greatly hamper field work as most of the outcrops of the reported uranium structures and other exposures were relatively free from snow.

Neither the McDaniel nor the Riverside properties are of any interest as uranium prospects as there are no significant radioactive anomalies on either property.

Lamping of the McDaniel property with an ultraviolet lamp failed to confirm the presence of scheelite as reported by the applicant, and no other tungsten minerals were recognized at any of the outcrops examined. In fact, Mr. Price was unable to furnish a specimen of tungsten ore from the main area in which it was reported. He did, however, show us a small specimen of hubnerite with a few specks of scheelite on it which reportedly came from an area about a mile east of the area examined. Although we expressed a desire to examine the outcrop where this specimen came from, Mr. Price's attitude indicated

Reviewed by
DMEA OPERATING COMMITTEE

(date)

that he did not care to show us the area, and we believe that he may have been stalling because he was uncertain as to whether he could find the tungsten showing this specimen came from.

Zirconium is listed in the Riverside application as one of the metals to be explored for, but it is not a metal which qualifies for DMEA assistance.

Twenty samples were taken during the examination of the applicant's properties. Although it was evident that most of these samples did not contain a significant amount of radioactivity, chemical assays were made on all samples in order to provide reliable data on the reported radioactive showings on the properties. The samples were assayed by the Geological Survey's Geochemistry and Petrology Branch laboratory at Denver, Colorado.

RECOMMENDATION

It is recommended that the application of the American Strategic Minerals Corporation for exploration assistance on the McDaniel and Riverside properties be denied.

APPLICANT

The applicant is the American Strategic Minerals Corporation, P. O. Box 523, Tonasket, Washington. Officers of the corporation are Walter S. Price, president, Gordon D. Luther, vice-president, and Ruth A. Price, secretary-treasurer. These officials are residents of Seattle, Washington, and as far as it is known none has had a great amount of mining experience.

Corporation affairs and operations are under the direct supervision of Walter Price. Although Mr. Price appears to be sincere, he is misguided and is not considered qualified to supervise a mining operation. He depends for the most part on F. B. Satterlee, a "self-styled geophysicist," for technical assistance. Satterlee's recommendations are reportedly based on the readings obtained on an instrument of his own invention, which allegedly can detect deposits of any substance at any distance or depth.

At one time Mr. Price hired Mr. Forbes Robertson, a consulting geologist from Seattle, Washington, to examine the McDaniel property. A copy of Mr. Robertson's report on the property, with the exception of one section, is a part of the application. Although Mr. Robertson offers some encouragement for a small exploration project which the writer believes is not warranted, it is clearly evident that he does not think highly of the property. At the time of the examination Mr. Price stated his dissatisfaction with Mr. Robertson's report, mostly because of derogatory statements made in it about Mr. Satterlee's

instrument. That section of Robertson's report dealing with Mr. Satterlee's instrument has been deleted from the copy of the report furnished DMEA.

McDANIEL PROPERTY

Property

The McDaniel property is in the Horse Springs Coulee area about 3 to 5 miles west of Tonasket, Washington. It is reported to consist of 2,040 acres of land in secs. 2, 10, 11, 13, 14, and 24, T. 37 N., R. 26 E., W.M., Okanogan County, Washington. The mineral rights to the property are held by Mr. Price under the terms of lease and option agreements with the owners, Loy J. and Tessie M. McDaniel. Copies of the lease and option agreements which contain a detailed description of the property are a part of the application. Although the application is filed in the name of the American Strategic Minerals Corporation, there are no documents accompanying the application that indicate that Mr. Price has assigned his lease and option agreement to the corporation.

Although the Horse Springs Coulee area has been adequately prospected and exploration undertaken to test the more favorable mineral showings, no mine has as yet been found. Several pits, a shallow shaft, and a 35-foot long adit were driven on the McDanial property many years ago in the search for gold. In the last year the applicant has also dug several trenches and drilled two shallow diamond drill holes to test the uranium possibilities of the property. None of this work has, however, given any indication that the property contains any ore deposits of economic interest.

Geology

The McDaniel property is within the area mapped and described by A. C. Waters and Konrad Krauskopf in the Bulletin of the Geological Society of America, vol. 52, pp. 1355-1418, September 1941, "Protoclastic Border of the Colville Batholith." The property is principally underlain by metamorphic rocks and glacial material. The metamorphic rocks in the area are a part of the Lower Anarchist series which is believed to be of Permian age. The glacial material is mainly glaciofluvial and glaciolacustrine sediments of Quaternary age.

Forbes Robertson mapped the property when he examined it for Mr. Price. Robertson divided the Lower Anarchist series into three members: lower, middle, and upper. The lower member consists of graphitic phyllites, chloritic phyllites, and greenstone with a massive dark-gray dolomite unit as the topmost member. The middle unit consists mainly of chloritic phyllites and greenstones with some interbedded

argillite and quartzite bands. The upper unit is characterized by black carbonaceous argillite and contains bands of chloritic phyllites, gray phyllites, and greenstones. The rocks of the Lower Anarchist strike north to northwest and dip 20°-75° E. or NE.

Robertson's map of the property was used as a base during the examination and on it has been plotted the description of the so-called radioactive anomalies (pl. 1).

Robertson recognizes two and possibly three probable faults on the property. The two main faults are shown on plate 1.

Radioactivity

The background count in areas of the McDaniel property underlain by glacial material is very low, 0.005 MR/HR. Although there is considerable range in the count in the areas of metamorphic rock, at no place can the count be considered abnormally high for metamorphic rocks; in fact, the range of radioactivity is, if anything, somewhat below normal. In places, the background in areas of the metamorphic rocks is as low as 0.002 MR/HR, but the average is about 0.010-0.015 MR/HR. Locally, some zones of radioactivity as high as 0.025-0.031 MR/HR occur. For the most part, the areas with the highest radioactivity are within bands of chloritic phyllite.

Thirteen samples were taken at places showing the highest radioactivity on the property; the location and assay results of these samples are shown on plate 1 and in the table tabulated below. Chemically, the highest assay only showed 0.001 percent U.

Sample No.	Width (feet)	%eU	%U	Location
822	0.1	0.003	<0.001	Robertson's Area No. 8
823	1.0	0.003	<0.001	Robertson's Area No. 2
824	1.0	0.004	<0.001	Satterlee's Area No. 3
825	2.5	0.006	<0.001	Satterlee's Tungsten Area
826	0.5	0.002	<0.001	Robertson's Area No. 1
827	1.0	0.003	<0.001	Robertson's Area No. 1
828	10.0	0.004	0.001	Robertson's Area No. 6
829	20.0	0.003	<0.001	Robertson's Area No. 4
830	1.0	0.006	<0.001	Robertson's Area No. 10
831	8.0	0.003	<0.001	Robertson's Area No. 3
840	3.0	< 0.001	<0.001	Undesignated Area on Satterlee's Map
841	2.0	< 0.001	<0.001	Satterlee's Area No. 5
842	5.0	0.001	<0.001	Satterlee's Area No. 1

RIVERSIDE PROPERTY

Property

The Riverside property is about 20 miles north of the McDaniel property and only a mile south of the Canadian border. It is on the south side of the Similkameen River about 7 miles northwest of Oroville, Washington, and can easily be reached over fair roads from this town.

The property consists of 14 unpatented quartz lode mining claims, Riverside Nos. 1 through 14. These claims are reported to be in sec. 9, T. 40 N., R. 26 E., W.M., Nighthawk Mining District, Okanogan County, Washington. The claims are held by the applicant under the terms of an option agreement with the owners, Percy Eastman, Ray Silvers, George Dixon, W. J. Schildgen and Emil Twait, all of Loomis, Washington. A copy of the option agreement accompanies the application.

Gold placers on the Similkameen River are reported to have been worked as early as 1859; although lode deposits must have been recognized at the time, no known locations were made. Shortly after the early but brief activity, the area was made a part of an Indian reservation and withdrawn from mineral entry. It was again open to mineral entry in 1890. Production from the district is of the magnitude of one to two million dollars in gold, silver, lead, and copper.

Geology

The geology of the Nighthawk district is described by Joseph B. Umpleby in Part II of Washington Geological Survey Bulletin No. 5, "Geology and Ore Deposits of the Oroville-Nighthawk District."

The Riverside property lies along the eastern margin of the Similkameen batholith and is within the contact area of the batholith with rocks of the Anarchist series (pl. 2). The Anarchist series in the vicinity of the contact zone on the property consists of black carbonaceous argillites and light-gray to black silty quartzites. These rocks strike within a few degrees either direction of north and dip 65°-80° W.

The contact zone of the batholith is well exposed in a railroad cut near the northern boundary of the property (pl. 2). The contact area contains a variety of igneous rocks which for the purposes of discussion can be divided into the following groups: (1) diorites, (2) granites, and (3) alaskites and other feldspathic rocks. In addition to the igneous rocks, the contact zone contains a number of sedimentary rock inclusions in various stages of modification and recrystallization.

The most abundant rock type in the contact area is amphibole diorite. While some of the diorite is massive, most is distinctly banded. The banding in the diorite as well as the bedding in the sedimentary inclusions strike a few degrees either direction of north and dip 65°-80° W. which is parallel to the bedding in the Anarchist rocks immediately outside the contact area. The granite for the most part occurs as distinct bands parallel to the banding in the diorite. The maximum thickness of an individual granite band is about 35 feet. The diorite, granite, and sedimentary inclusions within the contact zone are cut by a number of alaskitic and feldspathic sills, dikes, and irregular lenses. These alaskitic and feldspathic structures range in width from less than an inch to about 2 feet but most are less than a foot wide. The greatest number of dikes of this group are of alaskitic composition, but in places they contain little quartz and are mostly of feldspathic composition.

Radioactivity

The background count in areas of the Riverside property underlain by rocks of the Anarchist series is about 0.007 MR/HR, whereas the background count in areas underlain by granitic rocks is about two to three times higher. The radioactivity of the granite is within the normal range found in granitic rocks elsewhere; much of the differences in radioactivity may be attributed to the differences in the amount of potash (including its radioactive isotope, K_{40}) in the rocks, but it is the applicant's contention that the higher background in the areas underlain by the granitic rocks represents a large uranium ore body.

Within the area underlain by the granitic rocks the granite has a slightly higher background count than the diorite; generally, the background count in areas of diorite was 0.015-0.020 MR/HR and in granite 0.020-0.025 MR/HR. The highest radioactivity noted was in the alaskitic and feldspathic dikes, sills, and irregular lenses. The highest count noted was 0.40 MR/HR on a 1/2- to 2-inch alaskitic stringer in the No. 1 pit (pl. 2).

Seven samples were taken in areas showing the highest radioactivity on the property; the locations where these samples were taken are shown on plate 2, and the results are tabulated on the next page.

Sample No.	Width (feet)	%eU	%U	Description
R-1	0.15	0.045	0.031	1/2"-4" stringer of alaskitic material in Pit No. 1
R-2	6.0	0.004	<0.001	Zone of irregular pods and lenses along west wall of Pit No. 1
R-3	3.2	0.007	0.003	Sample across north wall of Pit No. 1
R-4	Grab	0.027	0.020	Grab of small pile of alaskitic material on dump of Pit No. 1
R-5	35.0	0.004	0.001	Sample across granite band in railroad cut
R-6	1.0	0.012	0.006	Sample across small feldspathic dike in railroad cut
R-7	0.3	0.002	0.001	Small quartz pod in No. 3 pit

When one considers that the above samples represent the highest grade material that can be obtained from the property, it is clearly evident that the property is of no interest as a uranium prospect.

Thorium assays of the above samples were not made because the highest theoretical thorium content of the best sample, R-1, would be only 0.07 percent thorium.

CONCLUSIONS

Neither the McDaniel nor Riverside properties are of any possible interest as uranium prospects as there are no significant occurrences of radioactive minerals on either property.

Lamping of the McDaniel property with an ultraviolet lamp failed to confirm the presence of scheelite as reported by the applicant.

The applicant has no great knowledge of mining or geology and should the applicant--or for that matter any responsible officer of the American Strategic Minerals Corporation--present another application for DMEA assistance at some future date, it would be well to require them to present a reliable geologic or engineering report on the property before a field examination is considered.

Enclosures (2)
Distribution:
DMEA(4)
USBM(2)
USGS(SRO)
AEC, Salt Lake (2)
Quinlan

Docket No. DMEA-3790
Docket No. DMEA-4022

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

OCT 17 1955

Mr. A. E. Weissenborn
Executive Officer, Northwest District
DMEA Field Team, Region X
South 157 Howard Street
Spokane 4, Washington

Re: Docket No. DMEA-3790 (Uranium and tungsten)
American Strategic Minerals Corporation
Mallardel Lessee
Okanogan County, Washington

Dear Mr. Weissenborn:

The subject application is being referred to you for investigation, a field examination, and recommendation. A copy of the application was retained in your office.

Since your letter of April 28, 1955, on the subject application, we have written three letters to the Applicant requesting additional information or clarifying DMEA procedure. Copies of these letters have been forwarded to you.

Enclosed are the following supplemental material furnished by the Applicant in response to above-mentioned letters:

1. Copy of a letter, dated May 30, in reply to ours of May 12, 1955.

2. Copy of a letter, dated June 30, in reply to ours of June 3, 1955.

3. A report, dated April 28, 1955, on the geology and radiometric survey of the property, by Forbes Robertson, with map.

4. A report, dated May 31, 1955, of a geophysical survey of the property, by Floyd F. Hatterlan, with map.

5. Copy of a letter, dated July 8, 1955, with attached assay report of Union Assay Office, Inc.

6. Copy of a letter, dated October 10, 1955, with attached letter, dated September 21, 1955, from Louis Williams and map showing mineralization and target areas.

Also enclosed is a copy of Memorandum to the File, dated September 20, 1955, by Ernest Mn. Ellis, describing an interview with Mr. and Mrs. Walter S. Price in connection with the subject application.

It is apparent that the Applicant has supplied all the information available to him. While such information is not entirely satisfactory, we believe that the most practical way to deal with this application, under these circumstances, is to have the property examined.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

P. F. Yopes

Member, Bureau of Mines

Thor H. Kilsgaard

Member, Geological Survey

MChing/gla
10-14-55
cc to: Admr.'s Reading File
Operating Committee
Docket
Messrs. JECrawford, Rm. 3641
THKilsgaard, Rm. 5224
JOHosted, Rm. 3210, GFA
Code 700
Mr. Ching

So. 157 Howard Street
Spokane 4, Washington

April 18, 1955

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: DMEA application (uranium and tungsten)
American Strategic Minerals Corporation
Okanogan County, Washington

Dear Mr. Selfridge:

Enclosed are the original and two copies of an application for DMEA assistance presented by the American Strategic Minerals Corporation of Tonasket, Washington, on a property which they own in Okanogan County.

Mr. Price, the applicant, was in and talked at some length with the Executive Officer. In addition, Mr. Paul Weis of the Geological Survey visited the property last fall on a trip not connected with DMEA.

The application, as you will observe, is very vague. There is a large area which the applicant claims is radioactive; however, the radioactivity is very low and apparently at its highest it reaches no more than 3 or 4 times background and in most places is much less. This, of course, is very little more than would be expected from passing from recent sediments into the chlorite schist which forms the country rock of the area. This was pointed out to Mr. Price, but Mr. Price is convinced that the radioactivity is due to underlying deposits of uranium. When Paul Weis visited the property last fall he did not find any significant high level of radioactivity, although, according to Mr. Price, he saw only the north end of the property and did not see all the area which is included in the present application.

Mr. Price speaks of uranium veins and scheelite veins but does not show very clearly where these veins are, nor does he have any assays or any specimens from them. Some of these veins are said to outcrop. Mr. Price was vague on this point, but most of them, we infer, have been located by Mr. Saterlee by means of a geophysical method which Mr. Saterlee has devised. Mr. Saterlee, you will recall,

is the geophysicist involved in the Hidden Treasure property, Docket No. DMEA-2506, which was denied. We do not understand and are not convinced of the validity of Mr. Saterlee's methods.

Mr. Price had a sample of what he stated was his most radioactive material. On examination it proved to be schist with a little bit of brown iron staining which Mr. Price had evidently confused with uranium oxides. This material was tested, and was found to be completely nonradioactive. A radiometric analyses made later on our laboratory scaler indicated an eU content of 0.006 percent, which is not unusual for a schist. Mr. Price stated that this material was not very radioactive away from the outcrop but on the outcrop it was much more radioactive.

It was pointed out by the Executive Officer to Mr. Price that the proposal he made was incomplete in that it did not have a specific objective and, consequently, what he proposed was more prospecting than exploration and hence did not seem to come under the DMEA program. He was told that the Executive Officer did not think that the proposal could be seriously considered by the DMEA at this time until he had done more work, had more specific information, and came up with a more specific program. Mr. Price stated that he "realized the application was incomplete but he had been advised that he should submit an application at this time because of the possibility the DMEA program might not continue beyond the end of the fiscal year." He said that he planned in the very near future to have Mr. Forbes Robertson map the geology and the veins on the property and that Mr. Saterlee would also do geophysical work and map the veins. The Executive Officer then told him that the Field Team would send in the application but would take no action until this additional information could be furnished to the Field Team.

Mr. Forbes Robertson is a competent and reputable geologist and if we could get a map and recommendations from him the property could be seriously considered. On the basis of the present information, however, we strongly recommend that Mr. Price be informed that his proposal comprises more prospecting than exploration, and that we will hold the docket open for him until say about June 1, 1955, so that he can supply more geologic and engineering information, but that unless and until this information is made available to the Field Team, his proposal cannot be considered further under the DMEA program.

By Field Team, Region I, NW District

A. E. Weissenborn, Executive Officer
U. S. Geological Survey

Wing G. Agnew, Member
U. S. Bureau of Mines

Enclosure (in trip.)
cc: USBM (2)
AEC (2)
Weis

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

MAY 12 1955

Mr. Walter E. Price, President
American Strategic Minerals Corporation
P. O. Box 123
Toroquet, Washington

Re: Docket No. DMA-3790 (Uranium-tungsten)
Mineral Leases
Okanogan County, Washington

Dear Mr. Price:

A review of your application for Government aid in an exploration project discloses that it is too incomplete to process further at this time. Some of the supplemental information required by this office was pointed out to you in your meeting with Mr. Heisenborn.

We understand that you plan to engage a competent geologist to map the geology, radioactivity, and other pertinent features on your property. In connection with such mapping, it is important that the boundary lines of your property be shown in correct relationship to all other features. This applies also to the location of the proposed drill holes.

In Article 3 of the application you describe the property as being located in Sections 7, 10, 11, 13, 14 and 24, Township 37 North, Range 26 East. The township map and lease show part of Section 15 as also being included. Kindly advise as to which is correct.

A review of the two leases submitted indicates that the NW¼ and the SW¼ of the N½ of Section 11 are not to be included in the property to be explored. Please confirm this understanding. Your attention is called to the fact that this omitted area is located in the center of the proposed exploration area and it appears that some of your proposed holes are located within it. This situation points up the importance of having a correct claim map as the basis for an exploration plan.

We wish again to emphasize the point brought out by Mr. Heisenborn that any exploration program must have specific targets. Such targets may be indicated by mineralized outcrops from which representative samples have been taken and proof of significant mineralization shown by assays; or, areas of exceptionally strong radioactivity may provide specific targets. However, in the latter respect Mr. Heisenborn informs us that the radioactivity on your property is comparatively low and at its highest, reaches no more than 3 or 4 times background, which is not extraordinary.

Aside from providing more geologic and engineering information you may find it necessary to do some preliminary work such as trenching or drilling a few holes for your own account in order to establish specific objectives for an exploration program.

We shall hold your application in abeyance pending receipt of the additional information requested above. It would be appreciated if you will advise us promptly of your intentions in regard to our request as we cannot hold your application open indefinitely.

Sincerely yours,

Ernest W. Ellis, Chief
Rare and Miscellaneous
Metals Division

MChing/gla
5-11-55
cc to: Admr.'s Reading File
Docket
Messrs. J. E. Crawford, Rm. 3641
T. H. Killingsord, Rm. 5224
J. O. Horted, Rm. 3210, OBA
Code 700, Mrs. Ching
DMEA Field Team, Region I, Mo District (2)

IN REPLY REFER TO:

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

May 4, 1955

Re: DMEA-3790
American Strategic
Minerals Corp.
Tonasket, Washington
$150,000
Uranium-Tungsten

Memorandum

To: E. W. Ellis, Defense Minerals Exploration Administration

From: E. E. Nelson, U. S. Geological Survey

Subject: Review of application

The letter of the Executive Officer Region I, recommending that the applicant get some definite indications of the mineralization claimed in the application, cares for this request.

E. E. Nelson

EENelson:hlm
G-5/4/55

Copy to: Director's reading, 4312
Branch reading, 4212
DMEA (3)
Docket file
J. E. Crawford, 3441 Interior
J. O. Rested, 3210 GSA

AMERICAN STRATEGIC MINERALS CORPORATION
P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

October 10, 1955

U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D.C.

RECEIVED
OCT 11 1955

Attention, Mr. Ernest Wm. Ellis, Chief
Rare and Miscellaneous Metals Division
Re: Docket No. 3790
Uranium-Tungsten

Dear Sir:

With reference to your letter of July 8, signed by the Administrator, and our letter of the same date, and in compliance with oral request of Mr. Ellis to the undersigned in his office of September 19, 1955, there is forwarded herewith a corrected map laid out in conformance with section and township lines, on which is indicated part of the radioactive anomalies and six "target areas".

The applicant has core-drilled at the point marked "H", to the west of target area # 3, and on Vein BJ in target area # 1.

In core drill hole # 1, we missed the mineralized area, and as a result of determining that we would have to drill to at least 300 feet to bisect the mineralized zone, we consequently moved the drill to Vein BJ in target area # 1. From 121 feet of drilling, we were able to obtain only about 10 feet of core. No core at all was obtainable from the mineralized zone at about 85 feet to the bottom of the hole. Both holes are full of water; consequently we are unable to obtain accurate probe readings. However, the readings are high enough to indicate that we are in radioactive material. The sludge samples from core drill hole # 2 assayed very low, approximately .024 U_3O_8.

As indicated in the enclosed copy of letter from Mr. Lewie Williams, we are apparently having the same or similar experience to that which they have had in northern Nevada. The undersigned discussed this problem with Atomic Energy Commission representatives at Grand Junction and at Salt Lake. They recommended that we try a Calyx Drill, or at least a drill with a BX core. We further discussed the problem with experienced drillers at Salt Lake, Spokane, Boise, Seattle, and Orangeville, California. They all recommended against attempting to drive a Calyx Drill through the argillite formation, through which we must pass in order to get to the mineralized zone, and instead recommended at least a BX Core Drill or churn drilling.

Since the geologists and geophysicists are not in agreement as to the formation underground, and since there are no shafts or other test holes in the vicinity at the depth to which we must go, it would seem most sensible to the undersigned to drive an exploratory incline shaft at the site of core drill hole # 2, namely target area # 1. After which we would be in a position to develop a more intelligent core drilling program on the remainder of the property.

The chief geologist for the Atomic Energy Commission at Salt Lake told us that it was likely that our inability to obtain a core in target area # 1 was due to the fact that the primary ore is probably "sooty pitchblende", similar to some of the ore found at Marysville, Utah. (This ore won't core, and in addition the radioactivity disappears in wet drilling).

With reference to the Administrator's letter of July 8, 1955, the undersigned has never acknowledged that the "potential tables", submitted with the geophysical report accompanying our letter of June 30, are "meaningless". We simply stated at the time of submission that we were unable to convert these tables at that time into chemical content of the ore. In fact, the tables are very meaningful, and are based upon a comparison with many properties in Montana, Idaho, eastern Washington, Oregon, and, in addition, ore from numerous areas on the Colorado plateau and elsewhere. The only ore that compares in potential with this property is that from Marysville, Utah.

Therefore, we feel that we are fully justified in requesting that our original application be approved, with this amendment, namely, that a 200 foot twenty per cent incline shaft be driven at target area # 1. On the basis of our examinations, we should bisect the ore body at approximately 165 feet, the shaft to be driven on the strike of the vein to the east. We can contract for the driving of the exploratory shaft for approximately $50 per foot. We believe that we can save a great deal in connection with the future development of the property, and especially on the drilling program, by first driving this shaft.

In reverting to our original application, the following is to be noted:

1. Given commercial grade ore, three elements are necessary in order to successfully mine, namely, water, transportation and power must be available. Transportation we have, but we need water and power as outlined in our original application.

2. It requires from three weeks to a month to obtain returns on uranium assays from Denver, Salt Lake, or Grand Junction, which is far too long to successfully prosecute a mining program. Therefore we believe that the assay and laboratory facilities outlined in our original application should be approved.

In order that your office may the more readily review our application, the following have been submitted:

1. March 30, 1955, original application addressed to the Spokane Office of D.M.E.A., containing the following:

a. Applidation
b. Owner's consent to lien
c. Outlines of proposed exploratory program
d. Resumé of estimated expenditures
e. Sketch of radioactive areas
f. Township map (delineating leases)
g. Aerial map
h. Mining leawes
i. Biographical data of business manager
j. Copy of Articles of Incorporation
k. Copy of By-Laws of corporation
l. Copy of Corporation license.

2. April 26, 1955, acknowledgment of application, and assignment of docket number from D.M.E.A.

3. May 12, 1955, letter from D.M.E.A. requesting clarification of various points.

4. May 30, 1955, letter acknowledging above, and clarifying the various points brought up.

5. June 3, 1955, acknowledgment of our letter of May 30, 1955.

6. June 30, 1955, submission of geological and geophysical reports, together with map of mineralized areas.

7. July 8, 1955, submission of certified assay showing uranium content of outcrops.

It must be noted that in correspondence from the D.M.E.A., apparently considerable importance is attached to assays.

Also on a recent trip across the United States, the undersigned on numerous occasions heard of an unofficial 1l of 1% rule before applicant either to the A.E.C. or D.M.E.A. can get an inspection of the properties by field crews operating for the Government. The writer would like to suggest that in his opinion this is a very faulty rule. There are literally hundreds of mines that have operated in the past in this country and Canada, and some are still operating today, which, if such a rule had been followed, would never have been opened up. (A classic example, of course, is Steen's Mi Vida Mine).

As the undersigned stated orally to Mr. Ellis, if we had shipping grade ore on the surface, it wouldn't be necessary for us to apply for a D.M.E.A. loan. However, a close study of the Defense Production Act of 1950, and hearings upon which the Act

is based, and subsequent amendments thereto, lead applicant to believe that this property qualifies in every respect for a loan. Under Section 6 of the Act (a) there is no question as to the strategic importance of the minerals involved; (b) the geological probability of making a significant discovery is definite; (c) manpower, materials, supplies, equipment, water and power are available; and (3) the Business Manager has been connected with over three billion dollars of Governmental contracts since April 1940, who, with the aid and advice of a man who has been actively engaged in mining for more than 30 years, should enable applicant to prosecute almost any reasonable program to a successful conclusion.

In short, we believe that more than enough time has elapsed to enable your office to issue the necessary instruction to the field office to make the required inspection in order that the work can proceed.

Very truly yours,

Walter S. Price

Walter S. Price
President

WSP:RP

Enclosures:
1. Map showing radioactive anomalies and target areas

2. Letter from Lewie Williams 9/14/55

Copy

LEWIE WILLIAMS MONT CLAIR SPEAR
Attorneys at Law
Jones Building
1331 Third Avenue
Seattle 1, Washington
Elliott 6119

September 14, 1955

Mr. Walter S. Price
American Strategic Minerals Corporation
P.O. Box 523
Tonasket, Washington

Dear Mr. Price:

In compliance with your request, the following outlines briefly my findings in examining the core drill holes with a Universal Nucliometer probe on your properties in Okanogan County.

It is to be noted that both core drill holes Nos. 1 and 2 were filled with water. With certain types of ore, this might have the effect of blanketing the radioactivity to a considerable extent.

The readings in core drill hole No. 1 set on .1 averaged from 2 to 4 and those in core drill hole No. 2 averaged from 2½ to 5. The high point of 5 was recorded at 80 to 85 feet of depth.

With reference to your inability to obtain a core from core drill hole No. 2, it would appear that you may be having the same or similar results experienced on certain properties in Northern Nevada that have come to my attention. In fact these properties are located in the immediate vicinity of properties in which I'm interested. Their experience was that they lost the radioactivity with wet drilling; the sludge assays were very low; the probe readings similar to yours. A large pit was dug with a bulldozer and large samples of ore obtained. The net result was that the chemical assays were above that indicated by the probe readings or as indicated by the sludge.

It is possible that you are faced with a similar problem, since the probe readings are quite high, especially in core drill hole No. 2, and are much higher than the chemical assay of the sludge indicates.

I hope that the above is of some assistance to you, and that your efforts to bring a uranium property into profitable production in that area may meet with final success.

With best regards, I am,

Very truly yours,

(Signed)
LEWIE WILLIAMS

LW ms

Kansas Minerals Administration
RECEIVED
APR 25 1955

INDEX OF CONTENTS

1. Transmittal Letter to Mr. E. A. Weissenborn
2. Application (IF-103)
3. Continuation of Application (2 pages)
4. Owner's Consent to Lien
5. Outline of Proposed Exploratory Program
6. Resumé of Estimated Expenditures
7. Sketch of Radioactive Areas
8. Township Map (Delineating Leases)
9. Aerial Map
10. Mining Leases
11. Biographical Data of Business Manager
12. Copy of Articles of Incorporation
13. By-Laws of Corporation
14. Copy of Corporation License

RECEIVED

AMERICAN STRATEGIC MINERALS CORPORATION

P. O. BOX 523
TONASKET, WASHINGTON

WALTER S. PRICE, PRES.
GORDON D. LUTHER, VICE PRES.
RUTH A. PRICE, SEC.-TREAS.

SEATTLE ADDRESS:
104 PREFONTAINE PLACE
SEATTLE 4, WASHINGTON
PHONE: MAIN 7233

March 30, 1955

Mr. E. A. Weissenborn
Defense Minerals Exploration Administration
United States Geological Survey,
South 157 Howard Street,
Spokane 4, Washington.

Dear Sir:

In compliance with suggestion contained in letter dated November 4, 1954, from the Division of Raw Materials, Salt Lake Exploration Branch, United States Atomic Energy Commission, (Ref; SLEB:af), there is transmitted herewith application for aid in an exploration project, pursuant to DMEA Order 1, as amended, under the Defense Production Act of 1950. (MF-103 in quadruplicate).

In view of the facts presented herein, with supporting information, it is the belief of applicant that it would be to the interest of the Government to join in carrying out the exploration outlined in the enclosed application. The Chief Geologist for the State of Washington has stated (orally and informally to the undersigned) that his office considers the area under investigation to be one of the most highly mineralized areas in the State, but that very little has ever been done about it.

Information concerning the geology of this area is very meager and in fact is not completely understood. The effects of faulting and shearing in the immediate area upon the formations and mineralization at depth has not been determined. Since most of this area was homesteaded and patented in the early years of this century, very little prospecting has been done. Some prospecting was done in the early 1900's by prospectors looking for free gold. However, even this prospecting was ineffective for the reason that apparently the effects of glaciation were not understood or misled the prospectors as to the true location of ore bodies.

A large percentage of the area under consideration has proven to be quite radioactive (two, three and four times the background count). Through tests made by applicant over a period of time, it has been proven with a fair degree of certainty that a part of this radiation is from radon gas. One conclusion can be that the source of this radon gas is from unstable ore bodies at depth, the gas percolating through the seams of schist and argillite. If this is the case, it would certainly seem that a modest exploratory program is warranted to determine if commercial grade uranium ores are available.

The radioactive area under consideration is roughly two miles

square

square. If commercial grade ores can be located, the possible available tonnage is very large. (By use of geophysical equipment it has been determined that uranium ores may be available to an average depth of 1500 feet).

Since the Government is trying to develop reserves of radio-active ores, it is believed that the modest exploratory program envisaged in the enclosed application warrants serious consideration.

Applicant believes that this property under consideration is either on or in the immediate vicinity of a granitic contact. (In this connection mention is made of the fact that uranium ores in commercial grades and quantities have been loca ted on the Spokane Indian Reservation in an area where argillite contacts granites). We do know with certainty that we have a felsitic porphyry or micro-granite porphyry contact with argillite which may well indicate the presence of commercial grade uranium ores in situ. No other granitic outcrops have been located on the property. However, the glacial moraine contains large amounts of granite and pegmatites. The source of these granites and pegmatites has not been determined. However, there is some evidence that a considerable part of the glacial deposits were created from material in the immediate vicinity.

In addition to the radio-activity indicated on this property, it has been determined by geophysical examination and by the use of mineral lights that there is tungsten, in the form of scheelite, in and adjacent to the felsitic porphyry dike which traverses the property in a north-south direction for a distance of about two miles. Therefore, the possibility of finding tungsten in commercial grade and quantity should also be thoroughly explored.

In view of the foregoing and facts presented in the enclosed application, it is earnestly requested that the Defense Minerals Exploration Administration give early consideration to the program outlined herein.

Very truly yours,

Walter S. Price

Walter S.Price

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED

RECEIVED APR 4 1955 U. S. G. S. SPOKANE, WASH.

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

Not to be filled in by applicant

Docket No. 3790
Metal or Mineral Uranium, Tungsten
Date Received 4-25-55
Estimated Cost $150,000
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: American Strategic Minerals Corporation
P. O. Box 523,
Tonasket, Washington.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Mineral leases on patented property located in Sections 2, 10, 11, 13, 14, and 24, Township 37 N., Range 26 E.W.M., Okanogan County, Washington. (See Township map attached).

(*b*) State any mine name by which the property is known. None.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise 5 year mineral leases on patented lands renewable for 5 years with option to purchase.

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

(*e*) If you own the land, describe any liens or encumbrances on it Not applicable

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

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

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

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

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

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

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

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

(*c*) The work will start within 90 days and be completed within 12 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

(*b*) How do you propose to furnish your share of the costs? By furnishing proportionate share of cash, labor and materials.

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

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated March 30, 1955.

American Strategic Minerals Corporation
(Applicant)

By Walter S. Price
Walter S. Price, President.
4736½ University Way,
Seattle 5, Washington.

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

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

APPLICATION OF
AMERICAN STRATEGIC MINERALS CORPORATION

Replies to instructions contained in Form MF-103 attached:

1. (b) Corporation organized in the State of Washington.
(c) (1) Walter S. Price, President
4736½ University Way, Seattle 5, Washington.
(2) Gordon D. Luther, Vice President
3727 Bagley Ave., Seattle 3, Washington.
(3) Ruth A. Price, Secretary-Treasurer
4736½ University Way, Seattle 5, Washington.

(d) Not applicable.

4. (a) The mineral leases comprise 2040 acres located approximately 5 miles west of Tonasket, Washington. The properties are located near a well travelled county road, part of which is surfaced. Over a period of years a considerable amount of prospecting has been done on this property. A considerable amount has been done recently in connection with mapping a radioactive area approximately 2 miles square. (See sketch attached hereto).

(b) There has been no past profitable production in so far as can be verified with certainty.

(c) The properties lie on three benches with elevations from 1450 feet to approximately 2500 on the upper bench. All three benches are traversed by numerous veins with a north-south strike. The veins on the west side are three to four feet wide. As you progress eastward the veins become wider until you reach the third bench where the veins average ten to fifteen feet in width. The upper or third bench has a prominent chlorite schist exposure with felsitic porphyry veins or dikes intruding it. This exposure extends in a north-south direction for approximately two miles. In the vicinity of the chlorite schist there has been indicated by the use of Geiger Counters and Scintillators a considerable amount of radioactivity. In places the radioactivity is three and four times the background count. By geophysical examination it has been determined that there is also a considerable body of tungsten ore either in or near the felsitic porphyry. The quantity, quality and extent can only be determined by drilling or other methods of testing.

To the west of the chlorite schist lies a lime bed with quartzitic replacements. The lime bed also has a north-south strike or placement. At or near contact of porphyry dike and lime there is a strong probability of a high degree of mineralization. The geological information available from the U.S.G.S. and other sources covering this area is very meager.

(In this connection see map and discussion contained in the Geological Society of America Bulletin dated September 1, 1941, Vol. 52, No. 9). According to one competent and recognized Geologist, the discussion in the above cited Bulletin omitted so many facts that bear on the geology and thus the mineralogy of the area, that it is very misleading and should be re-written.

All of the veins on which it can be determined have a dip of approximately 65 degrees to the east.

Between the quartzitic veins lies a graphitic (argillite) formation with quartzitic intrusives. There is radioactivity throughout this formation also. (According to the assay made by the U.S.G.S. it runs .0104 equivalent uranium. The sample taken from a test hole approximately five feet below the surface). A more recent test made with samples taken from the vicinity of the chlorite schist, and checked against a calibrated sample of pitch blend obtained from the Atomic Energy Commission shows a uranium content, or its daughter elements, of approximately .06 per cent uranium.

The radioactivity has proven to cover approximately an area two miles square. Since the radioactivty is so wide spread, it is the belief of applicant that a core drilling program is warranted to prove out values at depth.

(d) A county road passes through the property. It is five miles to Tonasket, Washington, where rail and loading facilities are available. Supplies are available at Tonasket and points south as far as Wenatchee, also at Spokane. There is a house, which can be rehabilitated, located on the property. Additional housing is available at Tonasket.

(e) Man power is available at various points up and down the Okanogan River Valley. Materials, supplies and equipment can be obtained at the same points and also at Spokane. The applicant has an understanding with the leasor that water can be obtained for mining and milling purposes by driving a well in the valley below the mine property. It is an old river valley and the water supply has been proven by wells immediately south of the property. Power can be obtained from the Ferry County Public Utility District. Power is presently being supplied to run pumps a short distance to the south.

5. (d) The applicant has in the vicinity about three thousand dollars worth of miscellaneous tools and equipment. In addition the applicant has access to the facilities of the Silver Mountain Mine about one and one-half miles to the north.

6. (d) The project will be supervised by a Business Manager with the aid of geological and mining engineer consultants. (See outline of experience attached hereto).

7. (a) Yes. Funds will be deposited in the Pacific National Bank of Seattle.

OUTLINE OF PROPOSED EXPLORATORY PROGRAM

The following outline is set forth in sequence and in line with the resumé of estimated expenditures in so far as possible.

(1) On the basis of applicant's recent experience in the area under consideration, it is essential to have assay and research facilities immediately available. The applicant has available a small two story building (18' X 20') in Tonasket which can be moved to the site to serve as an assay office. (Cost of building and moving to site of work $500.00) In addition a building should be built adjacent to it for an ore dressing laboratory with dimensions of 24' X 30'. (Estimated cost using rough lumber $1,000.00). Equipment and supplies for the assay office are estimated at $3,500.00 Equipment for the ore dressing laboratory is estimated at $3,500.00; both estimates based on information supplied by the Denver Equipment Company.

(2) Rehabilitate house indicated on sketch for a center from which to carry on the work. Applicant has this house rented. Amount budgeted for this purpose $500.00. An old building on the property can be restored for a tool and storage shed at approximate cost of $300.00.

(3) There is a thirty foot test tunnel on the property which can easily be fixed up for dynamite storage. Cost for rough lumber and door $150.00.

(4) Have the Ferry County P.U.D. extend the power line from a point approximately one-half mile south to the house, assay office and pumps. Estimated cost $6000.00.

(5) In order to have an assured supply of water it will be necessary to drill a well in the valley below the house. Estimated cost of well, lifter and booster pumps, pipe, storage tanks and fittings $7,700.00.

(6) To develop the work program, it is proposed to bull doze a series of trenches in an east-west direction across the top and down the sides of the three benches on the property with the purpose of exposing, if possible, most or all of the veins which lie in a north-south direction. The over-burden runs from zero to 20-30 feet. (Where it is necessary to drill and blast rock outcrops to accomplish the bull dozing a mine crew will be available. $4,500.00 has been budgeted for this purpose.

(7) Concurrently with the bull dozing a drill rig will start a series of core drilling holes at sites indicated on the attached sketch. Where necessary the bull dozer will be available to cut benches from which the drill rig can operate. $25,000.00 has been budgeted for this purpose.

(8) In view of the extent of the mineralized area, as indicated by the sketch attached, it would appear best to contract for two mining crews, one for the north end and one for the south. These crews to be used to drive a series of short adits into the more prominent outcrops for determining the vein formations and general conditions underground. Also if it appears advisable, to sink short shafts in areas where it appears warranted by the results of the core drilling. $13,000.00 has been budgeted for this purpose.

(9) Under the heading of operating materials and supplies, the following will be required:

(a) The applicant has blasting equipment available. Powder and electric caps are available from the DuPont Powder Company agent at Wenatchee who will deliver to the job site. Estimated cost $2,385.00;

(b) The applicant has saws, picks, shovels, wrenches, etc., available. However, it is estimated that additional tools, repairs, and drill steel will cost $1,480.00;

(c) Gas & oil for trucks and compressors $1,400.00.

(10) (a) With two crews quite widely separated, it will be necessary to have two portable compressor units on the job. Two Atlas Diesel units on rental at $300.00 per month for 9 months $2,700.00;

(b) Two Copco rock drills with pusher legs and hose assemblies, and 1 Copco Automatic Grinder, estimated cost $1,520.00. It is planned to use Sandvik Coramant drill steel with integral tungsten carbide chisel bits with these Copco drills;

(c) It is planned to use the GISMO method of operation for possible open-cut and tunnel work. This equipment is fabricated by the Sanford-Day Iron Works and consists of a crawler tractor equipped with winch, cable, and controls; and a GISMO or a crawler mounted self-loading transport. The use of this equipment will eliminate the need of hoists, rails, cars, and other types of earth and hard rock moving equipment normally used in a mining operation. The cost of this equipment is $26,000.00 f.o.b., Knoxville, Tennessee, plus freight to the job site.

(11) There is available in the area a flat bed Dodge truck with winch and A-Frame which can be used in connection with hauling water, sinking shafts and miscellaneous haulage. Obtainable for $900.00; in order to have a piece of equipment to shunt the compressors about and to haul equipment and supplies to the operating area, it is believed a second hand Wilys pick-up, four wheel drive, should be purchased for this purpose. Cost $1,000.00.

(12) It will be necessary for the Business and Operations Manager and the Assayist-Metallurgist to live on the property. Camp expenses have been estimated at $2,115.00.

(13) The salary of the Business and Operations Manager has been set at $750.00 per month. Budget for one year to start and complete the work $9,000.00. The fees for engineering and geological consultants have been estimated at $15,000.00.

(14) The salary for an assayist-metallurgist has been set at $500.00 per month for an estimated ten months. $5,000.00.

(15) Insurance, payroll taxes and freight $3,800.00.

(16) Reserve for contingencies estimated at $11,550.00.

Resumé of Estimated Expenditures in
Connection with DMEA Loan Application

1.	Assay and Research Facilities:		
	(a) Assay Office and Laboratory for ore dressing		$1,500
	(b) Assay Laboratory Equipment & Supplies		3,500.00
	(c) Laboratory Ore Dressing Equipment		3,500.00
2.	Rehabilitation of Buildings:		
	(a) House		500.00
	(b) Tool & Storage Shed		300.00
3.	Powder storage:		
	Fixing tunnel & building door for dynamite storage		150.00
4.	Installation of Power Line:		
	To house, assay office & pumps		6,000.00
5.	Water:		
	(a) Well drilling contract (100 ft. @ 17.00)		1,700.00
6.	Bull dozing:		
	(a) Contract - 300 hours at $15.00		4,500.00
7.	Core (diamond) drilling:		
	5000 ft. at an average of 5.00		25,000.00
8.	Two mine crews on contract:		
	(a) 500 ft. drift at 10.00 per ft.	5,000.00	
	(b) 100 ft. shaft @ 40.00 " "	4,000.00	
	(c) Excavation & cross cutting	4,000.00	13,000.00
9.	Operating Materials & Supplies:		
	(a) Dynamite, caps & blasting equip.	2,385.00	
	(b) Drill steel, misc. tools & repairs	1,480.00	
	(c) Gas & oil	1,400.00	5,265.00
10.	Equipment:		
	(a) Two portable compressor units on rental, Atlas Diesel, 106 C.F.M.	2,700.00	
	(b) 2 Copco rock drills with pusher legs & hose assemblies	1,130.00	
	(c) 1 Copco Automotic Grinder	390.00	
	(d) 1 HC 5 Allis-Chalmers tractor Complete with attachments	16,700.00	
	(e) 1 mucking GISMO operated by above	9,800.00	30,720.00
11.	Transportation:		
	(a) Wilys Pick-up truck	1,000.00	
	(b) Dodge truck with winch & A-Frame	900.00	1,900.00
12.	Miscellaneous Camp Expense		2,115.00
	Total Forward		$105,650.00

	Total Forward		$105,650.00
13.	Supervision:		
	(a) Business & Operations Manager	9,000.00	
	(b) Engineering & Geological consul.	15,000.00	24,000.00
14.	Assayist & Metallurgist		5,000.00
16.	Reserve for contingencies		11,550.00
	TOTAL		$150,000.00

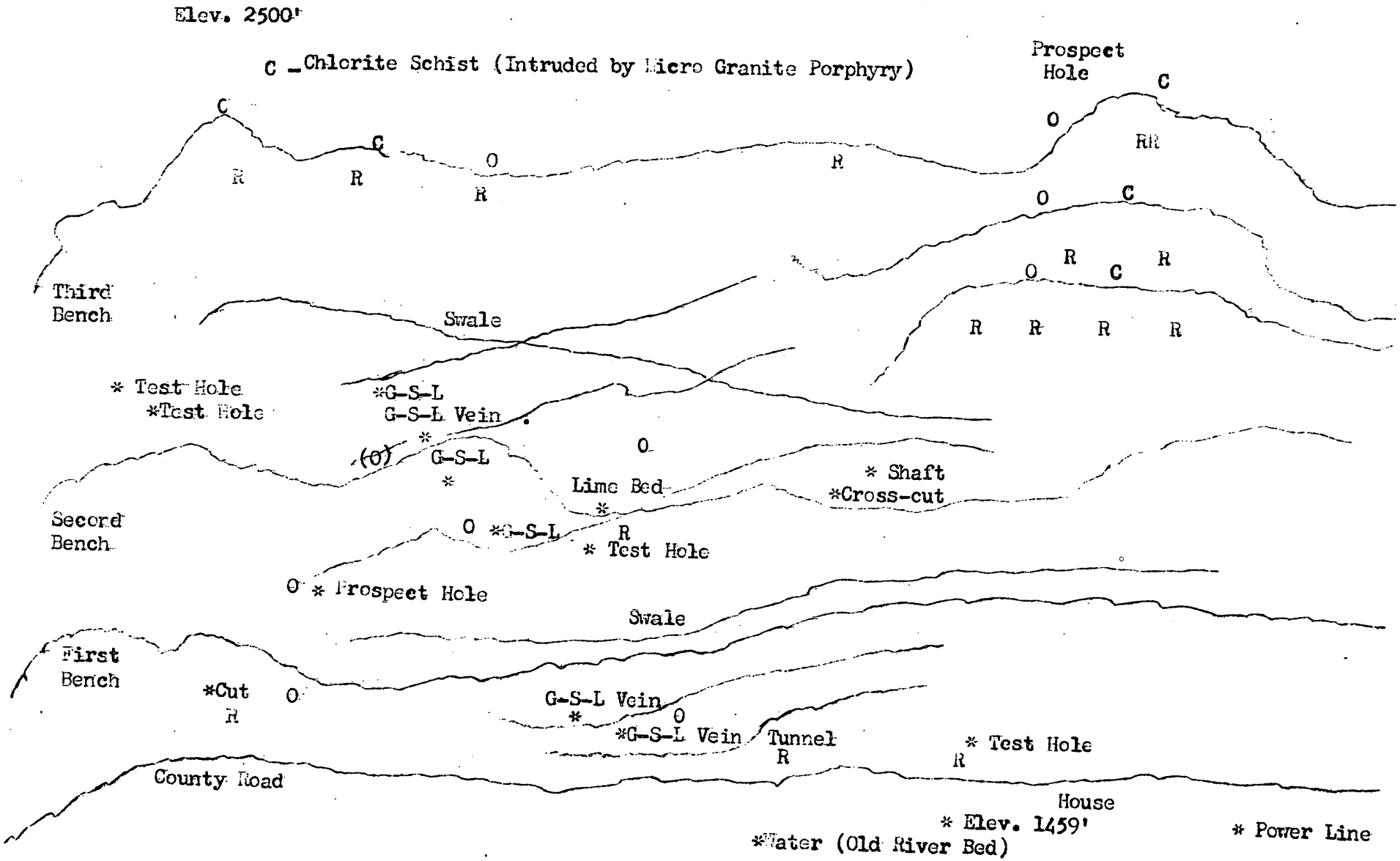
N *------*S

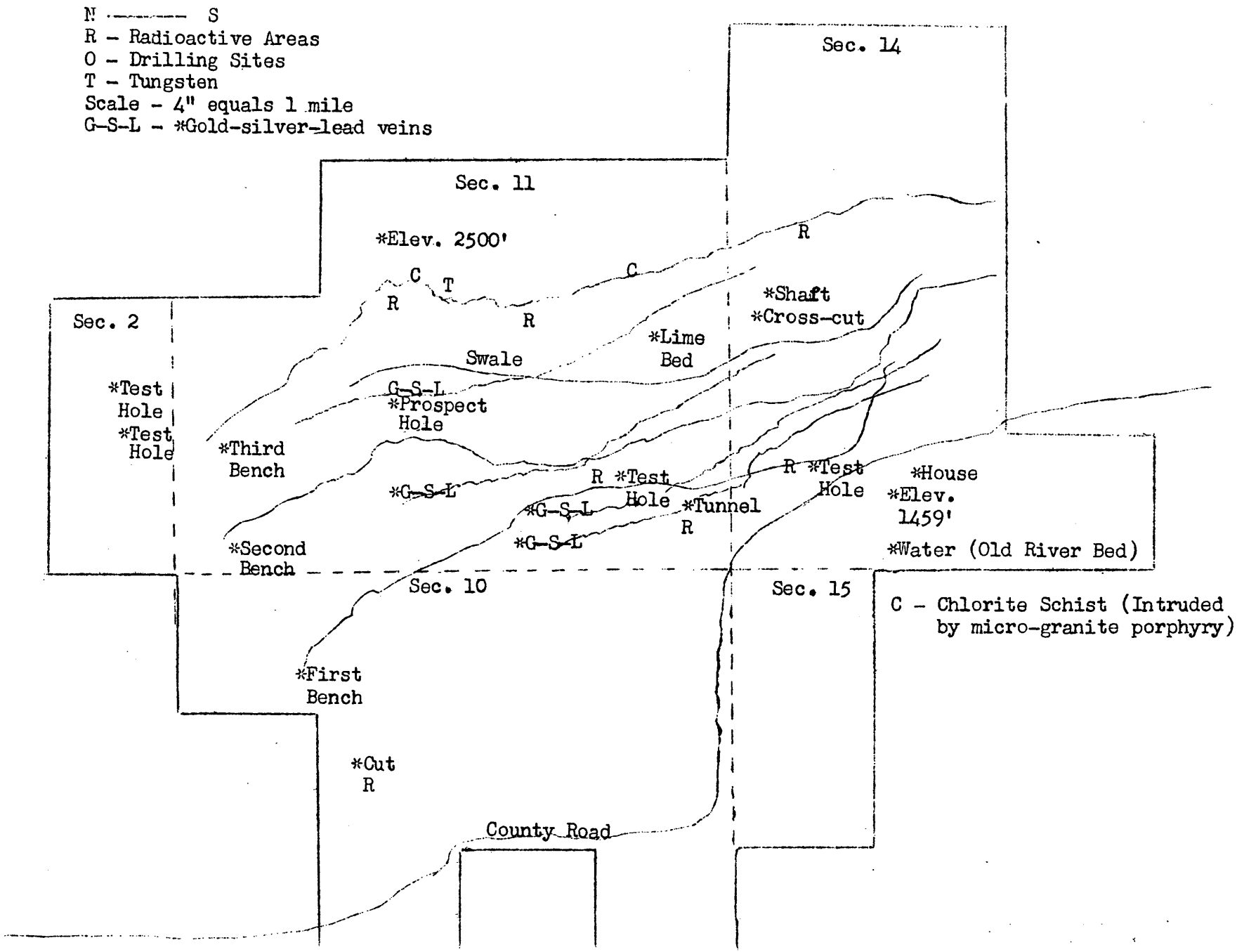
R — Radio Active Areas

SCALE - 3" equals 1 mile

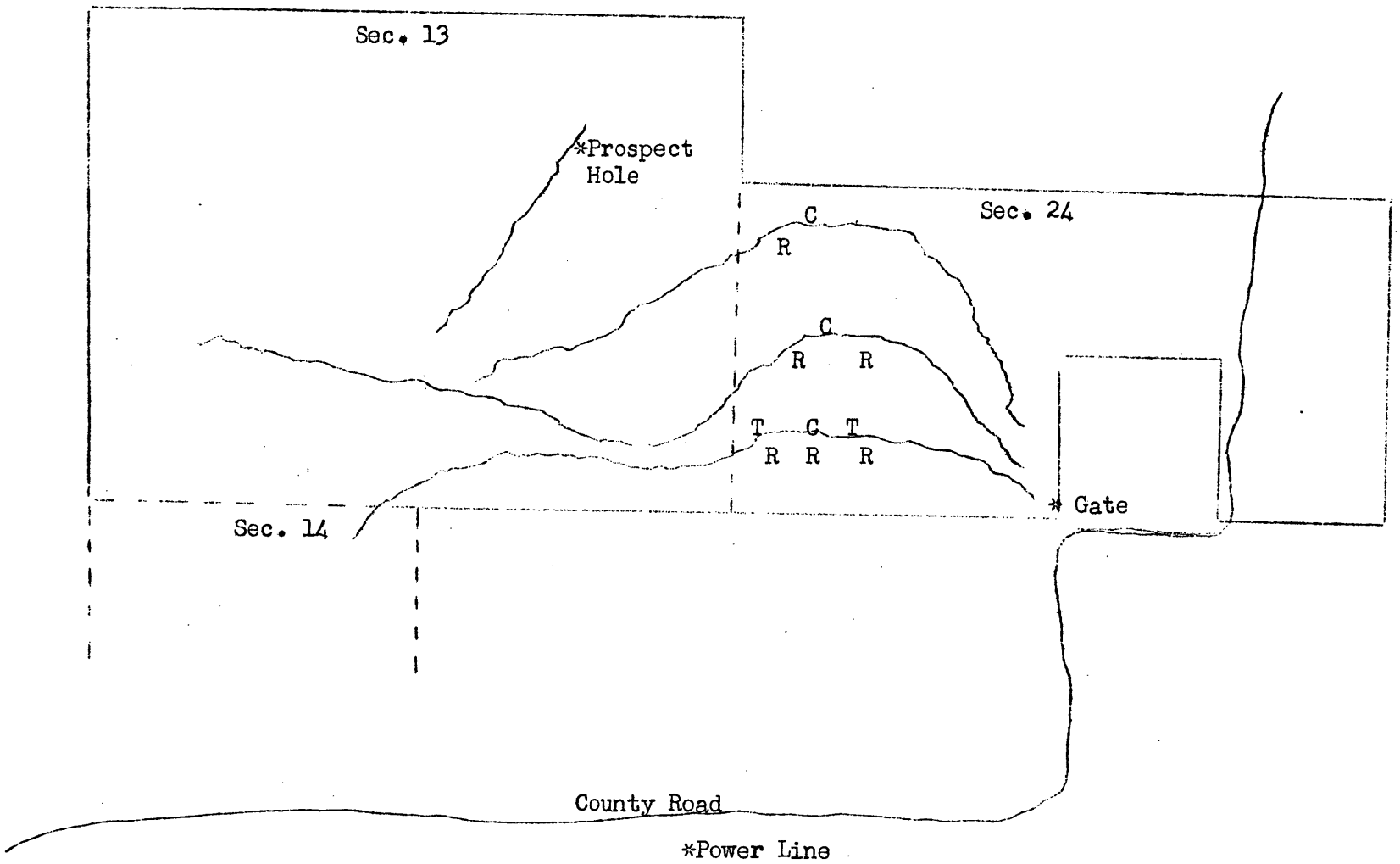
O - Drilling sites

G-S-L * Gold-Silver-Lead




N ——— S
R – Radioactive Areas
O – Drilling Sites
T – Tungsten
Scale – 4" equals 1 mile
G–S–L – *Gold-silver-lead veins
Sec. 14
Sec. 11
*Elev. 2500'
C
T
R
R
C
R
Sec. 2
*Shaft
*Cross-cut
*Lime
Bed
Swale
*Test
Hole
*Test
Hole
G–S–L
*Prospect
Hole
*Third
Bench
*G–S–L
R *Test
Hole
R *Test
Hole
*House
*Elev.
1459'
*G–S–L
*Tunnel
R
*G–S–L
*Second
Bench
*Water (Old River Bed)
Sec. 10
Sec. 15
C – Chlorite Schist (Intruded
by micro-granite porphyry)
*First
Bench
*Cut
R
County Road

Composite Elevation View Imprinted
on Township Map



COPY

MINING LEASE

This indenture, made this 22nd day of September 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, Party of the second part,

WITNESSETH:

In consideration of the rents, covenants and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of fifty ($50.00) dollars per annum. Said lands are situated in Okanogan County, State of Washington and described as follows: N.E.$\frac{1}{4}$; Township 37N., Range 26 E.W.M., Section 14. (Northeast quarter of Section 14).

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $50.00 per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated, and also covenants that no damage shall be done to or upon said premises and lands other than may be necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the premises under which said mine is dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years from the 22nd day of September, 1954, then this lease

shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above dexcribed property at any time during the life of this lease upon the payment to the first parties of the sum of three thousand ($3,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 22nd day of September, 1954, at Loomis, Washington.

/s/Loy J. McDaniel
Loy J. McDaniel
/s/Tessie M. McDaniel
Tessie M. McDaniel

Parties of the First Part

/s/Walter S. Price
Walter S. Price

Party of the Second Part

Certified to be a true copy of the signed original and recorded in Book 22, page 226 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

Copy.

MINING LEASE

This indenture made this 25th day of September, 1954, between Loy J. McDaniel and Tessie M. McDaniel, his wife, of Loomis, Washington, parties of the first part, and Walter S. Price of Seattle, Washington, party of the second part,

WITNESSETH:

In consideration of the rents, covenants, and agreements hereinafter reserved and contained, said parties of the first part do grant and convey to said party of the second part, his heirs, executors, administrators and assigns, the exclusive right of entering in and upon the lands hereinafter described, for the purpose of searching for gold, silver, lead, copper, zinc, tin, platinum, and any and all other minerals and of conducting mining and quarrying operations, to such an extent as he may deem advisable, for a period of five (5) years from date, and do hereby grant and convey to said party of the second part all the gold, silver, lead, copper, zinc, tin, platinum and any and all other minerals that may be mined in and under said lands hereinafter described during said term; but not to hold possession of any of said lands, for any other purpose whatsoever, and to pay for the site occupied for buildings or other work necessary to said mining, a reasonable rent in the sum of one ($1.00) dollars and other consideration per annum. Said lands are situated in Okanogan County, State of Washington, and described as follows: S$\frac{1}{2}$ of the SW$\frac{1}{4}$, Sec. 2; N.E.$\frac{1}{4}$ of the N.E.$\frac{1}{4}$, S$\frac{1}{2}$ of the N.E.$\frac{1}{4}$, S.E$\frac{1}{4}$ of the N.W.$\frac{1}{4}$, S.E.$\frac{1}{4}$, and S.E.$\frac{1}{4}$ of the S.W.$\frac{1}{4}$, all in Sec. 10; N.W.$\frac{1}{4}$, S.W.$\frac{1}{4}$ of the N.E.$\frac{1}{4}$, W$\frac{1}{2}$ of the S.E.$\frac{1}{4}$, all in Sec. 11; N.W.$\frac{1}{4}$, S.W.$\frac{1}{4}$, W$\frac{1}{2}$ of the N.E.$\frac{1}{4}$, W$\frac{1}{2}$ of the S.E.$\frac{1}{4}$, all in Sec. 13; N.W.$\frac{1}{4}$, N.W.$\frac{1}{4}$ of the S.W.$\frac{1}{4}$, all in Sec. 14; N$\frac{1}{2}$ of the N.E.$\frac{1}{4}$, Sec. 15; N.W.$\frac{1}{4}$, N.E.$\frac{1}{4}$ of the S.W.$\frac{1}{4}$, S$\frac{1}{2}$ of the S.W.$\frac{1}{4}$, all in Sec. 24; all of the above being in Township 37N, Range 26 E.W.M., Okanogan County, Washington. (The S.W.$\frac{1}{4}$ of the N.W.$\frac{1}{4}$ of Section 11 is hereby deleted) WSP/L.J.M.

It is specifically understood that second party, if he finds it unprofitable to mine said lands, may surrender this lease and option and have no further liability in connection therewith except such rents or royalties which may then be owing to first parties.

Said party of the second part hereby agrees that he, his heirs, executors, administrators or assigns, will pay or cause to be paid to said parties of the first part the following payments, to-wit:

In addition to the said $1.00 and other consideration per annum a royalty of ten (10%) per cent of the net returns of all minerals mined and sold until this lease expires under its terms as to time or until the second party may exercise his option to purchase as hereinafter stated.

The pa rty of the second part agrees that no act will be done or committed which will interfere with the grazing operations of the party of the first part, and also convenants that no damage shall be done to or upon said premises and lands other then may necessary in the conduct and operation of said mine or mines, and that in the event of a mine being dug, he will so prop, support and bolster up the roof of said mine as to insure safety and preserve intact the surface of the

premises under which said mine is being dug. And said party of the second part further expressly agrees that if no gold, silver, lead, copper, zinc, tin, platinum or other minerals be mined or quarried, as now contemplated by said parties, within the period of five (5) years, from the 25th day of September, 1954, then this lease shall terminate and be wholly void, but that if gold, silver, lead, copper, zinc, tin, platinum or any other minerals shall be found and mined by said party of the second part, then at the end of the term for which this lease shall run said party of the second part shall have the privelege of renewal for another term of five (5) years for the consideration herein named.

It is further agreed that the second party shall have the right and option to purchase the above described property at any time during the life of this lease upon the payment to the first parties of the sum of Forty Thousand ($40,000.00) dollars the first parties reserving the grazing rights on said lands in so far as the same will not interfere with mining operations.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 25th day of September, 1954, at Loomis, Washington.

/s/ Tessie M. McDaniel /s/ Loy J. McDaniel
Tessie M. McDaniel Loy J. McDaniel
Parties of the First Part.

/s/ Walter S. Price
Walter S. Price
Party of the Second Part.

STATE OF WASHINGTON)
)ss.
County of Okanogan)

I, the undersigned, a notary public in and for the State of Washington, hereby certify that on this 25th day of September, 1954, personally appeared before me Loy J. McDaniel and Tessie M. McDaniel, his wife, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal the day and year last above written.

/s/ Ruth A. Price
Ruth A. Price
Notary Public in and for the State pf Washington residing at Seattle.

Certified to be a true copy of the signed original and recorded in Book 22, page 224 of the records of Okanogan County, Washington.

Walter S. Price
Walter S. Price

BIOGRAPHICAL DATA OF BUSINESS MANAGER

The Business Manager has had many years of experience working for and dealing with governmental agencies.

The following is a resumé of that experience to date:

(1) Born Hayden, Colorado, September 12, 1905;

(2) Graduated from Hayden Union High School, 1922;

(3) Finished Pharmacy School, also had accounting courses and allied subjects at Southwestern University, Los Angeles, Cal., 1926;

(4) Joined U. S. Marine Corps for aviation duty only June 6, 1927;

(5) Special Order Discharge on March 6, 1929, at Peiping, China, to accept employment in the U. S. Legation in that city. Held successively positions as Code Clerk, Property Custodian, Disbursing Officer, Vice Consul, Special Officer and Clerk of the Tientsin Consular Court. Resigned effective February 15, 1936, to return to the United States to resume college education at the University of Washington;

(6) Completed studies at the University of Washington and obtained Certificate of Completion of foreign service course from The Roudybush Foreign Service School, Washington, D. C., October, 1938;

(7) From November, 1938, to April 1, 1940, was proprietor of own business and Accountant-Salesman for the Maury*henry Co., New York, (Income Tax Specialists);

(8) From April, 1940, to August, 1943, was employed by the U. S. Army Engineer Corps successively as (a) accounting clerk; (b) Accountant responsible for setting up the audit of fixed-fee contracts which activities covered Washington, Western Canada, and Alaska; (c) Supervising Auditor at Fort Lewis at peak of construction activities;

(9) Resigned August, 1943, to assume position as Secretary-Treasurer of Silver Star Mine (now Silver Mountain Mine); assisted in organizing for the purpose of shipping silica ore to the Tacoma Smelter. Purchased and assisted in building six mile power line from Tonasket to the mine. Failed to get the mine into operation due to inability to obtain experienced mine crews (due to the War) and also because shipping grade ore was not immediately available;

(10) From November 1, 1943, to August, 1945, engaged as Chief Accountant and Office Manager for a joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Macco Construction Co., of Clearwater, California. Work consisted of earth and rock excavation and fill; camp construction, general construction, and airfield construction; and purchasing and accounting for major construction equipment;

(11) Upon completion of above went into real estate business in Los Angeles, California. Building materials freeze put me out of business and returned to Seattle;

(12) From August, 1947, to February, 1952, employed as Paymaster for another joint venture in the Aleutian Islands. Joint Venturers were Puget Sound Bridge & Dredging Co., of Seattle, and Johnson, Drake & Piper of Minneapolis. Contract consisted of many types of construction activities;

(13) From the above to date have been in business for myself; first as a fur farmer and for this past year as mine operator in Okanogan County, Washington;

(14) From 1942 to date have maintained an active interest in the mining possibilities in Okanogan County, Washington. First as a stock holder and active participant in the Silver Mountain Mine and later as a prospector and operator.

On the basis of the experience and education shown above the Business Manager has a very considerable experience in governmental procedures, commercial law and business practices; has a good working knowledge of State and Federal Mining laws; on the basis of immediate past experience has up-to-date information on sources of labor, supplies, materials and equipment; also through intensive study has acquired up-to-date information on present mining and milling practices and methods.

ARTICLES OF INCORPORATION
OF
AMERICAN STRATEGIC MINERALS CORPORATION

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, each being of full age, and two-thirds of whom are citizens of the United States, have associated ourselves together for the purpose of forming a corporation under the laws of the State of Washington, and in pursuance thereof do hereby sign and acknowledge the following Articles of Incorporation in triplicate originals, and do state as follows:

ARTICLE I

That the name of this corporation shall be

AMERICAN STRATEGIC MINERALS CORPORATION.

ARTICLE II

That the objects for which this corporation is formed are:

1. To carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging, and otherwise producing and dealing in gold, silver, copper, lead, zinc, brass, iron, steel, and all kinds of ores, metals and minerals, and the products and by-products thereof of every kind and description, and by whatever process the same can be, or may hereafter be produced, and generally and without limit as to amount, own, buy, sell, exchange, lease, acquire and deal in mines, minerals, mineral rights and claims, and to conduct all business pertaining thereto; to purchase, lease or otherwise acquire mining rights, timber rights, water rights, mines, buildings, dwellings, plants, machinery, tools and other properties whatsoever which this corporation may from time to time find to be of advantage; to mine

and market any mineral or other products that may be found in or on such lands, and to explore, work, exercise, develop or turn to account the same.

2. Generally, to purchase, own, lease, hire, or otherwise acquire, hold, maintain, operate and deal in any real, mixed and/or personal property, wherever situated, and any rights and privileges which the company may think necessary or convenient for the purposes of its business, and to sell or otherwise dispose of and turn to account all or any part of the same.

3. To borrow or raise money for any purpose of the company, and to secure the repayment of money and the interest thereon in such manner or on such terms as the directors or trustees may deem expedient, and in particular and/or by the issue of bonds, debentures and debenture stock charged upon the whole or any part of the undertaking, property and assets of the company present or after acquired, including its uncalled capital.

4. To engage in any and all kindred occupations usual or germane to the business hereinbefore expressed, and to exercise every power and authority granted or conferred by the general incorporation laws of the State of Washington, or under any special laws of said state applying to corporations of this character and to do and perform any and all things necessary, proper or convenient for the carrying out or accomplishment of the objects and purposes herein specified.

ARTICLE III

That this corporation shall continue perpetually.

ARTICLE IV

That the location and Post Office Address of the registered office of this corporation shall be:

P. O. Box 523, Tonasket, Washington.

ARTICLE V

That the names and Post Office addresses of each of the incorporators and the number of shares subscribed by each are as follows, to-wit:

NAMES	POST OFFICE ADDRESS	STOCK SUBSCRIPTION
Walter S. Price	4736½ University Way, Seattle 5, Washington	2,000,000
Gordon D. Luther	3727 Bagley Avenue Seattle 3, Washington	175,000
Ruth A. Price	4736½ University Way Seattle 5, Washington	150,000
Edwin F. Gjersee	1500 East 65th Street Seattle 5, Washington	45,000
Eldred D. Smith	2632 - 30th Avenue West Seattle 99, Washington	15,000

ARTICLE VI

That the amount of capital stock of this corporation shall be Three Hundred Thousand Dollars ($300,000.00), divided into Three Million (3,000,000) shares of non-assessable, full-voting, common stock, with a par value of Ten Cents (10¢); and that the amount of paid in capital with which this corporation shall begin business is the sum of Five hundred ($500.00) Dollars.

ARTICLE VII

That the number of directors of this corporation shall not be less than three nor more than eleven; that the number, qualification, terms of office, manner of election, time and place of meetings and the powers and duties of the directors shall be such as are prescribed by the by-laws of this corporation; that the names and post-office addresses of the directors who shall manage the affairs of the corporation for a period of one year after its incorporation, all of whom are citizens of the United States, are as follows:

Walter S. Price	4736½ University Way, Seattle 5, Washington
Gordon D. Luther	3727 Bagley Avenue, Seattle 3, Washington
Ruth A. Price	4736½ University Way, Seattle 5, Washington
Edwin F. Gjersee	1500 East 65th Street, Seattle 5, Washington
Eldred D. Smith	2632 - 30th Avenue West, Seattle 99, Washington

ARTICLE VIII

That the authority to make by-laws for this corporation is hereby expressly vested in the Board of Directors of this corporation, subject to the power of shareholders to change or repeal such by-laws.

ARTICLE IX

That the Board of Directors may delegate any power not expressly required by law to be exercised by the whole board to an executive committee composed of members of such board and with such powers and duties as are provided in the by-laws.

IN WITNESS WHEREOF, we, the incorporators hereinbefore mentioned have hereunto set our hands and seals to these presents in triplicate this _____ day of February, 1955.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came

_____ _____
_____ _____
_____ _____
_____ _____
_____ _____
_____ _____

to me known to be the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and each for himself and not for the other acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

This is to certify that on this ____ day of February, 1955, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came Mrs. Ruth A. Price, to me known to be one of the persons described in and who executed the foregoing Articles of Incorporation of the Washington Uranium Development Company, Inc., and acknowledged that she signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

_____
Notary Public in and for the State
of Washington residing at Seattle

BY-LAWS OF
AMERICAN STRATEGIC MINERALS CORPORATION

We, the undersigned, being all of the incorporators and original directors of the American Strategic Minerals Corporation, a corporation organized under the laws of the State of Washington, for the purposes expressed in its Articles of Incorporation, do hereby adopt the following by-laws for the government of the said corporation and the regulation of its affairs until such time as the same may be modified or amended in a manner provided by law.

ARTICLE I

SHAREHOLDERS

Section 1. At least one meeting of the shareholders shall be held in each calendar year. Meetings of shareholders may be held within or without the State of Washington as the Board of Directors may determine; except as otherwise determined, meetings of the shareholders shall be held at the registered office of the corporation.

Section 2. The regular annual meeting of the shareholders for the election of Directors shall be held in the registered office of the corporation in Washington on the first Tuesday in the month of February in each year at the hour of ten o'clock A.M. Should the first Tuesday in the month of February in any year fall on a holiday, the regular annual meeting of shareholders in such year shall be held at said hour on the next business day thereafter.

Section 3. Special meetings of the shareholders may be called at any time by the Board of Directors or upon written request of any Director or of any shareholder or shareholders holding in the aggregate one-third of the voting power of all shareholders; and if more than eighteen months have elapsed without the annual shareholders' meeting being held, any shareholder may call a meeting to be held at the registered office of the corporation. Such special meeting shall be called not less than ten nor more than thirty-five days after the receipt of such request, and if the Secretary shall neglect or refuse to issue such call, a Director or shareholder or shareholders making the request may do so.

Section 4. Notice of all special meetings of the shareholders, stating the time and in general the purposes thereof, shall be mailed by the Secretary or person calling such meeting to each shareholder at his address, as the same appears on the records of the corporation, at least ten days prior to the date of the special meeting. No other notice of meetings of the shareholders need be given. If such notice is placed in the United States mail, postage prepaid, and addressed to the shareholders at his last known post-office address, notice shall be deemed to have been given him. Notice of any shareholders meetings may be waived in writing by any shareholder at any time. No stockholder shall be entitled to any notice unless his address has been furnished to the company.

Section 5. An entry of the service of notice of a meeting os the shareholders, given in manner above provided, shall be made in the minutes of the proceedings of the shareholders, and such

entry if read and approved at a subsequent meeting of the shareholders, shall be conclusive on the question of such service.

Section 6. When all the shareholders are present at any meeting, however called or notified, or sign a written consent thereto, and such written consent is made a part of the records of such meeting, the proceedings had at such meeting are valid, irrespective of the manner in which the meeting is called.

Section 7. At any meeting of the shareholders, the holders of a majority of the shares of the corporation entitled to vote must be represented in person or by proxy in writing, and the holders of such majority of the shares entitled to vote, when so represented, shall constitute a quorum for any and all purposes, including the election of Directors.

Section 8. Any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, until its business is completed, and any regular or called meeting of the shareholders may adjourn from day to day, or from time to time, without further notice, if for any reason there be not present the holders of a majority of the shares of the corporation entitled to vote, in person or by proxy, until a quorum shall attend, such adjournment and the reasons therefor being re cordered in the journal of the proceedings of the shareholders; and when a quorum shall attend, any business may be transacted which might have been transacted at any meeting had the same been held on the day on which the same was originally appointed or called, except the annual meeting for the election of Directors may be adjourned only from day to day.

Section 9. The President, or, in his absence, the Vice-President, providing the Vice-President is a Director, or in the absence of the President and Vice-President, a chairman, elected by the shareholders present, shall call the meetings of the shareholders to order and shall act as the presiding officer thereof.

Section 10. The Secretary of the corporation shall act as a secretary of all meetings of the shareholders, and in his or her absence the presiding officer may appoint any person to act as secretary.

Section 11. At the annual meeting of the shareholders, held in each year, the shareholders entitled to vote shall elect by ballot a Board of Directors as constituted by these by-laws and the Articles of Incorporation of this corporation.

Section 12. At each meeting of the shareholders, each shareholder of the common stock shall have the right to vote, in person or by proxy, the number of shares entitled to vote standing in his own name on the books of the corporation, at least ten (10) days prior thereto, and likewise at any meeting of the shareholders when the preferred stockholders may vote, they shall be entitled to one vote for each share standing in their names on the books at least ten (10) days prior thereto.

Section 13. All proxies must be in writing, executed by the shareholders themselves, or by their duly authorized attorneys, and must be filed with the Secretary of the corporation at or before the meeting of the shareholders.

Section 14. The time and place of holding the shareholders' meetings for the election of Directors shall not be changed within sixty (60) days next before the day on which the election is to be held, and notice of such change shall be given to each shareholder thirty (30) days before the election is held, in person or by letter mailed to his last known post-office address.

ARTICLE II

DIRECTORS

Section 1. The corporate powers, business, and property of the corporation shall be exercised, conducted and controlled by a board of not less than three nor more than eleven Directors.

Section 2. Qualifications of Directors: Any person of lawful age, whether he be a shareholder in this corporation or not, who has not been convicted of a felony, may be elected a Director of this corporation.

Section 3. Each Director shall hold office for one year, or for such period as he may have been appointed and until his successor shall have been elected and shall qualify.

Section 4. Whenever any vacancy shall happen among the Directors by death, resignation, or otherwise, except by removal and the election of his successor as provided by Section 31, Paragraph IV, Uniform Business Corporation Act, it shall be filled by appointment of the Board of Directors. Such Director so appointed shall hold office until his successor is elected at the next annual meeting of the shareholders or at any special meeting duly called for that purpose prior thereto.

Section 5. Immediately after the election of Directors at the annual meeting of the shareholders, the Directors shall meet for the purpose of organization, the election of officers, and the transaction of other business.

Section 6. Meetings of the Board of Directors may be held at such time and place within or without the State of Washington as the Board may from time to time appoint.

Section 7. Stated meetings of the Board of Directors shall be held, without notice, on the fifth day of each month, at the hour of four P.M. at the registered office of the corporation unless otherwise determined by the Board of Directors.

Section 8. Special meetings of the Board of Directors shall be called at any time on the order of the President or on the order of a majority of the Directors.

Section 9. Notices of special meetings of the Board of Directors, stating the time and in general terms the purpose or purposes thereof,

shall be mailed or telegraphed or personally delivered to each Director, not later than the day before the day appointed for the meeting. An entry of the service of notice, given in the manner above provided, shall be made in the minutes of the proceedings of the Board of Directors, and such entry, if read and approved at a subsequent meeting of the Board of Directors, shall be conclusive on the question of service. If all the Directors shall be present at any Directors' meeting, however called or noticed, and sign a written consent thereto, which is entered on the record of such meeting, or if the majority of the Directors are present, and those not present sign a written waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the corporation, and entered on the record of such meeting, any business may be transacted at such meeting and the transactions of such meeting shall be as valid as if had at a meeting regularly called and noticed.

Section 10. Each Director shall register his address with the Secretary, and notices of meetings mailed or telegraphed to such address shall be valid notices thereof.

Section 11. A majority of the whole number of Directors shall constitute a quorum for the transaction of business, and every act or decision of a majority of the Directors present at a meeting at which a quorum is present, made or done when duly assembled, shall be valid as the act of the Board of Directors; but a majority of those present at the time and place of any stated or special meeting, although less than a quorum, may adjourn from day to day, or from time to time, without further notice, until a quorum shall attend; and when a quorum shall attend, any business may be transacted which might have been transacted at the meeting had the same been held on the day on which the same was originally appointed or called.

Section 12. The Board of Directors shall have full power to borrow money on behalf of the corporation, including the power and authority to borrow money from any of the shareholders, Directors, or officers of the corporation, and otherwise to incur indebtedness on behalf of the corporation, and to authorize the execution of promissory notes or other evidences of indebtedness of the corporation, and to agree to pay interest thereon; to sell, convey, alienate, transfer, assign, exchange, lease, and otherwise dispose of, mortgage, pledge, hypothecate, and otherwise encumber the property, real and personal, and the franchises of the corporation; to purchase, lease, and otherwise acquire property, real and personal, on behalf of the corporation; and generally to do and perform or cause to be done and performed, any and every act which the corporation may lawfully do and perform.

Section 13. The Board of Directors may, by resolution, passed by a majority of the whole Board, designate two or more of their number to constitute an executive committee, who, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 14. Any Director may be removed by the vote of two-thirds of the shareholders having voting power at a special meeting called for that purpose, and, upon such removal, a vote of the shareholders at said meeting may at once be taken to fill such vacancy or vacancies.

Section 15. The compensation of the Directors shall be fixed by the shareholders.

ARTICLE III

OFFICERS

Section 1. The executive officers of the corporation shall be a President, Vice-President, Secretary and Treasurer.

Section 2. None of said officers, except the President, need be a Director, but the Vice-President who is not a Director cannot succeed to or fill the office of President. Any two of the offices of Vice-President, Secretary, and Treasurer, may be combined in one person. The officers shall be elected at their first meeting after the organization of the corporation, and thereafter at the first meeting after the annual election of the Directors, and they shall hold office for one year and until their successors are elected, provided, however, that the Secretary and the Treasurer may be removed by the Board of Directors at any time with or without cause.

Section 3. The Board of Directors may also appoint such other officers, agents, and employees of the corporation as they may deem proper. The Board of Directors may delegate the power of appointment and removal and the power to fix the compensation of such other officers, agents, and employees to any officer of the corporation. Except as above provided, the compensation of the executive officers and of other officers, agents, and employees of the corporation shall be fixed by the Board of Directors.

Section 4. Any officer or agent may be removed by the Board of Directors whenever in their judgment the best interest of the corporation will be served thereby. Such removal, however, shall be without prejudice to the contract rights of the persons so removed.

Section 5. Officers and Directors shall be deemed to stand in a fiduciary relation to the corporation and shall discharge the duties of their respective positions in good faith and with that diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions.

ARTICLE IV

PRESIDENT

Section 1. The President shall be the chief executive officer of the corporation. He shall preside at all meetings of the shareholders and of the Board of Direc tors. He shall have general charge of the business of the corporation, shall execute, with the Secretary, in the name of the corporation, all deeds, bonds, contracts (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the Secretary shall sign all certificates of the shares of the corporation.

Section 2. The President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

Section 3. All contracts made in the ordinary course of business may be executed in behalf of the company by such officer or agent as may be duly authorized by the President or the Board of Directors.

ARTICLE V

Vice-PRESIDENT

Section 1. The Vice-President shall be vested with all the powers and shall perform all the duties of the President, in case of the absence or disability of the President, except in case the Vice-President be not a member of the Board of Directors.

Section 2. The Vice-President shall also have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

ARTICLE VI

SECRETARY

Section 1. The Secretary shall keep the minutes of all proceedings of the shareholders and of the Board of Directors in books provided for that purpose. He shall attend to the giving and serving of notices of all meetings of the shareholders and of the Board of Directors and otherwise. He shall execute, with the President, in the name of the corporation, all deeds, bonds, contracts, (except contracts made in the ordinary course of business) and other obligations and instruments authorized by the Board of Directors to be executed, and with the President, shall sign all certificates for shares of the corporation. He shall be the custodian of the corporate seal of the corporation, and when so ordered by the Board of Directors shall affix the seal to deeds, bonds, contracts, and other obligations and instruments. He shall keep and have charge of the minutes of the meetings of the Board of Directors and of the shareholders, the share and transfer book, the book of share certificates, the book of by-laws, and such other books and papers as the Board of Directors may direct. He shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors.

ARTICLE VII

TREASURER

Section 1. The Treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books to be kept for that purpose. He shall receive and deposit, or cause to be received and deposited, all moneys and other valuables of the corporation, in the name and to the credit of the corporation, in such depositories as may be designated by the Board of Directors. He shall disburse, or cause to be disbursed, the funds of the corporation, as may be directed by the Board of Directors, taking proper vouchers for such disbursements. He shall render to the President and to the Board of Directors,whenever they may require, and to the annual meeting of the shareholders accounts of all his transactions as Treasurer and of the financial condition of the corporation. He shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

ARTICLE VIII
VACANCIES

Section 1. If the office of the President, Vice-President, Secretary, or Treasurer becomes vacant by reason of death, resignation, removal, or otherwise, the Board of Directors shall elect a successor, who shall hold office for the unexpired term, and until his successor is elected.

ARTICLE IX
SHARES AND CERTIFICATES FOR SHARES

Section 1. Certificates for shares of the corporation shall be issued only when fully paid for.

Section 2. The certificates shall be in such form and device as shall be provided by the Board of Directors and shall be signed by the President, or the Vice-President, and by the Secretary, and the seal of the corporation shall be affixed thereto, except when the Board of Directors shall provide that certificates may be signed by the transfer agent or registrar, the signatures of the corporate officers and corporate seal may be facsimiles engraved or printed. All certificates of stock shall comply with the requirements of Section 14, Paragraph 11 of the Uniform Business Corporation Act.

Section 3. No new certificate shall be issued until the former certificate for the shares represented thereby shall have been surrendered and canceled, except in the case of lost or destroyed certificates, and in that case only after the receipt of a bond by the corporation, satisfactory to the Board of Directors, indemnifying the corporation and all persons against loss in consequence of the issuance of such new certificates.

Section 4. Shares of the corporation may be transferred by endorsement by the signature of the owner, his agent, attorney or legal representative, and the delivery of the certificate; but no transfer shall be valid except between the parties thereto, until the same shall have been entered upon the books of the corporation, so as to show the names of the parties, by and to whom transferred, the numbers and designation of the shares, and the date of the transfer.

Section 5. A subscriber becomes a shareholder upon the allotment of shares to him. The person registered on the books of the company as the owner of the shares shall be recognized by the company as the person exclusively entitled to have and to exercise the rights and privileges incident to the ownership of such shares, or to hold liable for costs and assessments.

Section 6. The Board of Directors may open up and maintain a share register in any State of the United States and appoint an agent there to sign the certificates of stock, and make and register the transfer of the shares in accordance with these by-laws.

Section 7. Subscriptions for shares of this corporation shall be in writing and in such form and upon such conditions as the Board of Directors may determine.

Section 8. The unpaid portion of any and all subscriptions shall be paid upon the call of the Board of Directors, at such time and in such manner as said Board may determine; provided written notice of

such call shall be sent by United States mail to each subscriber, at the last post office address given by him to the Secretary of the Company at least thirty days before the call is payable.

Section 9. If any subscription is not paid after the demand of the call, the corporation may sell the shares of such subscription at public auction, after giving notice of the time and place and terms of the sale by registered mail addressed to such subscribing shareholder at his last known place of business or residence and by publication in some newspaper published in the county where this corporation has its registered office.

ARTICLE X

Section 1. The Board of Directors may, by resolution passed by a majority of the whole Board, designate two or more of their number to constitute an Executive Committee, who, to the extent provided in said Resolution, shall have and exercise the authority of the Board of Directors in the management of the business of the corporation.

Section 2. The Executive Committee shall advise with,and aid the officials of the company in all matters concerning its interests, and the management of its business, and generally perform such duties and exercise such powers as may be directed or delegated by the Board of Directors from time to time, except such powers as are expressly required by law to be exercised by the whole Board.

Section 3. The Executive Committee shall fix its own rules of proceeding, and shall meet where and as provided by such rules, or by resolution of the Board of Directors, but in every case the presence of a majority shall be necessary to constitute a quorum.

Section 4. The Executive Committee shall keep regular minutes of its proceedings, and all actions by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to revision or alteration by the Board of Directors; provided, that no rights or acts of third parties shall be affected by any such revision or alteration.

ARTICLE XI.

SEAL

Section 1. The Board of Directors shall provide a suitable seal for the corporation, which shall be circular in form, which shall contain the following inscription:

Incorporated 1955 - Seattle, Washington.

ARTICLE XII

AMENDMENTS

Section 1. These By-laws, or any part thereof, may be repealed or amended, or new By-Laws may be adopted,at any annual meeting, or at any other meeting of the shareholders called for that purpose. The Board of Directors shall also have power to amend these By-Laws and to adopt new By-Laws, except that the Directors shall not have the power to amend Section 15 of Article II.

Section 2. All By-Laws adopted by the Board of Directors may be repealed or amended at the annual meeting, or at any other meeting of the shareholders called for that purpose.

Minerals Administration
RECEIVED
APR 25 1955

CERTIFICATE OF ADOPTION

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, being all of the Directors of the corporation (incorporated under the laws of the State of Washington) known as American Strategic Minerals Corporation, do hereby certify that the above and foregoing By-Laws were duly adopted as the By-Laws of said corporation on the 22nd day of March, 1955, and that the same do now constitute the By-Laws of said corporation.

s/ Walter S. Price

s/ Gordon D. Luther

s/ Ruth A. Price

s/ Edwin F. Gjersee

s/ Eldred D. Smith

SECRETARY OF STATE
Earl Coe, Secretary

STATE OF WASHINGTON

Date March 18, 1955 License No. 49043

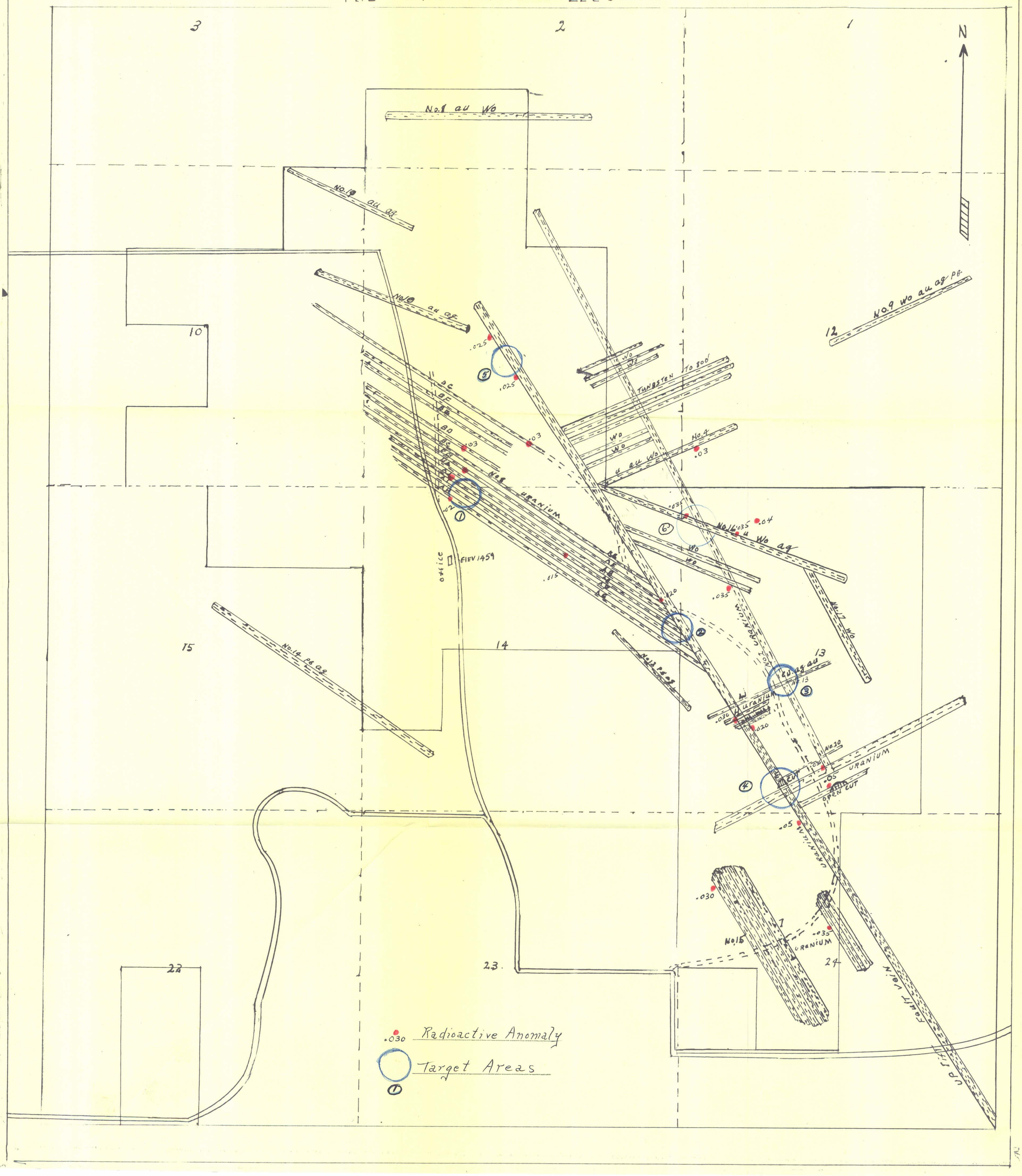
The corporation named hereon having paid the fee required by law is licensed to do business in the State of Washington until June 30, 1955.

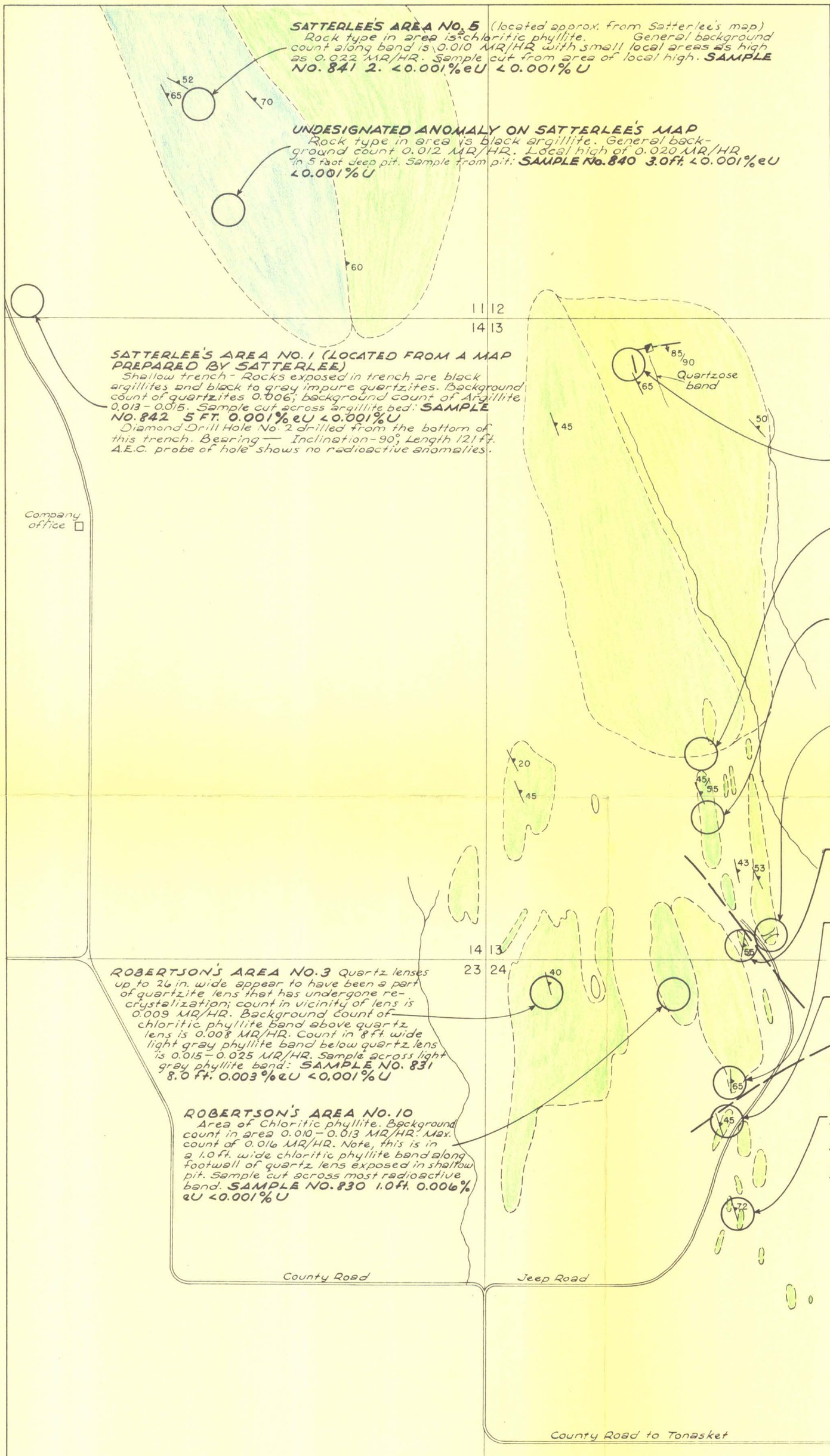
AMERICAN STRATEGIC MINERALS CORPORATION
Tonasket, Washington

Corporate Seal
State of Washington

Earl Coe
Secretary of State

MAP SHOWING MINERALIZATION
of
AMERICAN STRATEGIC MINERALS CORPORATION'S
HOLDINGS IN
THE HORSE SPRING COULEE DISTRICT





EXPLANATION

PLEISTOCENE GLACIAL MATERIAL
For most part lake beds

UPPER MEMBER, LOWER ANARCHIST SERIES
Chloritic phyllite, greenstone, gray phyllite characterized by argillite

MIDDLE MEMBER, LOWER ANARCHIST SERIES
Chloritic phyllite, greenstone, minor argillite, quartz bands

LOWER MEMBER, LOWER ANARCHIST SERIES
Dolomite at top, graphitic and chloritic phyllite, greenstone argillite

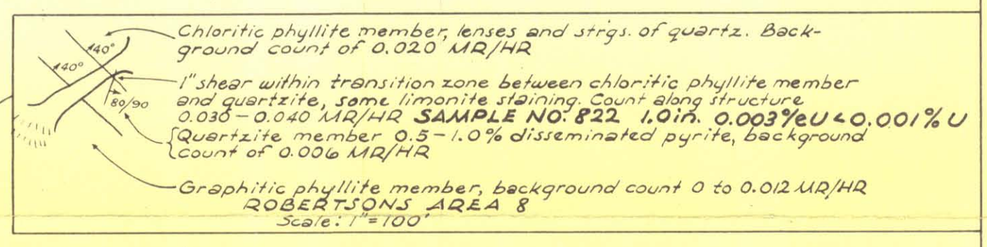
50 Strike and dip of foliation

Probable fault

ROBERTSON'S AREA NO. 7 Rock type in area - light gray quartzitic phyllite. General background count 0.007 MR/HR. No areas of particularly higher count noted.

SATTERLEE'S SO CALLED TUNGSTEN PIT AREA Applicant reports pit dug to test tungsten anomaly indicated by Satterlee's instrument. No tungsten was found but applicant considers that a first rate uranium bearing structure is exposed in the pit. Applicant reports a sample from the pit assayed 0.031% U_3O_8. So called uranium structure is nothing more than a 2 to 3 foot wide chloritic phyllite band along the footwall of an 8 to 12 foot wide quartzite band: SAMPLE No. 825 2.5 ft. 0.006%eU <0.001%U

SATTERLEE'S AREA No. 3 Diamond Drill Hole No. 1 bearing N 67 E, inclination - 67°, length 105 ft. Hole drill almost parallel to foliation. AEC probe of hole showed no radioactive anomalies. Rock in area includes quartzites, chloritic and graphitic phyllites. General background in area is 0.003 to 0.014 MR/HR. Max. count of 0.030 MR/HR over area 1'x1' in graphitic phyllite. Sample of material showing max. count: SAMPLE No. 824 1.0 ft. 0.004%eU <0.001%U



ROBERTSON'S AREA NO. 2 Rock type in area is light green phyllite, general background is 0.002 - 0.004 MR/HR. Count of 0.020 - 0.025 MR/HR noted along 6" - 12" light green phillite band for about 30 ft. along strike. Sample across this band at most radioactive spot: SAMPLE No. 823 1.0 ft. 0.003%eU <0.001%U

ROBERTSON'S AREA NO. 4 Rock types in area include impure quartzite underlain by a 20 ft. wide zone of light gray phyllite. General background in quartzite is 0.013 - 0.014 MR/HR; in light gray phyllite 0.017 - 0.020 MR/HR. Sample across light gray phyllite SAMPLE No. 829 20 ft. 0.003 %eU <0.003%eU <0.001%U

ROBERTSON'S AREA NO. 6 Rock in area is light greenish colored phyllite. General background count 0.010 - 0.012 MR/HR. Near northwestern end of outcrop along several foliation planes, count is 0.025 - 0.030 MR/HR. Sample across this zone: SAMPLE No. 828 10 ft. 0.004%eU 0.001%U

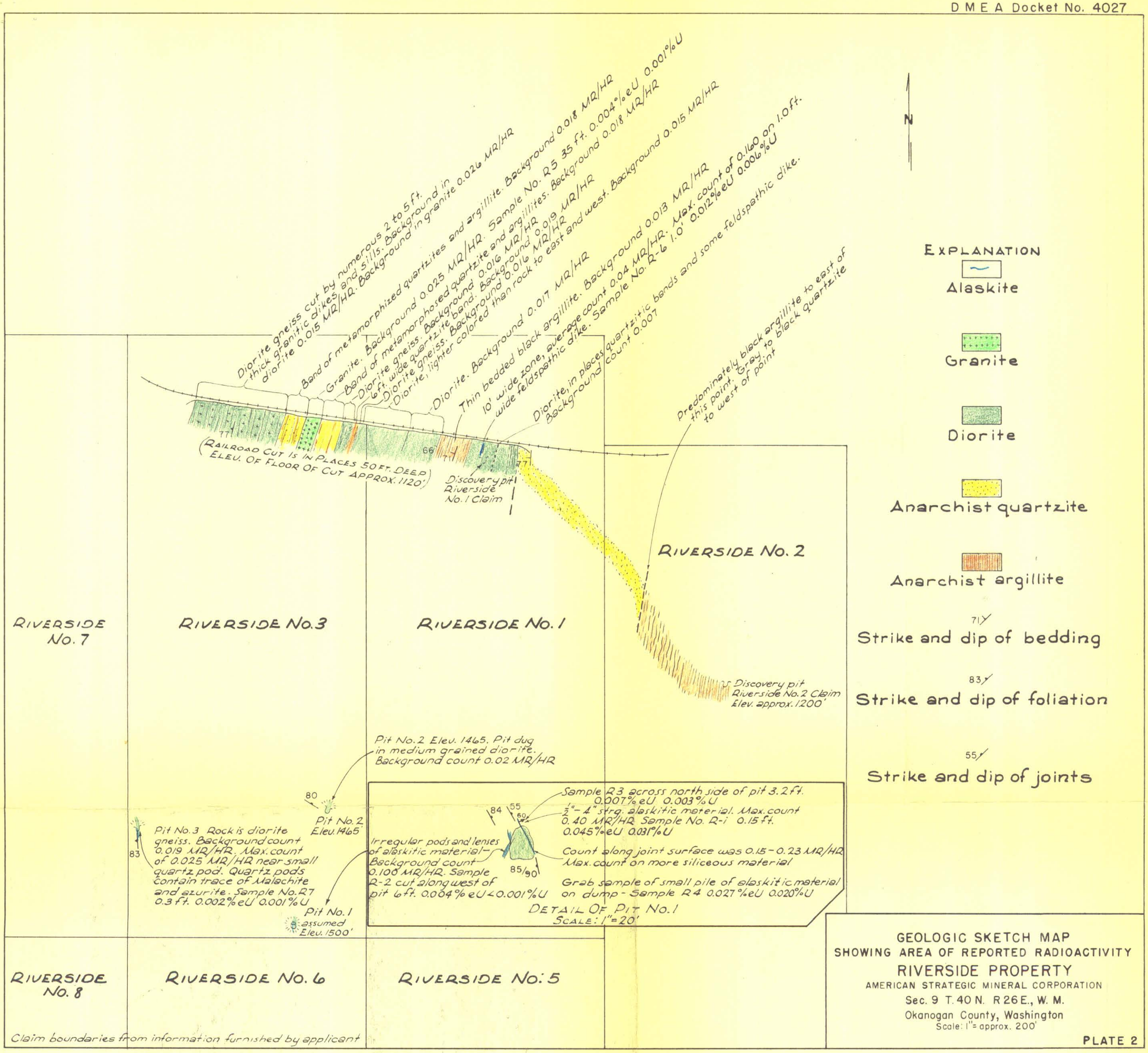
ROBERTSON'S AREA NO. 1 - Two showings in area:
Upper or East Showing is within 20 ft. thick chloritic member. General background count is 0.015 MR/HR. Max. count at 0.020 - 0.025 MR/HR noted for 30 ft. along a 2.0' wide band of phyllite about 6 ft. above base of outcrop. Most radioactive spot is in vicinity of 2" - 4" quartz lens. Sample take at this spot: SAMPLE No. 826 0.5 ft. 0.002%eU <0.001%U
Lower or West Showing is within a 10 - 15 ft. thick chloritic phyllite member. General background count 0.015 MR/HR. Max. count of 0.020 - 0.031 MR/HR noted for 18 ft. along a 1.0 ft. wide band near base of outcrop. Sample taken at most radioactive spot: SAMPLE No. 827 1.0 ft. 0.003%eU <0.001%U

Base and Geology for most part after map by Forbes Robertson 1954
Description of so called radioactive anomalies, minor additions and samples by J. J. Quinlan and P. L. W., U.S.G.S. 1955

GEOLOGIC SKETCH MAP
SHOWING PRINCIPAL AREAS OF REPORTED RADIOACTIVITY
McDANIEL PROPERTY
AMERICAN STRATEGIC MINERALS CORPORATION

T 37 N R 26 E
OKANOGAN COUNTY, WASHINGTON
SCALE 1" = 677 FEET

PLATE I


Diorite gneiss cut by numerous 2 to 5 ft. thick granitic dikes and sills. Background in diorite 0.015 MR/HR. Background in granite 0.026 MR/HR
Band of metamorphized quartzites and argillite. Background 0.018 MR/HR
Granite. Background 0.025 MR/HR. Sample No. R5 35 ft. 0.004% eU 0.001% U
Band of metamorphosed quartzite and argillites. Background 0.018 MR/HR
Diorite gneiss. Background 0.016 MR/HR
6 ft. wide quartzite band. Background 0.019 MR/HR
Diorite gneiss. Background 0.016 MR/HR
Diorite, lighter colored than rock to east and west. Background 0.015 MR/HR
Diorite. Background 0.017 MR/HR
Thin bedded black argillite. Background 0.013 MR/HR
10' wide zone, average count 0.04 MR/HR. Max. count of 0.160 on 1.0 ft. wide feldspathic dike. Sample No. R-6 1.0' 0.012% eU 0.006% U
Diorite, in places quartzitic bands and some feldspathic dike. Background count 0.007
Predominately black argillite to east of this point. Gray to black quartzite to west of point
N
EXPLANATION
Alaskite
Granite
Diorite
Anarchist quartzite
Anarchist argillite
Strike and dip of bedding
Strike and dip of foliation
Strike and dip of joints
(Railroad cut is in places 50 ft. deep. Eleu. of floor of cut approx. 1120')
Discovery pit Riverside No. 1 Claim
Riverside No. 2
Discovery pit Riverside No. 2 Claim Elev. approx. 1200'
Riverside No. 7
Riverside No. 3
Riverside No. 1
Pit No. 2 Elev. 1465. Pit dug in medium grained diorite. Background count 0.02 MR/HR
Pit No. 2 Eleu. 1465'
Pit No. 3 Rock is diorite gneiss. Background count 0.019 MR/HR. Max. count of 0.025 MR/HR near small quartz pod. Quartz pods contain trace of Malachite and azurite. Sample No. R7 0.3 ft. 0.002% eU 0.001% U
Pit No. 1 assumed Eleu. 1500'
Irregular pods and lenses of alaskitic material - Background count 0.100 MR/HR. Sample R-2 cut along west of pit 6 ft. 0.064% eU < 0.001% U
Sample R3 across north side of pit 3.2 ft. 0.007% eU 0.003% U
½" - 4" strg. alaskitic material. Max. count 0.40 MR/HR Sample No. R-1 0.15 ft. 0.045% eU 0.031% U
Count along joint surface was 0.15 - 0.23 MR/HR Max. count on more siliceous material
Grab sample of small pile of alaskitic material on dump - Sample R4 0.027% eU 0.020% U
DETAIL OF PIT No. 1
SCALE: 1" = 20'
Riverside No. 8
Riverside No. 6
Riverside No. 5
Claim boundaries from information furnished by applicant
GEOLOGIC SKETCH MAP
SHOWING AREA OF REPORTED RADIOACTIVITY
RIVERSIDE PROPERTY
AMERICAN STRATEGIC MINERAL CORPORATION
Sec. 9 T. 40 N. R 26 E., W. M.
Okanogan County, Washington
Scale: 1" = approx. 200'
PLATE 2