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A SHORT COMPREHENSIVE REPORT ON THE MINERAL GORGE MINING AND DEVELOPING COMPANY , INCORPORATED

The properties of the Mineral Gorge Mining and Developing Company, Incorporated, consist of 32 unpatented claims, well staked and not overlapping in any way or manner to each other, constituting for the company a square mile of ground. The properties are located in the Southeast part of Snohomish County, State of Washington, in sections 32, 31, 30, & 29, Range 11, East of the Willamette Meridians.

To reach the properties from Seattle, Washington, take State Highway A 1 through Bothell until you come to the city of Snohomish (State Highway 158), continue to the city of Monroe from whence you proceed via Highway # 2 (the finest paved and maintained road all year round), cross the Skykomish River and proceed to Index Washington, turn left to the Garland Springs Road, continue approximately 8 miles on part gravel part macademized road, again cross the Skykomish River to the Mineral City Road. This road is maintained by the United States Forestry Department. It is rough but passable, having considerable summer traffic.

Upon reaching Mineral City (an abandoned mining camp) which at the turn of the century had considerable mining activity (1,000 miners) especially in free gold. The famous Klondike Gold Rush of Alaska was an invitation to those miners who left Mineral City.

Continuing for another mile, one reaches Red Gulch where the properties are properly located. The properties are separated one and one half miles from the once famous Monte Christo Mine which in the latter part of 1890 produced in excess of $7,000,000.00 in gold. According to the investigations of this writer, these mines are not exhausted by any means. Several thousands of tons of gold and other valuable underground ore awaits development by some enterprising person or company. The two properties of the Monte Christo and the Mineral Gorge are

separated by the Keyes Peak, a mountain peak of 7,239 feet in height.

It is the opinion of this writer, after discussing with other mining engineers and geologists that the exhisting minerals of the Monte Christo properties traverse the Red Gulch region as well because not only the striles and dips indicate this, but the general geological formation prevails.

MINERALS OF RED GULCH

Considerable gold and silver has been taken out from this region in olden days when transportation was difficult and smelting facilities not much better. It was these difficulties that forced the Monte Christo Mine to cease operations.Although it is known thatattempts were made to reopen these properties, they were made unfortunately by unscrupulous stock manipulators with no sincere efforts to properly mine the ore therefrom. However, it is the honest belief and sincere opinion of this writer that the value of gold and silver of these properties is mall compared to other of the so-called critical defense minerals, namely Copper, Zinc, Iron, etc. This writer was retained by the Rosaia Mining Company and besides exposing a kidney of high grade uranite(which unfortunately, the anxious miners blasted down the canyon) cross-section samples of average value were taken with the late Norman Lindley, a registered mining engineer of wide reputation , of Colville, Washington. The attached copy of an assay report shows 15.35 % copper content. This property lies about 4 miles South and East of the Red Gulch Area.

Two veinlets of cupper sulphites are found on the Rosaia properties as well as on the properties of the Mineral Gorge Mining and Developing Company, consequently the so-called Bonanza Vein of the Rosaia properties traverses these properties also, but undoubtedly overlying these veinlets as the geological structure is the same, that of grandiorite of the late Eocene and early Oligocene age followed by a strata of tourmaline which is a carrier of copper ores.

Howevere the most apparent ore of the Mineral Gorge Mining and Developing Company is the Sphalerite of the Zinc Sulphate (ZnS), the principal ore of Zinc. This is exposed as soon as you advance about one half mile up the gulch where the vein

begins deepening slightly to the Northeast and striking South and to the West. It is very impressive as you advance about half mile further and come to the solidified conglomerate where the aqueous action of water has cur a deep ravine showing the whole face of the conglomerate which is heavily impregnated with the Zinc Ore. According to Mr. E. Mc Gill, mining engineer for the United States Bureau of Mines, Seattle, Washington, this phenomenon is very extensive and can be traced for several miles, mineralized all the way through..This mineralization took place after the conglomerate deposit , finding crevices and cracks below and adjacent to the conglomerate deposit, thereby impregnating a large area. The Cascade Mountains are of the newer mountain ranges of the Western Hemisphere and consequently have not eroded sufficiently to expose the significance of the mineral contents. The ore is also covered with some underbrush and overburden which makes it difficult to see the outcroppings, therefore, the properties should either be drilled or tunneled to detremine the potential mineral deposits.
The countour of the country is rough, but it with modern machinery and technique be easily overcome, especially since the State of Washington is blessed with abundant and reasonable eledtricity, the cheapest and most plentiful in the whole United States.

HISTORY OF THE COMPANY

In early 1955, five enterprising men of Tacoma, Washington, namely Messers Charles L. Long, Delbert G. Templeman, Curtis R. Taylor, Willard R. Taylor and Lloyd M. Bray want into this territory, staked 14 claims, filing these claims properly with the County Clerk of Snohomish County at Everett, Washington.
Next they organized the Mineral Gorge Mining and Developing Company for 1,000,000 shares of stock, all common, at 10¢ per share. Later in 1956 the company staked and filed claim to 18 additional claims giving the corporation over a square mile of land. Mr. Charles L. Long is the President, Mr. Lloyd M. Bray is the Secretary, Mr. Willard R. Taylor is the Treasurer, Mr. D. G. Templeman and Mr. Curtis R. Taylor are first and second Vice Presidents respectively.

In the year of 1957 the company spent approximately $15,000.00 for machinery, roads and a bunk house, not including the labor of the officers themselves which was donated to the corporation.

The road into the canyon has been washed out several times, so a new and more secure route had to be found, which is now in the process of being built. All assessment work has been performed up to date, and every penny that the company has raised from the sale of stock went strictly for the development of the property. The officers of the corporation have also put in several thousand dollars of their own money plus donating countless hours of time and labor.

I have had the opportunity of meeting all the officers of the corporation and have found them all very sincere, honest, and intelligent fellows. These people really have their hearts and souls in this enterprise, not for the large profits as much as the fact that they want to see this State's natural recources developed to as full as an extent as is humanley possible.

CONCLUSIONS AND RECOMMENDATIONS

From every angle of view, the above properties are very promising and they surely have a good future. The Sphalerite showings are excellent, which today is in great demand. There is no doubt that it can be worked as an open pit mine due to the shallow overburden. However, the nearest smelter to handle this ore is the Bunker Hill Smelter in Kellogg, Idaho. Although we do not know the exact percentage of Zincdue to the fact that the development is as yet in the early stages.

A reduction mill as near as possible to the source of the metal is recommended as it will save the company large sums of money in freight. The company is very fortunate that plenty of water for mill operation is near by.

All outcroppings of the Sphalerite indicate that these properties are a potential storehouse of tremendous proportions of noble and base metals. These boys are just waiting for the right people to give them the opportunity to develop and put these metals in the production stage.

Step one (1) efforts should be made to obtain patents on these premises, requiring approximately a cash outlay of around $15,000.00 to $20,000.00, but assuming the benefits that will be derived from such a step, the amount is negligable because it gives the company ownership rights on the surface as well as the underground plus perhaps the fine stand of old growth timber which is worth several hundreds of thousands of dollars.

Step two (2) it will be of great benefit to the corporation to have the property checkerboarded drilled to determine the approximate amount of the various metals as well as the different kinds, which ofno doubt are several. Some of them are rare and valuable.

This writer honestly believes that if sufficient activity is shown, the County, State, and the Federal Government, as well as private enterprises would become interested enough to improve the present 6 milesof road from the Skykomish River to the property, because this region is covered with very valuable first class timber.

This region is a growing country and I firmly believe that in the near future this property not only has a good future as a mining enterprise but it will slao be a good package of real estate.

Therefore, it is to the benefit of the present stockholders to buy more shares , recommend it to their friends, relatives and acquaintances to enable the management to carry out the above tasks. Once they are carried out there is no doubt that the stock will go up in value. It is very possiblethat sufficient outside capital can be brought in for the full and complete development of this corporation.

Respectfully submitted,

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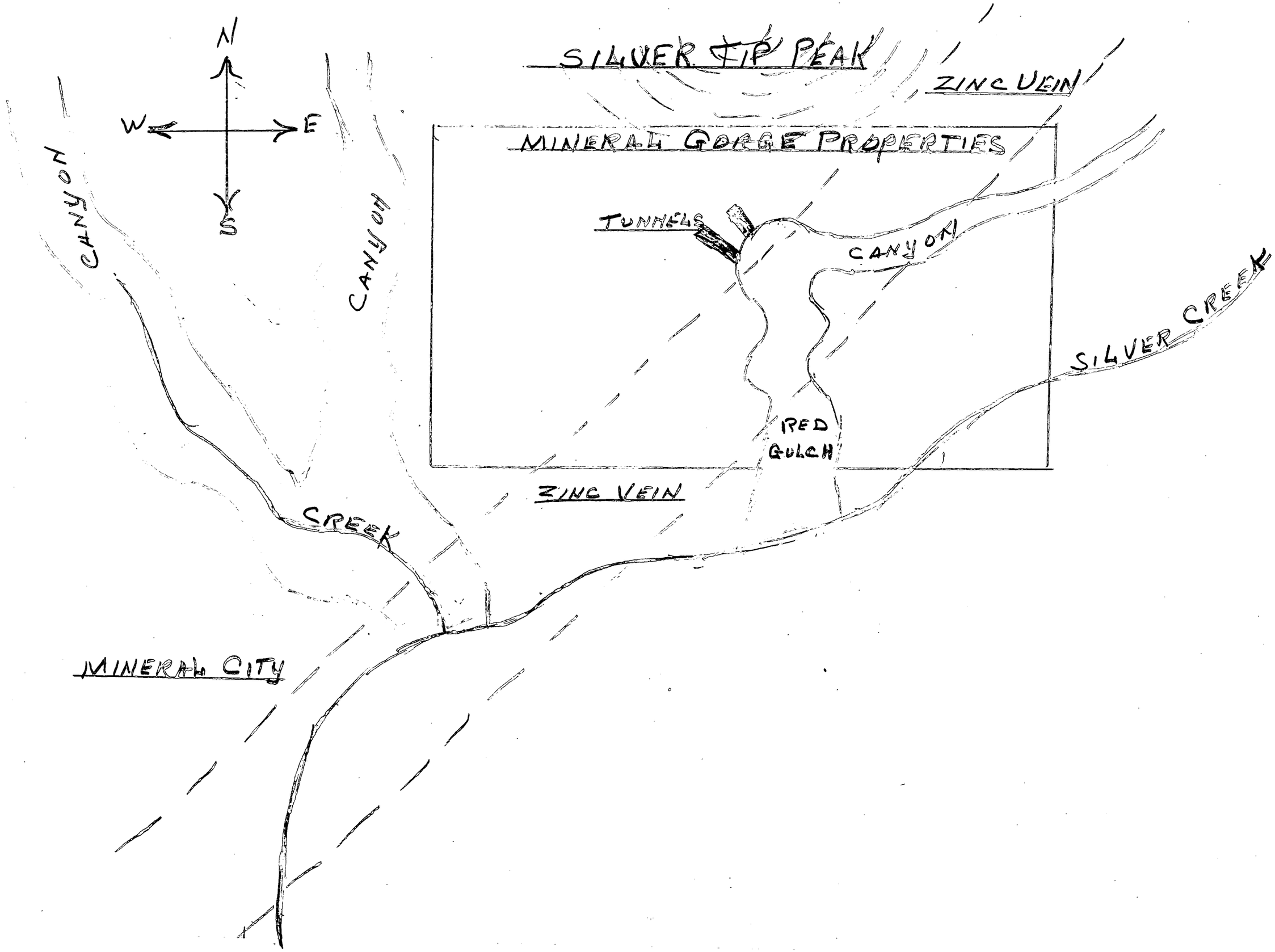
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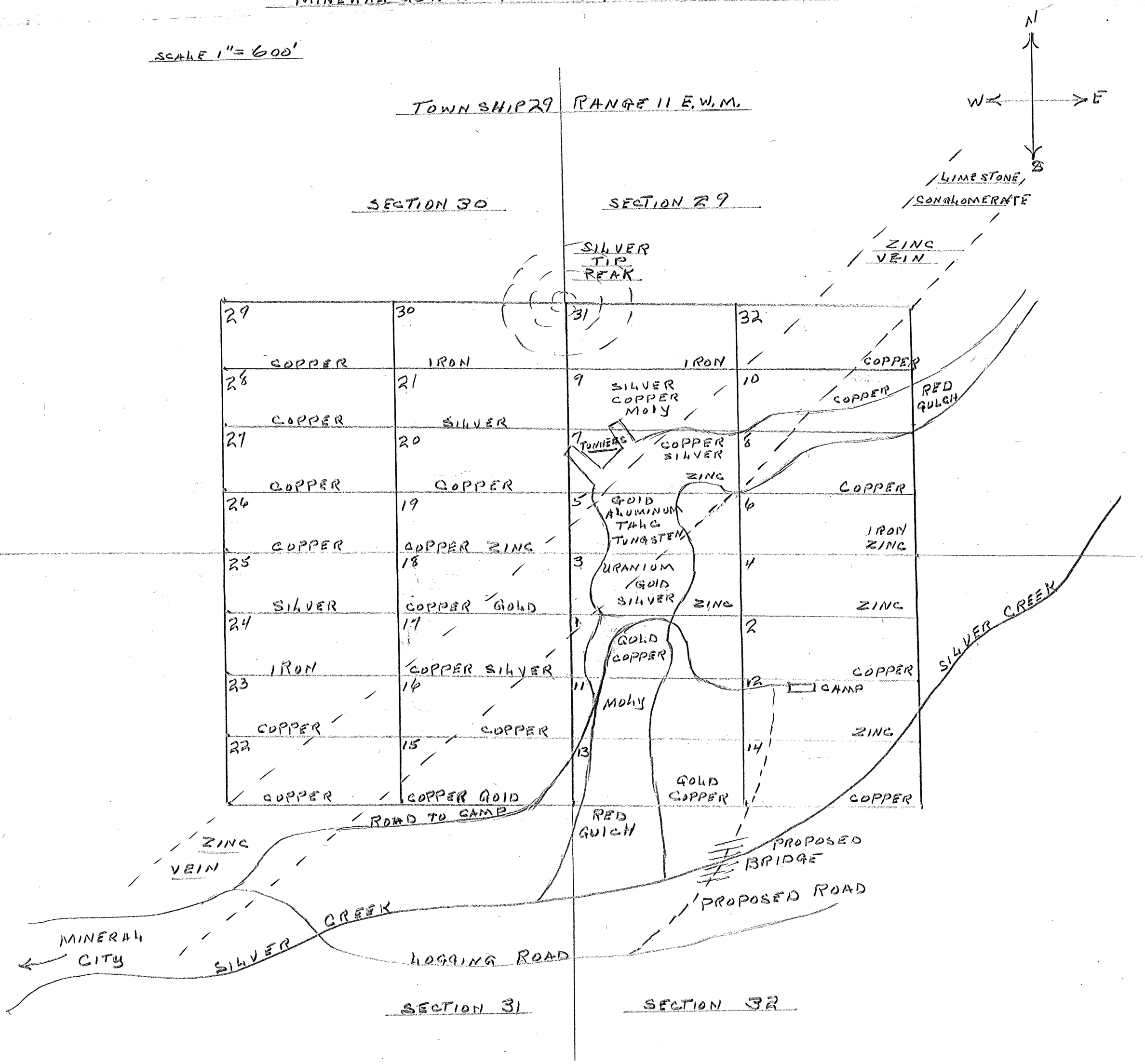
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