ADDITIONAL INFORMATION

Application for Financial Assistance in Mineral Exploration

Mr. Ralph Gillispie
P.O. Box 104
Morton, Washington

Item No.

1. a. See attached copies of correspondence.

   b. None

   c. I propose to furnish my share of the cost by using my own equipment and expending my personal labor. I will also be receiving financial assistance from interested individuals. Should the first phase of this project expose an ore source, as I believe it will, the income realized will be reinvested in the other phases of the project.

2. a. My interest in the property consists of a ten year lease with an option to extend it to adjoining property of the Lessor's upon certain conditions (see attached copy of the lease). The lease area is entirely unencumbered at this time.

   b. The legal description of the lease area is indicated in the instrument. See attached maps for designation of the lease area in regard to existing boundaries and old workings.

3. a. Currently there is an operation being carried out by another Lessee on the area indicated on the map as Parcel A, the operation currently consists of concentrating the dump from the Roy #3 tunnel, however, they plan to reopen the old workings within their area inorder to mine out the previously passed by low grade ore.

   b. I have no interest in the operation explained above, however I have done some recent exploration work in the Roy #5 tunnel and from my findings I am planning to expand upon the exploration of this area.

   c. During the period 1926-1942 the U.S. Government reports approximately 5,000 flasks of mercury were produced from the Morton Cinnabar District. There has been additional limited production since the reported period.

Ralph Gillispie
P.O. Box 104
Morton, Washington

Item No. 3 Cont'd.

(3) d. The extent of the ore bodies are indefinate, however, it is known that they exist in many locations throughout the district.

e. See report listed under 3g.

f. I expect to find ore in the places I wish to explore because of the geological relations which I believe to exist and from my past experience in working within the district. My operation in the Roy #5 area will tape an ore body which is exposed in the existing Roy #5 tunnel.

g. Enclosed is a copy of "Relation of Geology to Mineralization in the Morton Cinnabar District" You possibly already have copies of this report, if you do I would appreciate the return of the enclosed report at your earliest convenience since it is the only copy we have available.

4. a. I will meet you at your convenience in Morton. I can be contacted at the above address or by calling 496-5506. Please attempt to give me several days notice of your coming. The property is located approximately two miles east of Morton on the Old Kosmos Highway. Access is developed to much of the area and a few of the old workings are still accessiable.

b. There are railroad and common carrier services available adjacent to the property.

5. a. Generally, my proposed project consists of three phases to be carried out in the order listed, they are as follows:

1. I want to drop approximately fifty feet in elevation from the existing level of the Roy #5 tunnel and drive a new tunnel generally parallel and below #5 inorder to attempt to locate the vain that is exposed in No.5. I estimate the total length of tunnel needed will be approximately 200 feet. See attached sketch map.

2. I plan to drive my second tunnel at approximately the 1,230 foot level in a north easterly direction to an intersection with the Black Wall Fault and the Barnum Fault, approximately 2,100 feet of tunnel will be needed.

3. I plan to drive a third tunnel off the Roy No.1 tunnel providing the existing Roy No.1 is still serviceable. This new tunnel will be driven in a north easterly direction and tape the same faults as the above tunnel explained in $5a_2$. Estimated length is 2,300 feet.

Ralph Gillispie
P.O. Box 104
Morton, Washington

Item No. 5 Cont'd.

(5.) b. I plan to construct a road from the end of the existing ballasted road up to the tunnel which will be driven as described in $5a_1$ above. This same road will serve as access to the tunnel which will be driven as explained and described in $5a_2$ above. Access to the Roy #1 tunnel is already established and will only need minor improvements made. The new road construction which will be needed is approximately 1,500 feet and will require placement of three 12" culverts, approximately 1,000 yards of ballast will be needed. The road will be passable to one way traffic with turnouts provided.

c. If the OME contract is granted, I will plan to start work on phase number one immediately. When phase number one is completed I will begin phase number two, I anticipate completing phase number two within eighteen months from starting time. Phase number three may be started while phase number two is still underway and I plan to have the entire project completed within two years from the starting date.

6. I have had over thirty years experience working with cinnabar in California, Oregon, and Washington. A considerable amount of this experience has been acquired in working in the Morton Cinnabar District. I will be supervising the exploration project proposed.

7. In order to arrive at a reasonable estimation of project cost I have based by estimates on unit estimates rather than detailed individual costs, I have found that this method results in satisfactory results. Generally, I plan to use my own equipment for this work, however, I will need to purchase additional equipment to complete phase two and three of the project.

COST ESTIMATE

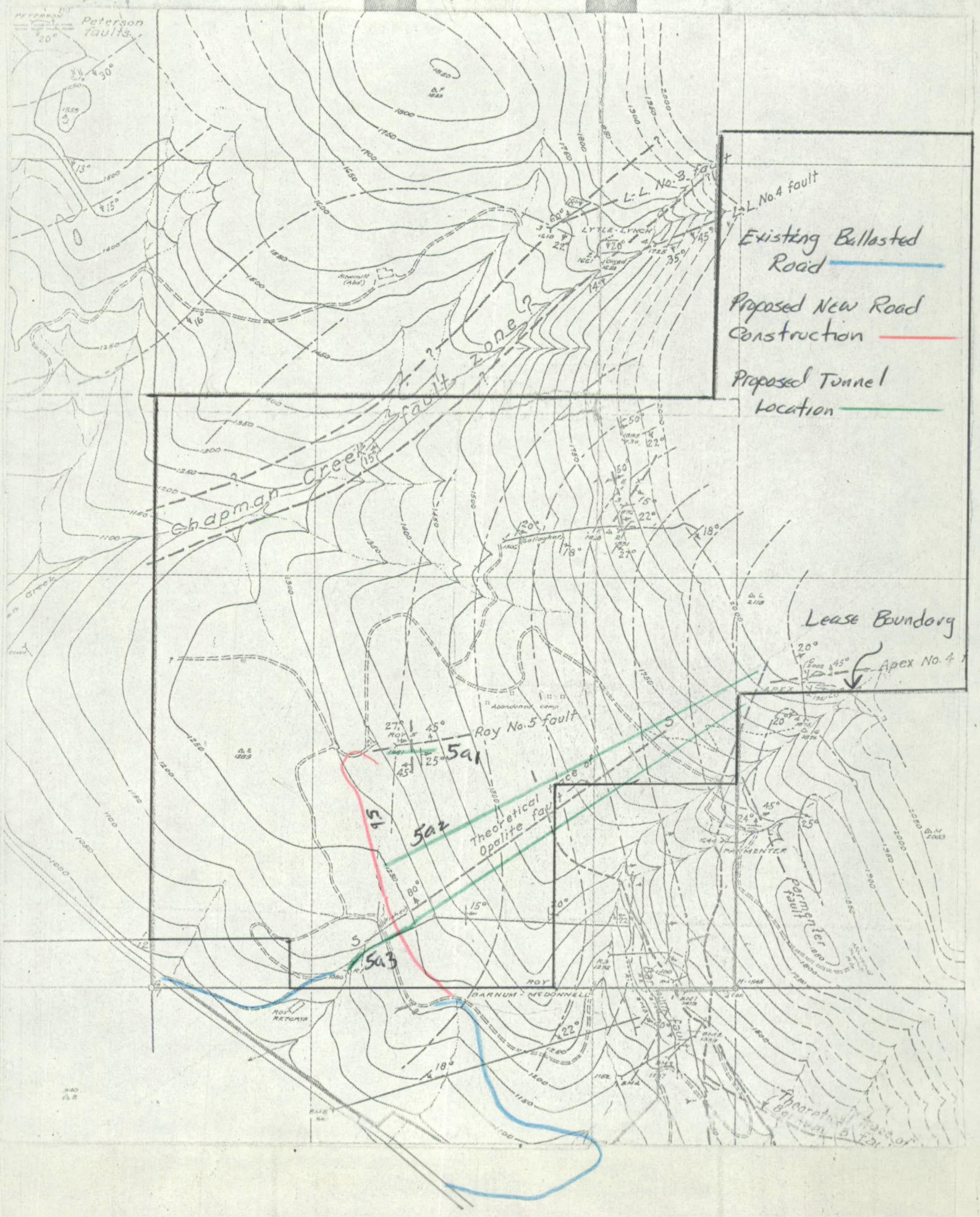
Item No.	Description & Unit Cost	Item Total	Project Total
5.a1 5.b1	Drive 200' at $30./ Ft. = ... Construct 1,500' of road = ...	$6,000. 1,500. $7,500.	.... $7,500.
5.a2 7.f2	Drive 2,100' at $40.00/Ft. =..... Construct shelter, Powder House and shop	$84,000. 2,500. $86,500.	...$86,500.
5.a3	Drive 1,700' at $40./Ft.= ..... Rehabilitate 600' at $20./Ft.=.....	$68,000. 12,000. $80,000.	.....$80,000.

TOTAL COST OF PROJECT$174,000.

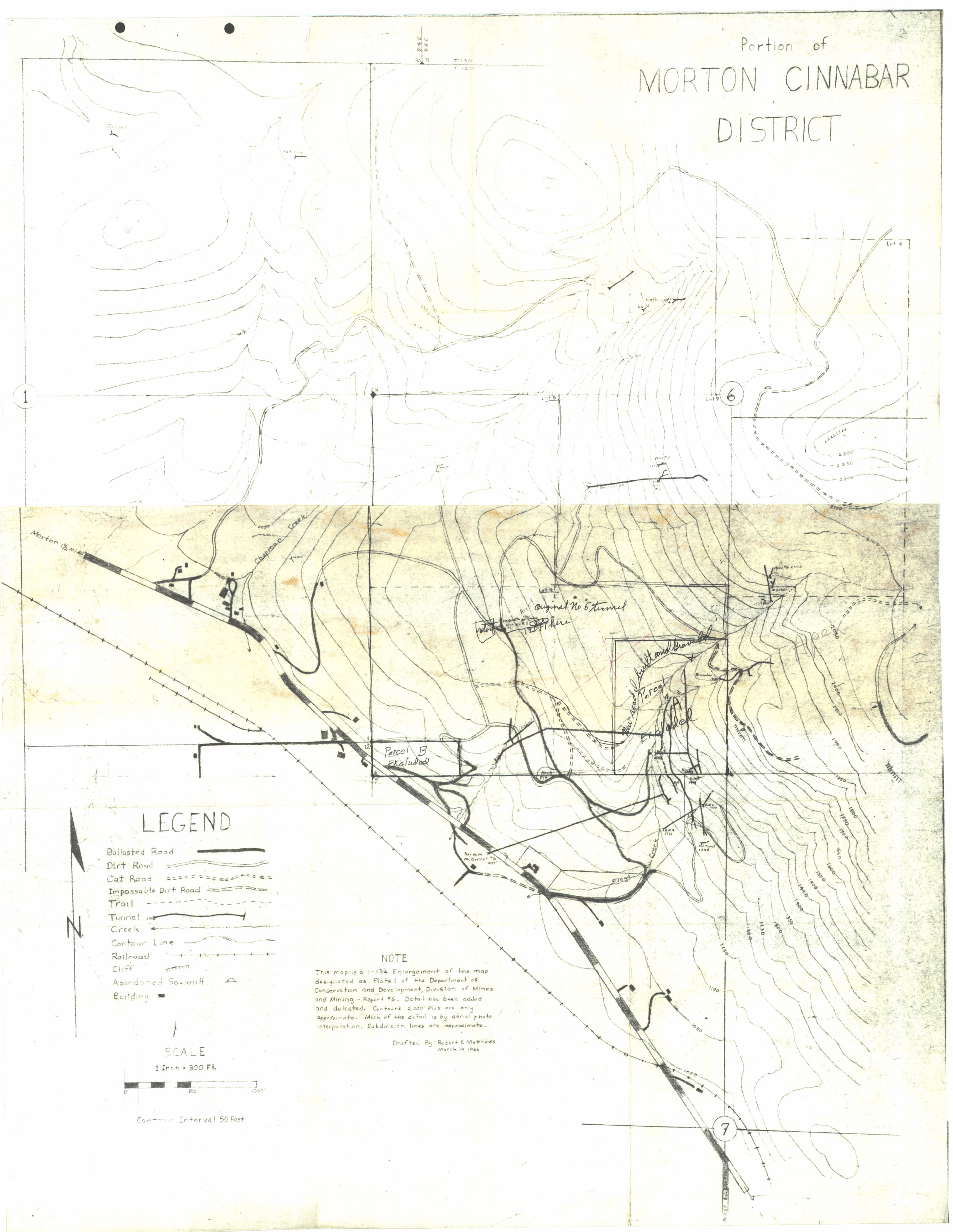
Ralph Gillespie
P.O. Box 104
Morton, Wn.

Sketch Map

Item #5



Portion of MORTON CINNABAR DISTRICT



NOTE

This map is a 1-1¾ Enlargement of the map designated as Plate I of the Department of Conservation and Development, Division of Mines and Mining - Report #6. Detail has been added and deleated. Contours 2,000' Plus are only approximate. Much of the detail is by aerial photo interpatation. Subdivision lines are approximate.

Drafted By: Robert P. Matthews
March 19 1966