DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3437

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

Exploration Assistance

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Cys to USBM & USGS

Routing Slip

To:	600	Date	8/9/54
To:	Hyplans	Date	10/18/54
To:	Oper Com	Date	2-21-55
To:	130	Date	1-17-58
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

So. 157 Howard Street
Spokane 4, Washington

February 11, 1958

EXTRA COPY
DMEA
RECEIVED FEB 19 1958
DATE | CODE

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

Re: Docket No. DMEA-3437 (Mica)
B. C. Mica Mines, Ltd.
B. C. Mica Mines Prospects
Sitklan Island, Alaska

Docket No. DMEA-4918 (Mica)
William D. Morrison and
William D. Morrison, Jr.
Mainland and Sitklan Island
group of claims, Alaska

Dear Mr. Selfridge:

This is in further reference to your letter of January 20, 1958 and our reply of February 3.

We have just received a reply from E. M. MacKevett, who says that there are no data on the area in the Survey files but that C. L. Sainsbury has described the general area and the geology of the pegmatites quite well in U. S. Geological Survey Bulletin 1024-G.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: USBM (2)
MacKevett

EXTRA COPY
DMEA
RECEIVED 6 1958
DATE CODE

So. 157 Howard Street
Spokane 4, Washington

February 3, 1958

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

Re: Docket No. DMEA-3437 (Mica)
B. C. Mica Mines, Ltd.
B. C. Mica Mines Prospects
Ketchikan County, Sitklan
Island, Alaska

Docket No. DMEA-4918 (Mica)
William D. Morrison & William D.
Morrison, Jr.
Mainland & Sitklan Island Groups
of claims
Ketchikan County, Alaska

Dear Mr. Selfridge:

We are unable to find a file on the B. C. Mica Mines, Ltd., nor Lorain's letter of March 5, 1955 to you. However, we are forwarding a copy of the application to E. M. MacKevett and will ask him to see whether the Survey has any information on the pegmatites of this area.

In view of the Administrator's letter to the applicant, we will not take any action towards a field examination or preparation of a report until we hear further from you.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region I

cc: USBM (2)
MacKevett

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/17	Houk	600
1/20	GCS	130
		110
		100
1/21	gb	220
	225	[redacted]

JAN 20 1958 600

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

Re: Docket No. DMEA-3437-Mica
B. C. Mica Mines Ltd.
B. C. Mica Mines Prospects
Ketchikan County, Sitklan
Island, Alaska

Docket No. DMEA-4918-Mica
Mainland and Sitklan Island
Groups of Claims
Ketchikan County, Alaska

Dear Mr. Weissenborn:

Reference is made to the letter of March 4, 1955, to Mr. George C. Selfridge from Mr. S. H. Lorain on the subject application, stating, "Mr. Velikanje has been withholding preparation of his report of the survey examination until the operators indicate their serious intentions by submitting a revised application."

Recent application, DMEA-4918, is on the same property and is most inadequate for evaluation purposes. We would, therefore, be pleased to receive Mr. Velikanje's report.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kilsgaard

Member, Geological Survey

LGHouk:rsi 1/17/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

PS: If this report is not available, we would like to have any other information on the property that you have available.

P.S. If his report is not available, we would like to have any other information on the property that you have available.

8623

DOCKET FILE
Surname:

Hopkins
Houk
Kjelman

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

600

APR 20 1955

B. C. Mica Mines Ltd.
515 Vancouver Block
736 Granville Street
Vancouver, British Columbia
Canada

Re: Docket No. DMEA-3437 - Mica
B. C. Mica Mines Ltd.
B. C. Mica Mines Prospects
Ketchikan County, Sitklan
Island, Alaska

Gentlemen:

Reference is made to your application for exploration assistance and the Field Team's letter dated August 6, 1954, requesting additional information needed to process the application.

As the requested information has not been received, we assume that you are no longer interested in obtaining Government assistance for an exploration program. The subject docket, therefore, is considered closed and is being transferred to the inactive file.

Sincerely yours,

C. O. Mittenderf

Administrator

JHopkins:ad 4/18/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Alaska District
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.B.

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

P. O. Box 560
Juneau, Alaska

March 4, 1955

Mr. George C. Selfridge, Chairman,
Operating Committee,
Defense Minerals Exploration Admin.,
Department of the Interior,
Washington 25, D. C.

Re: Docket No. DMEA-3437 (mica)
B. C. Mica Mines Ltd.

Dear Mr. Selfridge:

Your letter of February 23 regarding an examination of the referenced project was received the other day.

The property was examined last season (in August I believe) by a party from the Geological Survey. I think that Mr. Velikanje and Mr. Sainsbury both were in the party and, if I remember correctly, George Gates and at least 1 other Survey man were present. Mr. Sainsbury told me that, since his previous examination, the company had done some work on the property and that he was more favorably impressed.

The operators agreed to revise the very unsatisfactory application which they had first submitted but, to date, no word has been received from them. Mr. Velikanje has been withholding preparation of his report of the Survey ~~report~~ examination until the operators indicate their serious intentions by submitting a revised application.

Yours sincerely,

S. H. Lorain,
Executive Officer,
Alaska District, Region I.

cc: Velikanje

DOCKET FILE
Surname:

Hart
Selfridge
Johnson
Kiilsgaard

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

FEB 23 1955

Mr. S. H. Lorain
Executive Officer, DMEA
Field Team, Alaska District
Bureau of Mines
P. O. Box 560
Juneau, Alaska

Subject: Docket No. DMEA-3437 - Mica
B. C. Mica Mines Ltd.
B. C. Mica Mines Prospects
Ketchikan County, Sitklan
Island, Alaska

Dear Mr. Lorain:

Reference is made to your memorandum dated August 6, 1954, together with a copy of your letter of the same date to the B. C. Mica Mines Ltd., regarding the subject application.

In each of these communications it was stated that Messrs. R. S. Velikanje, Acting Executive Officer, and C. L. Sainsbury planned to be in the vicinity of the property in August, 1954, and would make a field examination at that time.

Kindly advise if a field examination of the property has been made.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JB)

Approved:

J. H. Hedges (JB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JB)
Member, Geological Survey

JHopkins:ad 2/18/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

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

August 20, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3437 (mica)

Applicant: B. C. Mica Mines, Ltd.

Name and Location of Property: B. C. M. M. Prospects
Ketchikan County, Alaska

Date of Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 10, 1954

Comments:

1. No data are available in this office on subject property.
2. In light of the limited information on this area regarding mica and the size of the proposed costs ($60,000), the most logical solution would be for field examiners to visit this property.

Recommendation:

It is recommended that the field team visit this mine to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

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

August 9, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region I

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region I.

DMEA - 3437 B. C. Mica Mines Ltd.

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

August 9, 1954
Subject: DMEA-3437
Re: Exploration Assistance

B. C. Mica Mines Ltd.
736 Granville St.
Vancouver, B. C.
Canada

Gentlemen:

The receipt of your application dated July 15, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3437 and referred to the Non-Mettalics Minerals.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

NOTE: Only four copies of the application form (MF-103) are required by this office. Your fifth copy is hereby returned.

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

P. O. Box 2659
Juneau, Alaska
August 6, 1954

MEMORANDUM

To: Operating Committee
Defense Minerals Exploration Administration

From: R. S. Velikanje, U. S. Geological Survey,
Juneau, Alaska

Subject: Application for exploration contract (mica)
B. C. Mica Mines, Ltd.

Enclosed herewith is the original and three copies of the subject application and one copy each of an Engineer's Report, Option Contract, and Assignment to the B. C. Mica Mines, Ltd. Also enclosed is a copy of my letter to the Operator acknowledging receipt of the application and my comments relating to the application. One copy of the application is being retained in Juneau for further study by the Field Team.

An application for an exploration contract was previously submitted by the original owners of the same claims as covered by this application and was given Docket No. 3049. The previous application was denied. Mr. C. L. Sainsbury, Geological Survey, and Robert Thorne, Bureau of Mines, submitted reports on the property and copies of these reports should be found in your files under Docket No. 3049.

The Operator has failed to submit with the application any concrete evidence to show that exploration work, done since the examination by Mr. Sainsbury and Mr. Thorne, has exposed any more promising mica zones or zones of better grade mica.

During the later part of August Mr. Sainsbury and I plan to be in the vicinity of Sitklan Island so we will make an examination of the subject property to determine if recent work has exposed geologic evidence indicating the existence of economic deposits of mica.

Very truly yours,

R. S. Velikanje

R. S. Velikanje
Acting Executive Officer
Geological Survey

for and in the absence of
S. H. Lorain, Executive Officer
Bureau of Mines Member

and

C. L. Sainsbury
Geological Survey Member

Encl

cc: Lorain
Gates

Defense Minerals Exploration Administration
AUG 9 - 1954

P. O. Box 2659
Juneau, Alaska
August 6, 1954

B. C. Mica Mines, Ltd.
515 Vancouver Block
736 Granville Street
Vancouver, B. C.
Canada

Gentlemen:

Your application for a Defense Minerals Exploration Administration contract to explore for mica on Sitkin Island in Southeastern Alaska has been received and is being forwarded to Washington D. C. for action.

I have briefly gone over your application and I am herewith noting my comments and suggestions. Many of these suggestions will have to be complied with before formal action could be taken on instigating a contract, while others should be included to expedite the processing of the application.

Due to lack of fulfillment of any or several of the clauses in the Option and Sale contract the property could revert back to the original owner so the Owner Consent to Lien will be required.

Hereafter it is requested that when submitting copies of revised application, if such may be required, that copies of all pertinent attachments such as Engineer's Reports, Consent of Lien, etc. accompany each copy of the application. Fulfillment of this requirement will greatly facilitate the evaluation by the members of the Defense Minerals Exploration Administration.

If such time comes that you are requested to submit a revised application, it is suggested that you closely follow the outline as set down in Form MF 103, Application for Aid in an Exploration Project, and itemize statements as noted under the various headings, and noted below.

5 (a) If you have had any of the mica evaluated for grade by any commercial concerns, these reports of grade should be submitted to Defense Minerals Exploration Administration for more thorough evaluation by us.

5 (b) The proposed exploration work should be fully described and should include sketch maps of the property showing the location, amount, and type of work proposed at each specific locality.

It is necessary that the application be confined to exploration as development or production cannot be included under a Defense Minerals Explorations Administration contract. See footnote under Item 6 (h) of Form MF 103.

5 (d) It would be prefered for our evaluation of the supervisory ability of your proposed supervisors of the exploration if you could give us a short case history on the men, showing time and dates and their positions at various projects at which they have worked.

Due to the distances and travel conditions encountered in Alaska, it is impossible for the field team or their representatives to make frequent investigations of the various projects so that it is essential that the supervisor of a project be capable of submitting a progress report containing geologic or other pertinent information as required.

6 (b) A more detailed breakdown of wages should be shown and a separation of wages and board. Show justification by breakdown of clerical services and also of travel expenses.

6 (c) Furnish itemized list.

6 (d) This list should be itemized and should show kind and size of equipment that you propose to furnish and the rental value of this equipment.

6 (f) Show number, size, and type of construction of the buildings you propose and show a breakdown of the space contemplated for use as bunk house, mess hall and or office.

7 (b) Work done on the property previous to that as outlined in a Defense Mineral Exploration Administration contract and done after the contract has gone into force, cannot be counted as a charge by the Operator against the contract cost.

These recommendations are my own and are subject to change and additions by Washington D. C.

Mr. C. L. Sainsbury, Geological Survey Member of the DMEA, Region I, Field Team and I expect to be going to Hyder the later part of this month. We will stop off at Sitklan Island and examine the property so that we will be better able to make recommendations to Washington D. C.

I will send a copy of this letter to Mr. O. Cote and at the same time inform him of our approximate arrival date at Sitklan Island.

Very truly yours,

R.S.V.

R. S. Velikanje
Acting Executive Officer
Geological Survey

For and in the absence of
S. H. Lorain
Executive Officer
Bureau of Mines Member
DMEA Field Team, Region I

and

C. L. Sainsbury
Geological Survey Member

cc: Lorain
Cote
Gates

[redacted]

[redacted]

[redacted]

July 14th, 1954.

Mr. S. H. Lorain,
Executive Officer of Alaska Field Team,
U.S. Department of Interior,
DMRA Administration,
P.O. Box 560,
Juneau, Alaska.

Dear Sir:

Re: R. C. Mega Mines Ltd.

We enclose herewith application in quintuplicate under your DMRA Act. We also enclose the following:

1. Copy of Option Contract;
2. Assignment thereof to the above Company;
3. Copy of Engineer's Report;
   Sketch of property shown on Map therein.
4. We also forward, under separate cover samples of ore taken from the claims.

For your information we would advise that the Company is in process of being converted from a Private company to a Public one, and on completion we will take the necessary steps to be registered in Alaska, with Mr. Norman Banfield, of Messrs. Falkner, Banfield & Moochmyer, of your City, as our agent.

I have been instructed to advise you that any time now the Managing Director, Mr. O. Cote, who is in charge of the operation, would be pleased to receive and take care whatever group or party would be making the Government's investigation of the project. They will be provided with comfortable living quarters, good food and will have sea-travelling equipment at their disposal. Also, should your party be travelling by hydroplane, there is safe and suitable mooring conveniences at the Company camp.

We would ask that we be advised, here in Vancouver, a few days in advance of the time when your engineers would be visiting the property, in order that Mr. McDougall, our Engineer, would have the opportunity of meeting them there, which should prove mutually advantageous, as he could guide

[illegible] copy to work he has covered, and in turn would have [illegible] of any suggestions which might be made by your [illegible] in regard to future development.

Should you wish to communicate directly with Mr. [illegible], he can be reached by short-to ship telephone, through Prince Rupert, Band "C" - Call "[illegible]" at 8:30-9:00 [illegible] Time. His mailing address is Box [illegible], Ketchikan.

In respect to "Owner's Consent to Lien" we have completed the terms in an Option and Sales Contract and are [illegible] under the contract with only royalties to pay the original owners. Should their consent be necessary we can obtain it, and would appreciate your ruling on that.

Yours truly,

[illegible]

Encls.

V. McCrossan.

952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

AUG 9 - 1954

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. 3437
Metal or Mineral Mica
Date Received
Estimated Cost $60,000
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: B.C. MICA MINES LTD., a Company duly incorporated under the laws of the Province of British Columbia, having its registered office at 515 Vancouver Block, 736 Granville St., Vancouver, B.C.

(*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.

(*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.

Full answers to all subsequent questions on pages hereunto ~~annexed.~~

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

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it

(*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.

(*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.

a project.—(*a*) State the mineral or minerals for which you wish to explore .....

.....

... the proposed work, including a map or sketch of the property showing a plan (and cross secti... ...e workings, and the location of the proposed exploration work as related to such feature... ...beds, etc.

(... ...rk will start within ..... days and be completed within ..... months from the date of a... ...n project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out ... ...xploration 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.).

(*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)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ 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 ....., 195...

.....
(Applicant)

By.....

.....

.....

Ti... 8, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any depart-ment or ...cy of the United States as to any matter within its jurisdiction.

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

MF 103

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION.

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

1. NAME OF APPLICANT -

(a) B.C. MICA MINES LTD.

(b) A Corporation, duly incorporated under the laws of the Province of British Columbia, having its registered office at 515 Vancouver Block, 736 Granville Street, Vancouver, B.C.

(c) Alaskan registration pending.

(c) OFFICERS:
Robert Thomas Blackmore, President
1361 Oakwood Cresc. N.Vancouver, B.C.
William M. Bennet, Secretary-Treasurer
1490 Laburnum St., Vancouver, B.C.
Ovela Cote, General Manager & Director,
1645 Yew Street, Vancouver, B.C.

(d) Does not apply.

2. GENERAL - Information duly noted.

3. APPLICANT'S PROPERTY RIGHTS - Land upon which exploration is required:

(a) Mineral claims in the County of Ketchikan, Territory of Alaska, U.S.A., more particularly known and recorded with the U.S. Commissioner's Department at Ketchikan, Alaska, as being:-

Mainland Group:

(1)	Pearson #1,	Vol.14,	p.115
(2)	" #2,	"	p.116
(3)	" #3,	"	p.116
(4)	Last Chance	"	p. 44
(5)	Hyder Mica #9	"	p.114
(6)	" #10	"	p.114
(7)	Millsite No.10027	Vol. 14	
(8)	Naket Feldspar No.10026	Vol.14	
(9)	Naket Mica No.2	Vol.14	p.144
(10)	Naket Mica No.3	"	p. 44

SITKLAN Island Group:

(11)	Morris Mica #1,	Vol.14	p.42
(12)	" " #2,	"	p.42
(13)	Hyder Mica #1,	"	p.43
(14)	" " #2,	"	p.113
(15)	Bennett Mica	"	p.115
(16)	Ater Mica	"	p.114
(17)	Garnett	"	p.80

3. APPLICANT'S PROPERTY RIGHTS (Cont'd.)

(b) The foregoing claims will be known as B.C. MICA MINES LTD.

(c) The applicant is owner in possession by way of Option Contract, and Assign-
(d) ment thereof to the Company, copies whereof are enclosed herewith

(e) The properties are free of encumbrance, save and except the royalty as set forth in contract agreement, in the amount of $75,000.00 payable at 10% out of earnings.

(f) Unpatented claims, as recorded with U.S. Commissioner's Department at Ketchikan:

(1)	Pearson #1,	Vol. 14,	p.115
(2)	" #2,	" "	p.116
(3)	" #3 ,	" "	p.116
(4)	Last Chance	" "	p. 44
(5)	Hyder Mica #9,	Vol.14,	p.114
(6)	" " #10,	" "	p.114
(7)	Millsite #10027,	" "	
(8)	Naket Feldspar #10026,	Vol.14	
(9)	Naket Mica #2,	Vol.14,	p.144
(10)	" " #3	" "	p. 44
(11)	Morris Mica #1	" "	p.42
(12)	" " #2	" "	p. 42
(13)	Hyder Mica #1	" "	p. 43
(14)	" " #2	" "	p.113
(15)	Bennett Mica	" "	p.115
(16)	Ater Mica	" "	p.114
(17)	Garnett	" "	p. 80

4. PHYSICAL DESCRIPTION -

NOTE: A copy of a report descriptive of these mineral properties made by B.W.W. McDougall, P.Eng., Consulting Engineer of Vancouver, B.C. is enclosed herewith. Most of the information required under this heading is given in this report.

(a) Previous work effected on these claims is in the nature of a few opencuts. The mineral occurrences are immediately adjacent to navigable waters at Sitklan Island and the adjacent mainland. The Company established a temporary camp, provided boats and necessary tools and equipment in May, 1954. Since then trails have been made to facilitate entry to present-known places of interest. These trails are adequate for access re examination

4. PHYSICAL DESCRIPTION (Cont'd.)

purposes. It has also, by means of light opencutting, conducted with the aid of a portable gasoline-driven rock-drill, exposed considerable mica-bearing areas in the pegmatite zones.

(b) There has been no production from these mineral claims. The mineral sought is muscovite mica. Other minerals which may possibly occur include beryl, potash feldspar and possibly one or two of the comparatively rare minerals which are frequently found in similar geologic associations. It is, at this time, impossible to provide estimates of assured ore volumes or grades. It can, we believe, be reasonably expected that one certain place constituting a very small mass of the total pegmatite structures, contains a minimum of 'probable' and 'possible' of good muscovite-bearing material amounting to 1,000,000 tons. The grade is considered to be such probable commercial interest as to warrant careful, systematic and complete exploration.

(c) Reference is again made to the accompanying report for information pertaining to geology. Briefly - muscovite in attractive concentrations occurs in acid pegmatites. Pegmatite belts or dykes, believed to be conformable in attitude to the general strike and dip of the gneissic and schistose host rocks, occur in considerable volumes and are known to underlie large areas on both Sitklan Island and on the mainland. Muscovite "books" are in evidence at most places where there are pegmatite outcrops. On Sitklan Island, quite apart from extensive mainland exposures, three separate dikes of pegmatite have been identified and these have an estimated total or combined width of probably more than 2,000 feet. The lengths have not yet been fully cruised but are certainly to be measured in the thousands of feet.

(d) All information concerning this point is covered in the accompanying report. There are no roads on the mineral claims but the anticipated working sites are near the shore lines of the Island and of the near-by mainland. A glance at CGS chart 8141 will show that the waters of Tongase and Sitklan Passages are navigable for ships of any draft. A comfortable tent camp has been established on a log float and is located in a well-protected cove at the

4. PHYSICAL DESCRIPTION (Cont'd.) - mouth of a small creek on the north side of Sitklan Passage. Suitable marine equipment has also been provided for transport of men, equipment and supplies to and from this camp. There is deep water for ships landing at this float. The camp, at the present time, has first-class accomodation for 6 or 7 men and there is accomodation in the sea-going launch for an additional 3. It had been decided to use a float camp until such time as exploratory work indicates the most suitable site for the permanent camp. The camp site most likely to be selected for the permanent camp is on the north side of Sitklan Passage and accessible to deep-sea shipping through Tongas Passage.

5. THE EXPLORATION PROJECT: (a) The minerals for which exploration is
(a) being directed are Muscovite Mica and, possibly, beryl and potash feldspar. Muscovite is the primary or principal mineral sought. The geological formation being pegmatite, there are possibilities for other valuable minerals besides those mentioned. In regard to the quantity of the mica mineral, the size of many of the crystals or "books" is such as to justify anticipation that some reasonable percentage of the total muscovite content can be sorted out for electrical insulating purposes.

(b) The work of preparing camp accomodations was commenced in late April, 1954; exploration work with the aid of a gasoline-driven rock drill commenced in the second week of June and has been carried forward continuously since that time. This work is of necessity in the nature of preliminary exploration. It is planned to expand the operations in early autumn to the point where trial shipments can be mined and shipped.

(c) NOTE: (c) is answered in the latter part of the foregoing paragraph.

(d) The initial exploratory work will be carried on under the direction and periodic supervision of the Company's consulting engineer, B.W.W. McDougall. Mr. McDougall is a registered Professional Engineer of the Province of British Columbia and he has had wide experience in conducting mining operations ranging from exploration and appraisals to production operations and, geographically from Alaska to California and from British Columbia to Ontario.

5. THE EXPLORATION PROJECT (Cont'd.)

(d) (Cont'd.)
He has had considerable experience in the Portland Canal area and elsewhere in northern British Columbia. The actual work on the ground will be under the immediate supervision of Mr. O. Cote, who has had much experience in construction work of various kinds including excavation work. He is fully competent to oversee and direct operations of this sort and has the full confidence of the Directors. In due course the Company plans to engage, as mine superintendent, one who has had extensive experience in the mining and processing of mica for industrial applications.

6. ESTIMATE OF COSTS - (a) None.

(b) As of July 31st the Company will have expended approximately $15,000.00 in preliminary exploratory operations. Having assimilated the information made available by the work effected up to this time, it is planned to commence the next phase of the project which is intended to demonstrate by actual mining and test drilling and test shipping - also, possibly, making a beginning at processing on the premises. It will be understood that the production, processing and marketing of mica is quite dissimilar to that pertaining to metal bearing oxides or sulphides such as lead, zinc or copper ores or concentrates. In the following preliminary expense estimates for the next phase of the operation the total figure to be dealt with by such estimates is $60,000.00. It will, further, be appreciated that it is very difficult if not impossible, to plan for the maximum efficiency in regard to the expenditure of this sum with precision in respect to all details. The approximate cost of the project planned to commence about September is as follows:

10 men @ $20.00 daily (wages plus board) 25 days per month,	$5,000.00
Supplies,- (principally explosives and sundries, motor and diesel fuel and lubricants),- $60.00 per day for 25 days per mo.	1,500.00
Services for consulting engineer, @ $500.00 per month,-	500.00
Office and clerical services, @ $300.00 per month,-	300.00
Travelling expenses, per month,	200.00
Workmen's Compensation, & incidentals etc. per month,	500.00
Total per mo.	$8,000.00

6. ESTIMATE OF COSTS (Cont'd.)

(c) This is indicated in the above tabulation as $60.00 per operating day, or $1,500.00 per month.

(d) Operating equipment proposed includes the following:

200 CFM Portable diesel-driven air compressor,	$5,000.00
2 Jack Hammers - rock drills, with drill-rods and tungsten-carbide bits and including minor tool requirements,	1,600.00
1 portable (underground type) air-driven hoist with 300 feet of 3/8" cable,-	750.00
500 feet of 12-lb mine rail together with fish plates, track bolts and track spikes,-	250.00
Miscellaneous tools and other incidentals,	250.00
Unforseen,	150.00
Total	$8,000.00

NOTE: Good used equipment from a reliable dealer will be satisfactory for most of the above listed items; in this event the total cost should be up to 25% less than the amount indicated. The figures indicated are estimated. $1,000.00

(e) Nil.

(f) There will be required, at Sitklan Island, temporary loading and unloading facilities $1,000.00

Construction of 250' of inclined haulage way using 12-lb rail - on Sitklan Island,- 500.00

Permanent camps & quarters to house approx. 15 men,- NOTE: Most of the necessary equipment has already been purchased by the Company,- 10,000.00

$11,500.00

NOTE: The amount estimated for equipment and structures is here indicated as $19,500.00 or, say, $20,000.00. From the initial $60,000.00 figure there would be some $40,000.00 left after the construction item was taken care of to carry on the operation. On the basis of operating expenditure of $8,000.00 monthly this would support the operation for a period of five months.

7. The Company is prepared to furnish its share of costs of the proposed project.

(b) 1. By money, if necessary to bring the Company's contribution into alignment with what may be allowed for the project.

2. By the use of equipment owned by the Company.

3. By any of the work already done by the Company which may properly be allowable as Exploration Work within the meaning of the Act.

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form A
Budget

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

Docket No. .....
Metal or Mineral .....
Date Received .....
Estimated Cost .....
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: .....

(*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.

(*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 .....

(*b*) State any mine name by which the property is known.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise .....

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it .....

(*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.

(*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, [illegible]

(*e*) State [illegible] 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 .....

(*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 contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within ..... days and be completed within ..... 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.).

(*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)?

(*b*) How do you propose to furnish your share of the costs?

☒ Money ☒ Use of equipment owned by you ☒ 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 July 15th, 1954.

B.C. MICA MINES LTD.
(Applicant)

By [signature] Secy Treas.

[signature]

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

JUL 29 1954
RECEIVED

PROVINCE OF BRITISH COLUMBIA)
)
TO WIT:)

I, Viola McCrossan, a notary public for the Province of British Columbia, by royal authority duly appointed, residing at Vancouver in the said Province, do certify that the paper writing hereto annexed is a true copy of a document produced and shown to me from the custody of B.C. Mica Mines Ltd. and purporting to be an Assignment, dated the 19th day of January, 1954, from Ovela Cote to B.C. Mica Mines Ltd., the said copy having been compared by me with the said original document, an act whereof being requested I have granted under my notarial form and seal of office to serve and avail as occasion shall or may require.

IN TESTIMONY WHEREOF I have hereto subscribed my name and affixed my seal of office, at Vancouver, B.C., this 21st day of July, 1954.

V. McCrossan
A Notary Public.

THIS INDENTURE made the 19th day of January, 1954.

BETWEEN:

OVELA COTE, of 1645 Yew Street in the City of Vancouver, Province of British Columbia, Prospector,

(hereinafter called the "Assignor")

of the FIRST PART,

AND:

B.C. MICA MINES LTD. (Non-Personal Liability) a Company duly incorporated under the laws of the Province of British Columbia, having its registered office at 515 Vancouver Block, 736 Granville Street, in the City of Vancouver, Province of British Columbia,

(hereinafter called the "Assignee")

of the SECOND PART.

WHEREAS the Assignor is the owner in possession of Option Sales Contract dated the 5th day of November, 1953, duly registered with the Mining Recorder for the Territory of Alaska, United States of America, of seventeen (17) mineral claims located at Sitklan Island, in Nakat Bay, in the County of Ketchikan, Territory of Alaska, United States of America, known as follows and hereinafter referred to as the "said Claims", namely,

Mainland Group:

(1) Pearson No. 1, Vol. 14 page 115
(2) Pearson No. 2, Vol. 14 page 116
(3) Pearson No. 3, Vol. 14 page 116
(4) Last Chance Vol. 14 page 116
(5) Hyder Mica No. 9, Vol. 14 page 114
(6) Hyder Mica No.10, Vol. 14 page 44
(7) Millsite No. 10027 Vol. 14
(8) Naket Feldspar No. 10026, Vol. 14
(9) Naket Mica No. 2, Vol. 14 page 114
(10) Naket Mica No. 3, Vol. 14 page 44

Sitklan Island:

(11) Morris Mica No. 1, Vol. 14 page 42
(12) Morris Mica No. 2, Vol. 14 page 42
(13) Hyder Mica No. 1, Vol. 14 page 43
(14) Hyder Mica No. 2, Vol. 14 page 113
(15) Bennett Mica Vol. 14 page 115
(16) Ater Mica Vol. 14 page 114
(17) Garnet Vol. 14 page 80

WHEREAS the Assignor is desirous of assigning all of his right, title, interest and equity in the said Option Sales

Contract, and property therein described, in consideration of the allotment and issuance of Seven Hundred and Fifty Thousand (750,000) shares of B.C. Mica Mines Limited (Non-Personal Liability) to himself and his nominees.

NOW THEREFORE, THIS INDENTURE WITNESSETH that in consideration of the Allotment and issuance of SevenhHundred and Fifty Thousand (750,000) shares of B. C. MICA MINES, LIMITED, to the Assignor and his nominees, the Assignor hereby assigns unto the Assignee, its administrators and Assigns, all his right, title, and equity in and to that certain Option Sales Contract dated the 5th day of November, 1953, between Orvela Cote and Paul J. Ater, Edith Ater, his wife, Frank Blasher and Ann Blasher, his wife, George Bennett, all of Seattle, Washington, Louis Pearson and J. H. O'Leary, of Portland, Oregon, and the property therein described being (17) mineral claims located at Sitklan Island, in Nakot Bay, in the County of Ketchikan, Territory of Alaska, United States of America, as follows:

<u>Mainland Group:</u>

(1) Pearson No. 1, Vol. 14 page 115
(2) Pearson No. 2, Vol. 14, page 116
(3) Pearson No. 3, Vol. 14 page 116
(4) Last Chance, Vol. 14 page 116
(5) Hyder Mica No. 9, Vol. 14 page 114
(6) Hyder Mica No.10, Vol. 14 page 44
(7) Millsite No. 10027, Vol. 14
(8) Nakot Feldspar No. 10027, Vol. 14
(9) Nakot Mica No. 2, Vol. 14 page 144
(10) Nakot Mica No. 3, Vol. 14 page 44

<u>Sitklan Island:</u>

(11) Morris Mica No. 1, Vol. 14 page 42
(12) Morris Mica No. 2, Vol. 14 page 42
(13) Hyder Mica No. 1, Vol. 14 page 43
(14) Hyder Mica No. 2, Vol. 14 page 113
(15) Bennett Mica Vol. 14 page 115
(16) Ater Mica Vol. 14 page 114
(17) Garnet, Vol. 14 page 80

And the Assignor further covenants that he hath good right to assign the said Option and Sales Agreement and that he will execute such further assurances unto the Assignee, its Administrators and Assigns, as may be required.

IN WITNESS WHEREOF, the Party of the First Part hath hereunto set his hand and seal the day and date hereinbefore written and the Party of the Second Part has caused its Seal of Office to be affixed thereto in the presence of the officers duly authorized in that behalf.

SIGNED, SEALED and DELIVERED by OVELA COTE, in the presence of, "V. McCrossan"	"Ovela Cote"
The Corporate Seal of B. C. MICA MINES LIMITED, was hereunto affixed in the presence of: " R. T. Blackmore" " Wm. H. Bennett "	

PROVINCE OF BRITISH COLUMBIA)
)
TO WIT:)

I, Viola McCrossan, a notary public for the Province of British Columbia, by royal authority duly appointed, residing at the City of Vancouver, in the said Province, do certify that the paper writing hereto annexed is a true copy of a document produced and shown to me from the custody of B.C. Mica Mines Ltd., and purporting to be an Option and Contract, dated the 5th day of November, 1953, between Frank Blasher and Ann Blasher, his wife, George Bennett, Paul J. Ater and Edith Ater, his wife, Louis Pearson and J.H. O'Leary AND Ovela Cote, the said copy having been compared by me with the said original document, an act whereof being requested I have granted under my notarial form and seal of office to serve and avail as occasion shall or may require.

IN TESTIMONY WHEREOF I have hereunto subscribed my name and affixed my seal of office at Vancouver, British Columbia, this 21st day of July, 1954.

V. McCrossan
A Notary Public.

COPY.

OPTION AND SALE CONTRACT

This Agreement entered into this 5th day of November 1953 by and between Paul J. Ater and Edith Ater, his wife, Frank Blasher and Ann Blasher, his wife, George Bennett, all of Seattle, Washington, Louis Pearson and J. M. O'Leary, of Portland, Oregon (hereinafter referred to as Vendors) and Ovela Cote, of 1645 Yew Street, Vancouver, British Columbia, (hereinafter referred to as Vendee.)

W I T N E S S E T H:

WHEREAS, the Vendors are each owners in fee simple of one or more of the following mining claims, in the County of Ketchikan, Territory of Alaska, U.S.A.:

Mainland Group:

(1) Pearson No. 1, Vol. 14 page 115
(2) " No. 2, Vol. 14 page 116
(3) " No. 3, Vol. 14 page 116
(4) Last Chance Vol. 14 page 44
(5) Hyder Mica No. 9, Vol.14 page 114
(6) " " No.10, Vol. 14 page 44
(7) Millsite No. 10027, Vol. 14
(8) Naket Feldspar No. 10026, Vol. 14
(9) Naket Mica No. 2, Vol. 14, page 144
(10) " " No. 3, Vol. 14, page 44

SITKLAN Island:

(11) Morris Mica No. 1 Vol. 14 page 42
(12) " " No. 2 Vol. 14 page 42
(13) Hyder Mica No. 1 Vol. 14 page 43
(14) " " No. 2 Vol. 14 page 113
(15) Bennett Mica Vol. 14 page 115
(16) Ater Mica Vol. 14 page 114
(17) Garnet Vol. 14 page 80

and desire to have the same continually engineered and developed; and

WHEREAS, Vendee desires to exploit, develop, engineer and purchase said mining claims: now, therefore,

In consideration of the mutual promises, covenants and conveyances herein contained, it is hereby agreed by and between the parties as follows:

1: Vendors hereby grant the vendee, for the period of six (6) months from date hereof, an option to purchase the said claims for the sum of $75,000.00 (U.S. Dollars) ~~payable~~, ~~together with interest upon deferred balance at 6% per annum~~, from 10% of the gross receipts received by Vendee from sales of products of said claims, provided:

"J.H.O"
"L.P."
"F.B."
"A.B."
"G.B."
"P.A."

(a) Payments are made 90 days after each sale is consummated;

(b) Vendee will enter upon said premises and work the same mining fashion, in manner necessary to good economical mining, so as to take out the greatest amount of metals, minerals and other products possible with due regard to safety, development and preservation of said premises as a workable mine or mines; to work and mine said premises as steadily and continuously from the date hereof until termination, as weather and the season of the year will permit; to keep all sluices, ditches, drains, waterways and passage ways cleared of loose rock and rubbish, and to do all things necessary to promote the usefulness of said mining property as a workable mine, including engineering, diamond drilling and other acts required to fully develop the same; to do no act which would impede mining operations or impair the operating condition of said mining claims and generally to so conduct operations to conform to the laws of the United States and the District of Alaska, and the local rules

and regulations of miners in said mining district, and to do no act or suffer no default which might in any manner involve the said vendors or their ownership in said mining property, in liability of any kind or character.

(c) Vendee will perform all assessment work on each claim as required by law.

(d) Said option is exercised on or before said six months has expired by vendee giving written notice thereof to Paul J. Ater, at 9019 - 9th Avenue, Southwest Seattle, Washington, by registered mail, return receipt requested.

(e) Vendee furnishes vendors (Paul J. Ater or representative) reports of sales every 90 days and reports of assessment work annually.

(f) Vendee to take possession immediately and surrender same at expiration of six months, if option is not exercised or the terms herein at any time are not complied with in all particulars.

2: In the event that the aforesaid option is exercised then all provisions of paragraph 1 a,b,c,d, and e shall continue to be in force and effect, and in addition:

(a) The property has been carefully inspected by the vendee and no agreements or representations pertaining thereto, or to this transaction, have been made, save as are stated herein.

(b) Vendee agrees to pay before delinquency all taxes and assessments which may become a lien on the premises or products thereof; not to permit waste; and not to use the premises or products for any illegal purpose.

(c) Vendee assumes the risk of the taking of any part of the premises for a public use and agrees that any such

taking shall not constitute a failure of consideration, but all moneys received by vendors by reason thereof shall be applied as a payment of account of purchase price, less any sums which the venders may be required to expend in procuring such moneys.

(d) The vendors agree, upon full compliance by the vendee with his agreements herein to execute and deliver to the vendee a conveyance of the property, excepting any part which may have been condemned, free of encumbrances, except any that may accrue hereafter through any person other than the vendors.

(e) If vendee elects not to develop any one or more of said claims, he may be relieved of assessment work thereon, provided he gives vendee written notice six months prior to expiration of time required to perform said assessment work, and thereby said claim shall be removed from this option or sale and revert to vendors.

3: Time is the essence hereof, and in the event the vendee shall fail to comply with or perform any condition or agreement hereof promptly at the time and in the manner herein required, the venders may elect to declare all of the vendee's rights herein terminated. Upon the termination of the vendee's rights, all payments made hereunder and all improvements placed upon the premises shall be forfeited to the vendors as liquidated damages, and the seller shall have the right to re-enter and take possession of the property; and if the vendors after such forfeiture shall commence an action to procure an adjudication of the termination of the vendee's rights hereunder, the vendee agrees to pay the expenses of searching the title for the purpose of such action, together with all costs and a reasonable attorney's fee. Notice of forfeiture may be given by a deposit of such notice, contained in a sealed envelope with postage prepaid, addressed to the vendee at the above address .

4: This agreement is binding upon and inures to the benefit of the respective parties, their heirs, administrators and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

"Paul J. Ater"
Paul J. Ater

"Edith Ater"
Edith Ater

"Frank Blasher"
Frank Blasher

"Ann Blasher"
Ann Blasher

"George Bennett"
George Bennett

"Louis Pearson"
Louis Pearson

"J. H. O'Leary"
J. H. O'Leary

"O. Cote"
Ovela Cote

STATE OF WASHINGTON)
)
- County of King -) ss:

THIS IS TO CERTIFY that on this 28th day of October 1953 before me, the undersigned, a Notary Public in and for the state of Washington, residing at Seattle, personally came PAUL J. ATER and EDITH ATER, his wife, to me known to be the individuals described in and who executed the within instrument, and acknowledged to me that they signed and sealed the same as their free and volumtary act and deed, for the uses and purposes therein mentioned.

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

(NOTARIAL)
(SEAL)

"John F. Stepech"
Notary Publis in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON)
- County of King -) ss:

THIS IS TO CERTIFY that on this 28th day of October 1953 before me, the undersigned, a Notary Public in and for the State of Washington, residing at Seattle, personally came FRANK BLASHER and ANN BLASHER, his wife, to me known to be the individuals described in and who executed the within instrument, and acknowledged to me that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESSETH MY HAND and official seal the day and year in this certificate first above written.

(NOTARIAL)
(SEAL)

"Christine Weiss"
A Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON)
/ County of King -) ss:

THIS IS TO CERTIFY that on this 28th day of October 1953 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came GEORGE BENNETT, to me known to be the individual described in and who executed the within instrument, and acknowledged to me that they signed and sealed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

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

(NOTARIAL)
(SEAL)

"George H. Revelle"
Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON)
County of King -) ss:

THIS IS TOMCERTIFY that on this 28 day of October 1953 before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally cane LOUIS PEARSON, to me known to be the individual described in and who executed the within instrument, and acknowledged to me that he signed and sealed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

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

(NOTARIAL SEAL)

"John F. Stepech"
Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON (
/ County of King -) ss:

THIS IS TO CERTIFY that on the 28 day of October 1953 before me the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally came J. H. O'LEARY, to me known to be the individual described in and who executed the within instrument and acknowledged to me that he signed and sealed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

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

"John F. Stepech"
A Notary Public in and for the State of Washington, residing at Seattle.

STATE OF WASHINGTON)
- County of King -) ss:

THIS IS TO CERTIFY that on this 5th day of November, 1953 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came OVELA COTE to me known to be the individual described in and who executed the within instrument, and acknowledged to me that he signed and sealed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

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

"George H. Revelle"
Notary Public in and for the State of Washington, residing at Seattle.

DEFENSE MINERALS
EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

U. S. GEOLOGICAL SURVEY
SOUTH 157 HOWARD ST.
SPOKANE 4, WASHINGTON

SPOKANE
AUG 6
7 PM
1954
WASH.

1954
WASH.

Mr. George C. Selfridge, Chairman
Operating Committee
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.