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

A. E. C.

July 9, 1951

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA-1115-X; Beryl
Beryllium Development, Inc.

Denial recommended because:

1) Proposal to enlarge present workings is mining and does not qualify as exploration under MO-5.

2) Geologic evidence secured by Field Team indicates that beryl and strategic mica occurrences in the pegmatite are very erratic and discontinuous and do not justify additional exploration of the deposit.

We are forwarding the entire docket which includes:

1) Memo from McHenry Mosier to Tom Lyon
2) Report of Examination by Field Team, Region VIII
3) Form MF-103 and attachments

James A. Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

July 9, 1951

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA-1115-X; Beryl
Beryllium Development, Inc.

Denial recommended because:

1) Proposal to enlarge present workings is mining and does not qualify as exploration under MO-5.

2) Geologic evidence secured by Field Team indicates that beryl and strategic mica occurrences in the pegmatite are very erratic and discontinuous and do not justify additional exploration of the deposit.

We are forwarding the entire docket which includes:

1) Memo from McHenry Mosier to Tom Lyon
2) Report of Examination by Field Team, Region VIII
3) Form MF-103 and attachments

RW:peb
cc: Reports & Records Unit
Mr. Lyon
Mr. Barr
DMA-Files

James Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

FILE COPY
SURNAME:

Barr

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

July 9, 1951

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA-1115-X; Beryl
Beryllium Development, Inc.

Denial recommended because:

1) Proposal to enlarge present workings is mining and does not qualify as exploration under MO-5.

2) Geologic evidence secured by Field Team indicates that beryl and strategic mica occurrences in the pegmatite are very erratic and discontinuous and do not justify additional exploration of the deposit.

We are forwarding the entire docket which includes:

1) Memo from McHenry Mosier to Tom Lyon
2) Report of Examination by Field Team, Region VIII
3) Form MT-103 and attachments

James Barr
MB

James A. Barr, Jr., Chief
Industrial Minerals Branch

RW speb
cc: Reports & Records Unit
Mr. Lyon
Mr. Barr
DMA-Files
Approved:

Tom Lyon

Tom Lyon, Director
Supply Division

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

FILE COPY
SURNAME:
Barr

A. E. C.

[illegible]

[illegible]

Subject: [illegible]

Gentlemen:

[illegible] have been reviewed by this office.

[illegible] defense.

[illegible]

1. [illegible]

2. [illegible]

[illegible] would be expected to result in additional [illegible] on the deposit.

[illegible] case, [illegible] extent [illegible], is denied. [illegible] are available, it would be [illegible] consideration.

[illegible] cordially yours,

Tom Lyon

Tom Lyon, Director
Hydrology Division

TWLmas

cc: Reports and Records Unit
Mr. Lyon
Mr. Marr
M A Miles
Field Team Region VIII(2)

July 10, 1951

Beryllium Development, Inc.
P.O. Box #1462
Reading, Penn.

Subject: DMA-1115-A; Beryl

Gentlemen:

Your application for aid for an exploration project on beryl deposit located at Alger Hill Grafton County, Vermont and docketed as DMA-1115-A, has been reviewed by this office.

Exploration projects as defined in DMO-5, Regulations Governing Government Aid in Defense Exploration Projects, must be confined to work necessary to search for unknown or undeveloped sources of strategic minerals; the work must be confined to a reasonable delineation and sampling of the ore and may not include work prosecuted primarily for mining or preparation for mining. Projects approved by the DMA must, in the judgment, show definite promise of yielding material of a saleable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for national defense.

A very careful study of your proposal, including examination by Field Team, revealed the following:

1) The excavation accomplished during 1950 on the deposit was exploration in nature and appears to have definitely well established the production possibilities for that particular portion of this pegmatite. An enlargement of the present opening would constitute mining rather than exploration and would not qualify as exploration under DMO-5.

2) An examination of the pit opened in 1950 and of the other available exposures of the pegmatite has failed to provide a sound reasonable basis to justify additional exploration either in the pit or on other parts of the pegmatite. On the contrary, the geologic evidence obtained indicates that beryl and strategic mica occurrences along this pegmatite are very erratic and discontinuous in nature and it is extremely doubtful that any economic operation for these minerals

Could be a question of result [illegible] additional [illegible] on this deposit.

Under these circumstances, your application for exploration aid to the extent of [illegible] is denied. Should additional information become available, we would be [illegible] to consider your proposed [illegible] deviation.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Grants Division

RW:mas

cc: Reports and Records Unit
Mr. Lyon
Mr. Parr
DMA Files
Field Team Region VIII(2)

a.E.C.

June 11, 1951

Memorandum

To: Lowell B. Moon, Commodity Committee

From: James A. Barr, Chief, Industrial Minerals Branch

Subject: DMA-1115X

File on subject application is attached with recommendation for Field Team transmittal.

James Barr

James A. Barr, Sr.

JABarr:dak

cc: Mr. Strobel
Mr. Barr
Files

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

June 25, 1951

Memorandum

To: Tom Lyon

From: McHenry Mosier

Subject: Docket DMA 1115-X

In reference to your letter of June 12 requesting the field team to investigate the property of Beryllium Development, Inc. at Reading, Pa. (Docket 1115-X), in connection with their application for exploration assistance:

Attached in quadruplicate is the joint report of Messrs. H. P. Nicholson (U.S.B.M.) and Glenn W. Stewart (U.S.G.S.)on the property of this applicant. It is recommended that the application be denied.

McHenry Mosier

McHenry Mosier

Attachment

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION
by
FIELD TEAM - REGION VIII

DMA-1115-X, Beryllium Development, Inc.
Reading, Pa.

COMMODITY - BERYL

Hugh P. Nicholson
U. S. Bureau of Mines

Glenn W. Stewart
U. S. Geological Survey

June 1951

Location:

The deposit is designated as the Alger Hill Prospect of the Beryllium Development, Inc. and is located approximately one mile west of Grafton Center, Grafton County, New Hampshire.

Conclusions:

The conclusions reached by a field examination of the deposit is that the work done during 1950 was exploration in nature and that further work at the same opening is more properly mining than exploration. Most of the work in 1950 involved the excavation of approximately 1,000 tons of rock from the beryl- and mica- bearing parts of the pegmatite and is reported to have yielded 150 tons of feldspar, $3\frac{1}{2}$ tons of mine run mica, and $3\frac{1}{4}$ tons of beryl. The gross sale value of these minerals was $1,130. The cost of the operations was $10,518. To mine at a greater depth will require the removal of more waste rock which will increase the unit costs.

At no other exposure at the location of the Alger Hill Prospect can exploration by trenching be recommended on the basis of mineralization and zoning of this pegmatite.

Recommendations:

It is recommended that the application for exploration assistance be denied for the reason of insufficient evidence of continuity of the beryl and mica deposits in the pegmatite.

Geology of the Alger Hill Prospect

Location:

The Alger Hill prospect, 800 feet west of the abandoned Alger Mine, is approximately 1.5 miles south of the Ruggles Mine in Grafton, Grafton County, New Hampshire.

The prospect may be reached from U. S. Highway No. 4 by traveling northwest from Grafton Center on a gravel road for 1.3 miles to the entrance of the Ruggles Mine. From this point travel on foot along abandoned town road for 0.1 of a mile. Then travel south on mine road for 0.9 of a mile past the Alger Mine to the prospect.

General Information:

The pegmatite, explored by Beryllium Development, Inc. during the summer of 1950, is inclosed in a foliated, medium-grained, biotite-muscovite granite. The foliation strikes N. 10° E. and dips approximately 75° southwest.

The workings consist of an open pit 65 feet long, 10 to 30 feet wide, and 10 to 20 feet deep and a small trench 20 feet long, 5 to 10 feet wide, and 5 feet deep at the southwest end of the open pit. More than one-half of the open pit is flooded by 10 to 12 feet of water.

Approximately 1000 tons of pegmatite have been mined and 150 tons of potash feldspar, 3¾ tons of beryl and 3½ tons of run of mine mica have been recovered.

General Description of the Pegmatite:

The pegmatite is at least 75 feet long and ranges from 5 to 25 feet in thickness. It has a general strike of N. 65° E. and dips approximately 50° southwest. Most of the pegmatite is medium to coarse-grained, but the central and widest part, which has been mined, appears to have been very coarse-grained perthite and quartz.

Pegmatite Zones:

The border zone is discontinuous, but ranges in thickness from 1 to 2 inches. It is fine-grained and contains quartz, plagioclase, and muscovite.

The wall zone is medium to coarse-grained, 5 to 10 feet thick, and contains plagioclase, quartz, perthite, and muscovite. Accessory minerals are black tourmaline and lath-shaped biotite crystals some of which are chloritized.

The core of the pegmatite is very coarse-grained and ranges in thickness from 0 to 15 feet and contains perthite, quartz, beryl, and muscovite mica. The quartz occurs as discontinuous bodies 10 to 12 feet thick and 10 to 15 feet long.

Occurrence of Economic Minerals:

The beryl crystals are concentrated along the margins of the quartz bodies and are associated with the very coarse-grained perthite-quartz core. Most of the beryl crystals are blue-green and some are gem quality. The crystals have an average length of 8 inches and an average diameter of 3 inches.

Like the beryl the muscovite mica is associated with the perthite-quartz core and is generally marginal to the quartz bodies. Most of the muscovite is hard, flat, slightly ruled, and has a rum color. The books are one to two inches thick and range from 3 to 12 inches in width. Most of the muscovite in the wall zone is scrap. The books are one-half to one inch thick, 2 to 4 inches across, and are usually wavy, bent, or ruled.

Most of the recoverable perthite occurs in the core, or central part of the pegmatite. The perthite is white to light cream and occurs in anhedral and subhedral crystals that range from 6 to 18 inches long to 4 to 12 inches thick.

Summary:

The exploratory nature of the work done by Beryllium Development, Inc. has revealed that the beryl and muscovite mica deposits are closely associated with the discontinuous quartz bodies in the perthite-quartz core of the pegmatite. A large tonnage of rock was mined in comparison to the small tonnages of beryl and muscovite recovered.

It is very doubtful that any further exploratory work by shallow trenching in the exposed parts of the pegmatite would reveal other beryl and muscovite mica deposits because they appear to be associated with the perthite-quartz core, the thickest and very coarse-grained parts of the pegmatite.

G.E.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION
by
FIELD TEAM - REGION VIII

DMA-1115-Y, Beryllium Development, Inc.
Reading, Pa.

COMMODITY - BERYL

Hugh W. Nicholson
U. S. Bureau of Mines

Glenn W. Stewart
U. S. Geological Survey

June 1951

Location:

The deposit is designated as the Alger Hill Prospect of the Beryllium Development, Inc. and is located approximately one mile west of Grafton Center, Grafton County, New Hampshire.

Conclusions:

The conclusions reached by a field examination of the deposit is that the work done during 1950 was exploration in nature and that further work at the same opening is more properly mining than exploration. Most of the work in 1950 involved the excavation of approximately 1,000 tons of rock from the beryl- and mica- bearing parts of the pegmatite and is reported to have yielded 150 tons of feldspar, 3½ tons of mine run mica, and 3¼ tons of beryl. The gross sale value of these minerals was $1,130. The cost of the operations was $10,5[illegible]. To mine at a greater depth will require the removal of more waste rock which will increase the unit costs.

At no other exposure at the location of the Alger Hill Prospect can exploration by trenching be recommended on the basis of mineralization and zoning of this pegmatite.

Recommendations:

It is recommended that the application for exploration assistance be denied for the reason of insufficient evidence of continuity of the beryl and mica deposits in the pegmatite.

Geology of the Alger Hill Prospect

Location:

The Alger Hill prospect, 500 feet west of the abandoned Alger Mine, is approximately 1.5 miles south of the Hugles Mine in Grafton, Grafton County, New Hampshire.

The prospect may be reached from U. S. Highway No. 4 by traveling northwest from Grafton Center on a gravel road for 1.3 miles to the entrance of the Hugles Mine. From this point travel on foot along abandoned town road for 0.1 of a mile. Then travel south on mine road for 0.9 of a mile past the Alger Mine to the prospect.

General Information:

The pegmatite, explored by Beryllium Development, Inc. during the summer of 1950, is inclosed in a foliated, medium-grained, biotite-muscovite granite. The foliation strikes N. 10° E. and dips approximately 75° southwest.

The workings consist of an open pit 65 feet long, 10 to 30 feet wide, and 10 to 20 feet deep and a small trench 20 feet long, 5 to 10 feet wide, and 5 feet deep at the southwest end of the open pit. More than one-half of the open pit is flooded by 10 to 12 feet of water.

Approximately 1000 tons of pegmatite have been mined and 150 tons of potash feldspar, 3½ tons of beryl and 3½ tons of run of mine mica have been recovered.

General Description of the Pegmatite:

The pegmatite is at least 75 feet long and ranges from 5 to 25 feet in thickness. It has a general strike of N. 65° W. and dips approximately 50° southwest. Most of the pegmatite is medium to coarse-grained, but the central and widest part, which has been mined, appears to have been very coarse-grained perthite and quartz.

Pegmatite Zones:

The border zone is discontinuous, but ranges in thickness from 1 to 2 inches. It is fine-grained and contains quartz, plagioclase, and muscovite.

The wall zone is medium to coarse-grained, 5 to 10 feet thick, and contains plagioclase, quartz, perthite, and muscovite. Accessory minerals are black tourmaline and lath-shaped cistite crystals some of which are chloritized.

The core of the pegmatite is very coarse-grained and ranges in thickness from 0 to 15 feet and contains perthite, quartz, beryl, and muscovite also. The quartz occurs as discontinuous bodies 10 to 12 feet thick and 10 to 15 feet long.

Occurrence of Economic Minerals:

The beryl crystals are concentrated along the margins of the quartz bodies and are associated with the very coarse-grained perthite-quartz core. Most of the beryl crystals are blue-green and some are gem quality. The crystals have an average length of 1 inches and an average diameter of 3 inches.

Like the beryl the muscovite mica is associated with the perthite-quartz core and is generally marginal to the quartz bodies. Most of the muscovite is hard, flat, slightly ruled, and has a rum color. The books are one to two inches thick and range from 3 to 12 inches in width. Most of the muscovite in the wall zone is scrap. The books are one-half to one inch thick, 2 to 4 inches across, and are usually wavy, bent, or ruled.

Most of the recoverable perthite occurs in the core, or central part of the pegmatite. The perthite is white to light cream and occurs in anhedral and subhedral crystals that range from 6 to 18 inches long to 4 to 12 inches thick.

Summary:

The exploratory nature of the work done by Beryllium Development, Inc. has revealed that the beryl and muscovite mica deposits are closely associated with the discontinuous quartz bodies in the perthite-quartz core of the pegmatite. A large tonnage of rock was mined in comparison to the small tonnages of beryl and muscovite recovered.

It is very doubtful that any further exploratory work by shallow trenching in the exposed parts of the pegmatite would reveal other beryl and muscovite mica deposits because they appear to be associated with the perthite-quartz core, the thickest and very coarse-grained parts of the pegmatite.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION
by
FIELD TEAM - REGION VIII

DMA-1115-X, Beryllium Development, Inc.
Reading, Pa.

COMMODITY - BERYL

Hugh P. Nicholson
U. S. Bureau of Mines

Glenn W. Stewart
U. S. Geological Survey

June 1951

Location:

The deposit is designated as the Alger Hill Prospect of the Beryllium Development, Inc. and is located approximately one mile west of Grafton Center, Grafton County, New Hampshire.

Conclusions:

The conclusions reached by a field examination of the deposit is that the work done during 1950 was exploration in nature and that further work at the same opening is more properly mining than exploration. Most of the work in 1950 involved the excavation of approximately 1,000 tons of rock from the beryl- and mica- bearing parts of the pegmatite and is reported to have yielded 150 tons of feldspar, 3½ tons of mine run mica, and 3¼ tons of beryl. The gross sale value of these minerals was $1,130. The cost of the operations was $10,518. To mine at a greater depth will require the removal of more waste rock which will increase the unit costs.

At no other exposure at the location of the Alger Hill Prospect can exploration by trenching be recommended on the basis of mineralization and zoning of this pegmatite.

Recommendations:

It is recommended that the application for exploration assistance be denied for the reason of insufficient evidence of continuity of the beryl and mica deposits in the pegmatite.

Geology of the Alger Hill Prospect

Location:

The Alger Hill prospect, 800 feet west of the abandoned Alger Mine, is approximately 1.5 miles south of the Ruggles Mine in Grafton, Grafton County, New Hampshire.

The prospect may be reached from U. S. Highway No. 4 by traveling northwest from Grafton Center on a gravel road for 1.3 miles to the entrance of the Ruggles Mine. From this point travel on foot along abandoned town road for 0.1 of a mile. Then travel south on mine road for 0.9 of a mile past the Alger Mine to the prospect.

General Information:

The pegmatite, explored by Beryllium Development, Inc. during the summer of 1950, is inclosed in a foliated, medium-grained, biotite-muscovite granite. The foliation strikes N. 10° E. and dips approximately 75° southwest.

The workings consist of an open pit 65 feet long, 10 to 30 feet wide, and 10 to 20 feet deep and a small trench 20 feet long, 5 to 10 feet wide, and 5 feet deep at the southwest end of the open pit. More than one-half of the open pit is flooded by 10 to 12 feet of water.

Approximately 1000 tons of pegmatite have been mined and 150 tons of potash feldspar, 3¾ tons of beryl and 3½ tons of run of mine mica have been recovered.

General Description of the Pegmatite:

The pegmatite is at least 75 feet long and ranges from 5 to 25 feet in thickness. It has a general strike of N. 65° E. and dips approximately 50° southwest. Most of the pegmatite is medium to coarse-grained, but the central and widest part, which has been mined, appears to have been very coarse-grained perthite and quartz.

Pegmatite Zones:

The border zone is discontinuous, but ranges in thickness from 1 to 2 inches. It is fine-grained and contains quartz, plagioclase, and muscovite.

The wall zone is medium to coarse-grained, 5 to 10 feet thick, and contains plagioclase, quartz, perthite, and muscovite. Accessory minerals are black tourmaline and lath-shaped biotite crystals some of which are chloritized.

The core of the pegmatite is very coarse-grained and ranges in thickness from 0 to 15 feet and contains perthite, quartz, beryl, and muscovite mica. The quartz occurs as discontinuous bodies 10 to 12 feet thick and 10 to 15 feet long.

Occurrence of Economic Minerals:

The beryl crystals are concentrated along the margins of the quartz bodies and are associated with the very coarse-grained perthite-quartz core. Most of the beryl crystals are blue-green and some are gem quality. The crystals have an average length of 8 inches and an average diameter of 3 inches.

Like the beryl the muscovite mica is associated with the perthite-quartz core and is generally marginal to the quartz bodies. Most of the muscovite is hard, flat, slightly ruled, and has a rum color. The books are one to two inches thick and range from 3 to 12 inches in width. Most of the muscovite in the wall zone is scrap. The books are one-half to one inch thick, 2 to 4 inches across, and are usually wavy, bent, or ruled.

Most of the recoverable perthite occurs in the core, or central part of the pegmatite. The perthite is white to light cream and occurs in anhedral and subhedral crystals that range from 6 to 18 inches long to 4 to 12 inches thick.

Summary:

The exploratory nature of the work done by Beryllium Development, Inc. has revealed that the beryl and muscovite mica deposits are closely associated with the discontinuous quartz bodies in the perthite-quartz core of the pegmatite. A large tonnage of rock was mined in comparison to the small tonnages of beryl and muscovite recovered.

It is very doubtful that any further exploratory work by shallow trenching in the exposed parts of the pegmatite would reveal other beryl and muscovite mica deposits because they appear to be associated with the perthite-quartz core, the thickest and very coarse-grained parts of the pegmatite.

Reading, Pa

6/5/51

Defense Minerals Administration

9781

Review of Application for Exploration Assistance

Mr. Broom
Laureldale, Pa

Docket No. 1115-X

Commodity Beryl

Total Amount $25,000

Govt. Participation 90%

1. Name and Address of Applicant Beryllium Development, Inc. P.O. Box 1462, Reading, Pennsylvania

2. Location of Property Grafton, Grafton County, New Hampshire

3. Mineral or metal Beryl Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) ✓ See Norton memo, Attached
Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes. Lessee
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? Yes

Does the lease have sufficient time to run to cover a future productive period? Yes

*question numbers are those of MF-103

1115-A

7. Are subordination agreements necessary? yes, Not Furnished with Application

   a) MF-201? _____

   b) MF-202 ✓

8. From the data presented, does the proposed project appear feasible from the point of view of:

   a) Available manpower yes

   b) Equipment and supplies yes
      (Question 14 plus general knowledge of availability)*

   c) Accessibility (question 12)* yes

   d) Water (question 13)* yes

   e) Power (question 13)* yes

   Is a field check needed on any of these points? NO

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* yes

   Is a field check needed on this point? NO

10. Exhibit A. (questions 21 and 22)*

    a) Is the project adequately described? NO

       If not, are there sufficient data given so that you can describe the project? NO If so, attach a draft.

    b) Is there an adequate map or sketch of the proposed work? NO

    c) Is the proposed work "exploration" under the definition of Section 8, MO-5? yes, But is not sufficiently detailed

       If not, what part of it is? _____

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? NO

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO If so, attach a draft.

e) Are the cost estimates reasonable? Insufficient data

f) Should more information be requested from applicant? Yes

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Not Applicable

b) If so, are sufficient data furnished? _____ If so, attach a draft.

c) Is a field check needed? _____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? NO. If so, attach a draft.

c) Are rents and charges reasonable? Insufficient data

d) Is a field check needed? Yes

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? NO

b) Is the schedule adequate for the work proposed? Insufficient data

c) Is the schedule excessive for the work proposed? ✓ ✓

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? Insufficient data

b) Sufficient data?

c) Reasonable?

d) Field check needed? yes

15. In your judgment, can the proposed work be done in the proposed time? yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Discuss with Applicant and try to lay out with him a definite program of Exploration - Have Applicant prepare as detailed as possible a schedule of Costs & Requirements - If this information can be gotten to Washington by phone please do so to Expedite - Advise Applicant necessity of MF-202. Check possibility of Mica in the deposits.

Reviewed by: [illegible]

Date 6/11/57

97692

FILE COPY
SURNAME:

Barr

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

June 11, 1951

Memorandum

To: Lowell B. Moon, Commodity Committee

From: James A. Barr, Chief, Industrial Minerals Branch

Subject: DMA-1115X

File on subject application is attached with recommendation for Field Team transmittal.

James Barr

James A. Barr, Sr.

JABarr:dak

cc: Mr. Strobel
Mr. Barr
Files

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF DEFENSE MOBILIZATION
WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

MAY 29 1951

File
Beryllium
D-MA 1115

Mr. Otto T. Englehart
President
The Beryllium Corporation
Reading, Pennsylvania

Dear Mr. Englehart:

I have delayed replying to your letter of May 18 until I could ascertain from the various interested agencies the present situation with reference to beryl ore. If I omitted to mention beryl ore in my talk the other night as being one of the critical and strategic materials, it was to shorten up the list for the purposes of the talk and not because beryl is not on the critical list here in Washington.

We can see only two ways of solving the beryl shortage: one is allocation from the limited supply available, and this has now gone as far as it can. The other is to increase the world supply and direct a fair proportion of it toward the United States. The agencies who would be involved in this program are actively at work and fully alive to the seriousness of the situation.

Sincerely,

Charles E. Wilson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 31 1951
LANDON F. STROBEL
Executive Secretary

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

May 24, 1951

Mr. Otto F. Englehart
President, The Beryllium Corporation
Reading, Pennsylvania

Dear Mr. Englehart:

This is a brief acknowledgement of your letter of May 17, 1951, in regard to the critical shortage of beryl ore for industrial requirements, inasmuch as the whole position has been fully covered by Mr. Baker's reply to a similar letter from you under date of May 10. Copies of that reply are being sent to the Chairman of the Inter-Agency Committee on Beryl and Columbite, Department of State, and to General Services Administration, for appropriate consideration and action.

You may be assured that we are following the actions closely in attempting to get an early solution.

Sincerely yours,

JAMES BOYD
Administrator

Copy to: Mr. Charles Merrill, Chairman of the Inter-Agency Committee on Beryl and Columbite

Mr. Bruce Hamilton, Department of State

Mr. Jesse Larsen, Administrator, General Services Administration

Mr. E. W. Pehrson
Mr. Johnston, Room 4211, G.S.Bldg.
Mr. Strobel
Admin. Reading File
Files

May 23, 1951

Mr. Otto F. Ruglehart
President, The Beryllium Corporation
Reading, Pennsylvania

Dear Sir:

This is to acknowledge receipt of your letter of May 10, 1951, calling attention to the critical shortage that is developing in the supplies of beryl ore for the beryllium industry.

Mr. Bruce Hamilton advises that the Department of State expects to reach a satisfactory agreement with the Brazilian Government regarding the restrictions placed upon exports of beryl ore from that country, now that the Brazilian delegates to the recent conference in Washington have just returned to Brazil. He also reports that the delay in obtaining an export license for the lot of 400 to 500 metric tons, which you are ready to ship, is due to the amount of time required to obtain the approval of the President of Brazil for the granting of this license.

Your letter and the whole beryl procurement situation was thoroughly discussed Friday at a meeting of the Sub-Committee on Beryl, and the recommendations will be discussed at a full Inter-Agency Committee next Monday. Numerous problems will have to be solved, one being the apparent need for an appropriation of funds to allow for resale to industry, in the event that the idea of a single procurement agency is adopted.

At a meeting yesterday afternoon between officials of the General Services Administration and of this Administration, the whole position was brought to the attention of Mr. Jesse Larson, and it is suggested that you contact General Services Administration to see whether you can work out between you some arrangement that will permit that Agency to make purchases for you without any appropriation for special funds.

However, as Brazil seems to present the greatest possibilities for increased production, the success of any beryl procurement program seems to hinge largely upon our ability to

obtain beryl from Brazil, or upon the negotiations between the Department of State and the Government of Brazil for a removal of the restrictions on the export of such ores. This Administration has stressed to the Department of State the vital importance of obtaining beryl from Brazil, and will continue to maintain close contact in an effort to expedite the negotiations.

The shortage of beryllium is a matter of concern to this Administration, but in view of the lack of appropriate funds and authority in the foreign field, we are limited in the service we can render.

The procurement of many foreign strategic metals for industry is hampered by the inadequacy of the provisions made for expanding foreign production and by the numerous problems that have to be overcome in the different foreign countries. Therefore, too much dependence should not be placed upon Government assistance for your supplies. It will help us to know something about the scope and intensity of your present buying activities, and to have your ideas as to how you can help to improve your own position.

If we can have your reply by the end of the week, it will be possible for me to also bring it to the attention of the Inter-Agency Committee on Monday.

Very truly yours,

T. C. Baker, Chief
Foreign Division

TCBaker:gmd

Copy to: Mr. Jesse Larsen, Administrator, GSA
Mr. Bruce Hamilton, Dept. of State
Dr. Boyd, Administrator, DMA
Mr. C. Merrill, Chairman of the Inter-Agency Committee on Beryl and monazite
Mr. James Barr
Mr. Peterson
Mr. Strobel
Mr. Johnston, Room 4211, G.S.Bldg.
Admin. Reading File

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

May 23, 1951

Mr. Otto T. Bauglehart
President, The Beryllium Corporation
Reading, Pennsylvania

Dear Sir:

This is to acknowledge receipt of your letter of May 10, 1951, calling attention to the critical shortage that is developing in the supplies of beryl ore for the beryllium industry.

Mr. Bruce Hamilton advises that the Department of State expects to reach a satisfactory agreement with the Brazilian Government regarding the restrictions placed upon exports of beryl ore from that country, now that the Brazilian Delegates to the recent conference in Washington have just returned to Brazil. He also reports that the delay in obtaining an export license for the lot of 400 to 500 metric tons, which you are ready to ship, is due to the amount of time required to obtain the approval of the President of Brazil for the granting of this license.

Your letter and the whole beryl procurement situation was thoroughly discussed Friday at a meeting of the Sub-Committee on Beryl, and the recommendations will be discussed at a full Inter-Agency Committee next Monday. Numerous problems will have to be solved, one being the apparent need for an appropriation of funds to allow for resale to industry, in the event that the idea of a single procurement agency is adopted.

At a meeting yesterday afternoon between officials of the General Services Administration and of this Administration, the whole position was brought to the attention of Mr. Jesse Larsen, and it is suggested that you contact General Services Administration to see whether you can work out between you some arrangement that will permit that Agency to make purchases for you without any appropriation for special funds.

However, as Brazil seems to present the greatest possibilities for increased production, the success of any beryl procurement program seems to hinge largely upon our ability to

obtain beryl from Brazil, or upon the negotiations between the Department of State and the Government of Brazil for a removal of the restrictions on the export of such ores. This Administration has stressed to the Department of State the vital importance of obtaining beryl from Brazil, and will continue to maintain close contact in an effort to expedite the negotiations.

The shortage of beryllium is a matter of concern to this Administration, but in view of the lack of appropriate funds and authority in the foreign field, we are limited in the service we can render.

The procurement of many foreign strategic metals for industry is hampered by the inadequacy of the provisions made for expanding foreign production and by the numerous problems that have to be overcome in the different foreign countries. Therefore, too much dependence should not be placed upon Government assistance for your supplies. It will help us to know something about the scope and intensity of your present buying activities, and to have your ideas as to how you can help to improve your own position.

If we can have your reply by the end of the week, it will be possible for us to also bring it to the attention of the Inter-Agency Committee on Monday.

Very truly yours,

Thomas C. Baker

T. C. Baker, Chief
Foreign Division

TCBaker:gad

Copy to: Mr. Jesse Larsen, Administrator, GSA
Mr. Bruce Hamilton, Dept. of State
Dr. Boyd, Administrator, DMA
Mr. C. Merrill, Chairman of the Inter-Agency Committee on Beryl and Monazite
Mr. James Barr
Mr. Pehrson
Mr. Strobel
Mr. Johnston, Room 4211, G.S.Bldg.
Admin. Reading File

FILE COPY
SURNAME:

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

May 15, 1951

Mr. Matthew J. Donachie, Vice President
Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Subject: DMA-1115
Re: Loan $25,000
(New Hampshire)

My dear Mr. Donachie:

Receipt is acknowledged of your application and attachments of April 27, 1951 from the BERYLLIUM DEVELOPMENT, INC., for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number 1115 and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch, on May 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1115.

Sincerely yours,

LANDON F. STROBEL a. e. c. —

Landon F. Strobel
Executive Secretary

LFSTROBEL:aec
cc: Strobel-2
Files
Mr. Barr
Mr. Lyon

THE BERYLLIUM CORPORATION
P. O. BOX 1462
READING, PENNA.

April 27, 1951

BY HAND

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

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate. This application is made for Beryllium Development, Inc., a wholly owned subsidiary of The Beryllium Corporation.

Very truly yours,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:MH

Enclosure

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1115

Date received 5/1/51

Participation

Beryllium Development, Inc.
P. O. Box 1162
Reading, Pennsylvania

Name and address of applicant

Date April 27, 1951

FILL IN THIS BLOCK

Date of application April 27, 1951

Estimated cost $25,000.00

Mineral or metal Beryl Ore

Percentage of Government participation 90%

Location of mine Grafton, County of Grafton, State of New Hampshire

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Beryllium Development, Inc.
(Name of company)

By Matthew F. Donachie
(Signature of authorized official)

April 27, 1951
(Date)

Vice President
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

1. Corporation (Incorporated in the State of Delaware)

2. See No. 1

3. Officers and Directors:

DANIEL D. SCHWARTZ, Chairman of Board
W. D. Gradison & Company
Dixie Terminal Building
Cincinnati, Ohio

MAURICE A. HALLAM, Director
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

OTTO T. ENGLEHART, President, Assistant Treasurer, Director
819 Center Avenue
Reading, Pennsylvania

MATTHEW J. DONACHIE, Vice President, Director
15 Norwood Terrace
Holyoke, Massachusetts

RICHARD M. QUINEY, Secretary, Director
439 Oley Street
Reading, Pennsylvania

Stockholders:

The Beryllium Corporation is holder of all stock of Beryllium Development, Inc. The five largest stockholders of The Beryllium Corporation are as follows:

EDWARD C. CHILDS
S. W. Childs Management Corporation
1 Wall Street
New York 5, New York

OSCAR BROWN
1700 Bankers Securities Building
Philadelphia 7, Pennsylvania

MAURICE A. HALLAM
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

BAKER, WEEKS & HARDEN
1 Wall Street
New York 5, New York

GUNTHER & COMPANY
15 Nassau Street
New York 5, New York

4. (a) The Beryllium Development, Inc. has one year experience in the mining of beryl ore and, having the same officers and management as its parent company, The Beryllium Corporation, is well versed in the administration of a business enterprise, particularly the manufacture of alloys from beryllium.

(b) The person in charge of operations and exploration has had approximately forty (40) years experience in mining for beryl, mica, feldspar, quarts, and associated minerals.

5. Lessee.

6. See #5.

7. Lease is in good standing. See attached photostatic copy.

8. See attached photostac copies of current financial statements of Beryllium Development, Inc. and The Beryllium Corporation, parent company.

9. Beryllium Development, Inc. is prepared to invest its share (10%) of the proposed project in equipment installed at the exploration site and, if necessary, supply additional cash.

10. (a) The real property, completely described in attached photostatic lease (See #7), consists of approximately 250 acres in three (3) tracts located in Grafton, County of Grafton, State of New Hampshire.

(b) Same as 10 (a).

11. The property is known in Grafton, New Hampshire as Beryl Hill or Alger Hill or John Hill.

12. The property is located in Grafton, County of Grafton, State of New Hampshire, approximately three (3) miles west of U. S., New Hampshire Highway #4; the roads leading to the property are county dirt roads in good condition; the Boston & Maine Railroad serves this district and the shipping point is approximately three (3) miles east of property location; Grafton, New Hampshire is located approximately forty (40) miles northwest of Concord, New Hampshire, and approximately twenty-eight (28) miles southeast of Lebanon, New Hampshire, on U.S.-New Hampshire Highway #4, a hard surface highway.

13. No water or power available or needed in exploration work.

May 26, 1950

Registrar of Deeds
Grafton County
Woodsville, New Hampshire

Dear Sir:

In Liber 775, Folio 317, you recorded a lease for us on July 5, 1949. We are assigning this lease to our subsidiary, Beryllium Development, Inc. and request that you kindly register subject assignment, executed copy of which is attached.

Very truly yours,

B. V. Eldridge
Treasurer

BVE/ma
Attachment

ASSIGNMENT OF LEASE BY INDORSEMENT

THIS AGREEMENT, made this 22nd day of May, 1950, between The Beryllium Corporation, of Reading, Pennsylvania, vendor, and Beryllium Development, Inc., of Reading, Pennsylvania, purchaser, W I T N E S S E T H:

In consideration of One Dollar ($1.00), paid to said vendor by said purchaser and of the covenants of said purchaser hereinafter contained, the said vendor hereby assigns unto the said purchaser, his executors, administrators, and assigns all that estate demised to the said vendor by William A. Shepard and Arthur W. Bennett, of Canaan, County of Grafton, State of New Hampshire, under a certain written lease dated June 13, 1949, which said lease is of Record in Liber 775, Folio 317 in the Registry of Deeds of Grafton County at Woodsville, New Hampshire, with all rights, easements, and appurtenances as therein mentioned; and all the estate, right, title, and interest of the said vendor in and to the said premises.

To have and to hold the said premises unto the said purchaser, his executors, administrators, and assigns for the residue of the term granted by the above-designated written lease, at the rent thereby reserved, and subject to the covenant with the said lessee and the conditions therein contained, and thenceforth to be performed and observed by the said purchaser; and the said purchaser for himself, his heirs, executors, and administrators, hereby covenants with the said vendor, his executors, and administrators that he will henceforth pay the rent reserved and perform the covenants on the part of the lessee contained in said lease, and will keep the said vendor, his executors, and administrators indemnified against all action, claims, and liability for the nonpayment of said rent, for the breach of said covenants, or any of them.

In witness whereof, we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of The Beryllium Corporation, vendor herein, and we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of Beryllium Development, Inc., vendee herein, have hereunto set out hands and official seals for and in behalf of The Beryllium Corporation, as vendor, and for and in behalf of Beryllium Development, Inc., as vendee, in our respective capacities this 22nd day of May, 1950.

The Beryllium Corporation, VENDOR

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

Beryllium Development, Inc., VENDEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

State of Pennsylvania
County of Berks, S.S.

Before me, Martha H. Antonelli, Notary Public for and in the above said county and state, personally appeared this 22nd day of May, 1950, OTTO T. ENGLEHART and RICHARD M. QUIMBY to me personally known, who being by me duly sworn, say that they are President and Secretary respectively of The Beryllium Corporation and that they have the same official capacities with Beryllium Development, Inc., and that in their respective capacities for and in behalf of said corporation vendor and said corporation vendee they acknowledge the execution of the foregoing assignment, and that the seals affixed to said instrument are the corporate seals of said respective corporations, and that said instrument was signed and sealed in behalf of said corporations by authority of their respective board of directors, and that said OTTO T. ENGLEHART and said RICHARD M. QUIMBY in their respective capacities as officials of said vendor corporation and said vendee corporation acknowledge said assignment to be the free act and deed of said corporations.

Martha H. Antonelli
Notary Public

My Commission Expires At End
of Next Session of the Senate

MINING LEASE

THIS AGREEMENT, made and executed in duplicate, this day of June, 1949, by and between WILLIAM A. SHEPARD, of Canaan, County of Grafton, State of New Hampshire, and ARTHUR W. BENNETT, of the same place, hereinafter referred to as the Lessors, and THE BERYLLIUM CORPORATION, a Delaware Corporation, having its principal office in Berks County, State of Pennsylvania, hereinafter referred to as the Lessee, W I T N E S S E T H:

That the said Lessors, for and in consideration of the sum of One Dollar ($1.00), cash, the receipt whereof is hereby acknowledged, and further, in consideration of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by the Lessee to be kept and performed, do hereby grant, demise, lease and let unto the said Lessee, for the purpose and purposes of mining, quarrying, or otherwise extracting and removing any and all ore and minerals, in their entirety, found upon, in or under the surface of the following tracts of land situate in the County of Grafton, State of New Hampshire:

Tract No. 1 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, containing about Fifty (50) acres, more or less, and being Lot #16 in the second (2nd) Range of the first (1st) Division of Lots in said Grafton, said Lot #16 being situated on Beryl Hill, or Alger Hill, or sometimes called John Hill.

Tract No. 2 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: Beginning at the schoolhouse near the Frank Smith place, so called; thence running southwesterly on the William Hill road, so called, to the land of Augustine Colby; thence westerly to the Alger lot, so called; then northerly on the Alger lot to a stake and stones; thence westerly to land of Marcus Kilton; thence northerly to the highway; thence easterly to the bound begun at, being the westerly part of the farm formerly owned by F. R. Smith, estimated to contain One Hundred Fifty (150) acres, more or less.

Tract No. 3 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: northerly by land formerly owned by F. H. Smith; easterly by land formerly owned by Hannah M. Bucklin; southerly by land formerly of Daniel Boyle; and westerly by land formerly owned by John Ford, containing Fifty (50) acres, more or less.

To have and to hold unto the Lessee, for a term of ten (10) years from the date hereof, unless sooner terminated by reason of any covenant hereinafter contained; and further, the Lessee shall have the option, right and privilege of renewing this lease for another like period of ten (10) years upon the same terms and conditions as contained herein, by giving to the Lessors notice of the exercise of the option to renew at least ninety (90) days prior to the expiration of the original term of this lease.

The Lessors do hereby grant unto the Lessee the right, during the term of this agreement, or any renewal thereof, to dig, mine and quarry in, upon and under the surface of the above-described tracts of land; and to lay or construct any ledges, shafts, excavations, conduits, tracks and roadways, in and upon the said premises and to remove therefrom any and all minerals and ore found thereon, particularly Mica, Feldspar and Beryl; and, further, the said Lessee shall have the right to dump and deposit any waste or refuse resulting from the said digging, mining or quarrying operations, upon any part of the said premises required for the convenient disposal of said waste and refuse; and further, the Lessors agree that the Lessee shall have the right to pass and repass upon the aforesaid premises, and use all roadways and bridges, during the time that this lease, or any renewal term thereof, is in force and effect.

The Lessors further agree that the Lessee shall have the right to erect buildings, install machinery and equipment, and do all things necessary for exploring for, mining, quarrying or otherwise extracting and

carrying away any and all minerals and ore found upon or under the surface of the leased premises; and that the said Lessee shall have the right to remove all, or any part of, said buildings, materials, machinery, tracks, conduits and all other equipment any time prior to, or at the termination of, the term of this lease or any renewal term thereof, and the same shall always be and remain the property of said Lessee.

The Lessee agrees to pay the Lessors a royalty for the minerals mined, quarried or otherwise extracted and removed from the demised premises on the following basis:

(a) The Lessee shall pay to the Lessors a royalty of Fifty Cents ($0.50) for every net short ton of all merchantable and marketable feldspar mined and removed from said lands.

(b) The Lessee shall pay to the Lessors a royalty of Ten Dollars ($10.00) for every net short ton for all merchantable and marketable sheet mica mined and removed from said lands.

(c) The Lessee shall pay to the Lessors a royalty of Five Dollars ($5.00) for every net short ton for all merchantable and marketable scrap mica mined and removed from said lands.

(d) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, prevailing at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of ten per cent (10%) or higher.

(e) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, if such price exists or can be ascertained, at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of less than ten per cent (10%); and if there is no established price, or such price is not readily ascertainable, then the Lessors hereby agree that the royalty hereinbefore set forth shall be computed upon the price per net short ton as fixed by the Lessee.

(f) The royalty to be paid for any other mineral or ore that the Lessee shall mine, quarry and remove from the premises, in marketable quantities, shall be determined by mutual agreement between the parties hereto subsequent to the execution of this lease, when any such determination shall be required.

In determining the BeO content of boryl ore for royalty purposes, the analysis made by the Lessee's laboratory shall be conclusive and final.

Settlement for royalty shall be made by the Lessee with the Lessors on or before 10th day of each month for all such minerals and ores loaded on railroad cars, or other transport vehicles, and shipped during the preceding month; provided, however, that in the event such payments fail to reach the sum of One Hundred Dollars ($100.00) for any one calendar year, the Lessee hereby agrees to pay to the Lessors such additional monies that would be required to give the Lessors a minimum payment of One Hundred Dollars ($100.00) for each such calendar year; and provided further, that no such minimum payment shall be due from, or payable by, the Lessee for the calendar year of 1949.

It is mutually agreed between the parties hereto that the Lessee shall have the right and privilege of assigning, transferring or selling any or all of the rights to the minerals and interest in the aforementioned premises, granted to it under the terms and covenants of this lease, without the prior approval or consent of the Lessors; and further, said Lessee shall have the right and privilege to sublease any part or all of the premises hereby leased to it, without the prior approval or consent of the Lessors.

It is further mutually agreed between the parties that in the event the Lessee does not mine, quarry or otherwise remove any minerals or ores from the aforesaid demised premises, and ceases all work and operations thereon, for a period of one year or more, the Lessors shall have the right to terminate this lease prior to the expiration of the term, by giving the Lessee ninety (90) days notice of their intention to terminate the lease.

Lessors likewise agree that the Lessee may terminate this lease at any time if, in the sole judgment and discretion of the said Lessee, it is determined that the mining operations upon the aforesaid premises cease to be profitable, by giving the Lessors or their agent thirty (30) days notice of its intention so to do, and pay to the Lessors all royalties due and unpaid.

The Lessee agrees to keep a complete record of the entire output and shipment of minerals and ores taken from the said premises, and said record shall be opened to the Lessors for inspection at reasonable times, upon request, for the purpose of comparing and verifying the accounts and statements of royalties as rendered.

Lessee's right to mining operations on the above described tracts of land shall be exclusive; and the Lessors covenant with the Lessee that they are lawfully seized and own the lands and interests hereby leased, and that the same are free from all incumbrances and that they have the right to lease the same as aforesaid, and that they and their heirs, executors and administrators, shall warrant and defend the same to the Lessee, its successors and assigns against the claim of all persons. All covenants, agreements and conditions of this lease shall be binding and endure to the administrators, executors, heirs or assigns of both parties.

Witness the hands and seals of the Lessors herein, and the execution and affixing of the Corporate seal by the Lessee herein:

William A. Shepard)
William A. Shepard)
) LESSORS
Arthur W. Bennett)
Arthur W. Bennett)

The Beryllium Corporation, LESSEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: R. M. Quimby
R. M. Quimby, Secretary

State of New Hampshire,
County of Grafton, S.S.

Before me Emma A. Barney, a Notary Public for and in the above said county and state, personally appeared ARTHUR W. BENNETT AND WILLIAM A. SHEPARD this 13th day of June, 1949, and as Lessors, acknowledged the execution of the foregoing lease.

My commission expires Aug. 12, 1952 Emma A. Barney
Notary Public

State of Pennsylvania
County of Berks, S.S.

Before me, Stella Robinson, Notary Public for and in the abovesaid county and state, personally appeared OTTO T. ENGLEHART, as President of The Beryllium Corporation, this 8th day of June, 1949 and acknowledged the execution of the foregoing lease on behalf of the Lessee.

Stella Robinson
Notary Public

My commission expires Jan. 4 1953

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951		March 31, 1951		Forecast March 31, 1951	
CURRENT ASSETS:						
Cash on hand and in banks		$ 594,073.47		$ 517,606.11		$ 745,000.
U. S. Treasury Notes		300,000.00		100,000.00		--
Accounts receivable:						
Customers	$ 439,676.65		$ 399,021.01		$ 440,000.	
Others	29,734.54		29,234.98		10,000.	
Total	$ 469,411.19		$ 428,255.99		$ 450,000.	
Less - reserve for losses	42,474.15		45,518.15		46,000.	
Accounts receivable - net		426,937.04		382,737.84		404,000.
INVENTORY AT THE LOWER OF COST OR MARKET:						
Work in process and finished goods	$1,376,682.84		$1,490,715.19		$1,421,000.	
Materials and supplies	587,037.31		633,613.38		617,000.	
Total inventories		1,963,720.15		2,124,328.57		2,038,000.
Total current assets		$3,284,730.66		$3,124,672.52		$3,187,000.
Investment in wholly-owned subsidiary		1,000.00		1,000.00		1,000.
PLANT AND EQUIPMENT:						
Land	$ 41,431.32		$ 41,431.32			
Buildings	528,478.08		529,185.38			
Machinery and equipment	1,387,053.64		1,390,780.88			
Furniture and fixtures	41,910.34		42,842.54			
Automobiles	12,085.58		12,085.58			
Total	$2,010,958.96		$2,016,325.70		$2,029,000.	
Less - reserve for depreciation	689,767.28		697,785.32		707,000.	
Plant and equipment - net		1,321,191.68		1,318,540.38		1,322,000.
PATENTS, RESEARCH AND DEVELOPMENT:						
Gross book value	$ 655,362.48		$ 655,364.48		$ 655,000.	
Less - reserve for amortization	541,348.66		544,545.37		545,000.	
Patents, research & development - net		114,013.82		110,819.11		110,000.
OTHER ASSETS:						
Cash in bank restricted by contract	$ 55,000.00		$ 55,000.00		$ 55,000.	
Deferred charges (including prepaid insurance of $4,938.21)	11,220.74		7,491.21		14,000.	
Total other assets		66,220.74		62,491.21		69,000.
Total		$4,787,156.90		$4,617,523.22		$4,689,000.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951	March 31, 1951	For ecast March 31, 1951
CURRENT LIABILITIES:			
Loans due within one year	$ 142,968.00	$ 90,807.00	$ 108,000.
Due under purchase money mortgage	60,380.12	60,380.12	60,000.
Trade accounts payable	96,049.89	67,513.32	90,000.
Estimated income taxes payable and accrued	1,085,282.37	963,344.31	976,000.
Miscellaneous accounts payable	3,498.97	3,759.22	3,000.
Other accrued expenses:			
Salaries and wages	75,371.06	42,896.58	22,000.
Taxes other than income taxes	20,310.04	25,282.75	17,000.
Interest	528.41	2,263.33	3,000.
Miscellaneous	44,108.62	50,391.53	42,000.
Total current liabilities	$1,528,497.48	$1,306,638.16	$1,371,000.
LOANS PAYABLE AFTER ONE YEAR	110,645.27	104,145.27	104,000.
DUE UNDER PURCHASE MONEY MORTGAGE	425,914.16	425,914.16	426,000.
ADVANCES UNDER CONTRACT	55,000.00	55,000.00	55,000.
CAPITAL STOCK:			
Preferred	321,152.00	--	321,000.
*Common - authorized 200,000 shares of no par value; outstanding 161,908; stated value $1,00	148,980.00	161,908.00	149,000.
SURPLUS:			
Capital	794,909.02	1,103,133.02	795,000.
Earned since January 1, 1945	1,402,058.97	1,460,784.61	1,468,000.
Total	$4,787,156.90	$4,617,523.22	$4,689,000.

*Notation effective as of March 31, 1951 statement

THE BERYLLIUM CORPORATION
STATEMENT OF INCOME
MARCH 31, 1951

	Month of February, 1951		Month of March, 1951		Forecast Month of March, 1951		Three Months Ended March 31, 1951		Forecast 1951
GROSS SALES		$570,033.57		$613,835.22		$631,000.		$1,794,370.21	$7,328,001.
Less:									
Returns and Allowances	$ 4,620.36		$ 10,323.10		$ 9,465.		$ 21,539.89		$107,357.
Discount on sales	2,304.20		2,664.11		2,525.		7,282.26		29,189.
Total		6,924.56		12,987.21		11,990.		28,822.15	136,546.
NET SALES		$563,109.01		$600,848.01		$619,010.		$1,765,548.06	$7,191,455.
COST OF SALES		320,278.01		371,287.13		375,950.		1,042,225.60	4,255,749.
Gross Profit		$242,831.00		$229,560.88		$243,060.		$ 723,322.46	$2,935,706.
OPERATING EXPENSE:									
Research	$ 3,286.14		$ 3,675.48		$ 3,676.		$ 10,426.56		$ 43,901.
Selling	24,811.40		28,330.38		21,235.		74,110.46		285,254.
Administrative	29,076.05		29,987.84		27,960.		86,325.71		334,822.
Total		57,173.59		61,993.70		52,871.		170,862.73	663,977.
Profit from Operations		$185,657.41		$167,567.18		$190,189.		$ 552,459.73	$2,271,729.
OTHER INCOME:									
Cash discount on purchases	$ 451.64		$ 688.50		$ 500.		$ 1,592.70		$ 5,953.
Miscellaneous	548.42		1,868.98		1,000.		9,497.73		18,080.
Total		1,000.06		2,557.48		1,500.		11,090.43	24,033.
Gross Income		$186,657.47		$170,124.66		$191,689.		$ 563,550.16	$2,295,762.
OTHER INCOME CHARGES:									
Interest	$ 2,373.01		$ 2,337.08		$ 2,374.		$ 7,465.35		$ 23,943.
Other	4,369.96		--		200.		4,369.96		2,200.
Total		6,742.97		2,337.08		2,574.		11,835.31	26,143.
Net Income before Taxes		$179,914.50		$167,787.58		$189,115.		$ 551,714.85	$2,269,619.
PROVISION FOR EST. TAXES ON INCOME:									
Federal	$109,747.84		$102,350.44		$115,360.		$336,546.07		$1,384,467.
State	7,196.58		6,711.50		7,565.		22,068.59		90,785.
Total		116,944.42		109,061.94		122,925.		358,614.66	1,475,252.
NET INCOME		$ 62,970.08		$ 58,725.64		$ 66,190.		$ 193,100.19	$ 794,367

BERYLLIUM DEVELOPMENT, INC.
STATEMENT OF INCOME
DECEMBER 31, 1950

GROSS SALES	$1,130.23
LESS:	
Cost of Sales	7,510.99
Loss	$6,380.76
OPERATING EXPENSE:	
Administrative	2,802.25
	$9,183.01
*MISCELLANEOUS INCOME	176.92
Net Loss	$9,006.09

*Recorded as sales by Haskins & Sells

BERYLLIUM DEVELOPMENT, INC.
BALANCE SHEET
DECEMBER 31, 1950

A S S E T S

CURRENT ASSETS:		
Cash in banks.		$1,432.80
Supply material.		501.00
Machinery and equipment.	$2,713.79	
Less reserve for depreciation. . . .	419.46	
Machinery and equipment -- NET.		2,294.33
Deferred charges		247.66
Total		$4,475.79

L I A B I L I T I E S

CURRENT LIABILITIES:		
Accounts payable.		$12,834.54
Accrued expenses:		
Taxes -- Federal O.A.B.	$ 26.48	
" -- State Unemp. Compensation	23.06	
" -- Withholding.	60.00	
Royalty	100.00	
Total accrued expenses		209.54
Capital stock -- common		1,000.00
Deficit -- 1949		562.20
Deficit -- 1950		9,006.09
Total.		$ 4,475.79

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

14. Existing facilities now on property, and to be devoted to exploration work, are as follows:

1 - Davey Portable Air Compressor, 105CFM
1 - Jaeger 2-speed Hoist, 2,000 lbs. capacity
1 - Jaeger Pump, 1 1/2 H.P.
1 - Ingersoll-Rand Air Hammer, Model JB-5
1 - 1939 Ford Dump Truck, 3 ton capacity
2 - Small buildings enclosing hoist and compressor
2 - Small buildings for dynamite and caps
Miscellaneous drills, bits, tools, hose, etc., associated with project

15. Ore will be bagged and trucked from mine to railroad in Grafton, New Hampshire, and shipped to The Beryllium Corporation, Temple, Pennsylvania, for processing.

16. (a) Previous exploration consisted of test blasts which uncovered beryl of the gem variety. Surface indications such as bull-head mica, quartz, feldspar, indicate that commercial beryl is present. Operations were suspended in October, 1950, because of weather conditions.

(b) Not known.

(c) None.

17. Mine not in production.

18. (a) The property to be explored contains beryl ore in both gem and commercial grades, mica, and feldspar.

(b) No maps available. The assays made on the beryl ore recovered in exploration resulted in a beryllium oxide content of 12%.

(c) Not known.

19. The property is well known locally to contain beryl and there are other outcropings of beryl crystals which have not been test shot. These outcropings will be explored under this project.

20. The exploration will be for beryl ore; however, other minerals and ores will be considered as by-products.

21. The proposed exploration under this project will be the enlargement of the started exploration and the exploration of various outcropings indicating beryl ore. Estimated time to complete project is 24 months.

22. None available.

23. (a) 5 workmen who will do all types of work such as labor, construction, operating machines, mining, etc., at $1.25 per hour.

(b) 1 Supervisor at $75.00 per week

(c) Unknown, but not more than $250.00

(d) None at present time

(e) 1 air hammer at an estimated cost of $350.00

(f) None

(g) $150.00 per week of operating

(h) Materials and supplies in accordance with the degree of the project; no equipment less than $50.00

(i) Not needed for project listed

24. Information not available at present time.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1115

Date received 5/1/51

Participation

Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Name and address of applicant

Date April 27, 1951

FILL IN THIS BLOCK

Date of application April 27, 1951

Estimated cost $25,000.00

Mineral or metal Beryl Ore

Percentage of Government participation 90%

Location of mine Grafton, County of Grafton, State of New Hampshire

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Beryllium Development, Inc.
(Name of company)

By Matthew J. Donachie
(Signature of authorized official)

April 27, 1951
(Date)

Vice President
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

BAKER, WEEKS & HARDEN
1 Wall Street
New York 5, New York

GUNTHER & COMPANY
15 Nassau Street
New York 5, New York

4. (a) The Beryllium Development, Inc. has one year experience in the mining of beryl ore and, having the same officers and management as its parent company, The Beryllium Corporation, is well versed in the administration of a business enterprise, particularly the manufacture of alloys from beryllium.

(b) The person in charge of operations and exploration has had approximately forty (40) years experience in mining for beryl, mica, feldspar, quartz, and associated minerals.

5. Lessee.

6. See #5.

7. Lease is in good standing. See attached photostatic copy.

8. See attached photostat copies of current financial statements of Beryllium Development, Inc. and The Beryllium Corporation, parent company.

9. Beryllium Development, Inc. is prepared to invest its share (10%) of the proposed project in equipment installed at the exploration site and, if necessary, supply additional cash.

10. (a) The real property, completely described in attached photostatic lease (See #7), consists of approximately 250 acres in three (3) tracts located in Grafton, County of Grafton, State of New Hampshire.

(b) Same as 10 (a).

11. The property is known in Grafton, New Hampshire as Beryl Hill or Alger Hill or John Hill.

12. The property is located in Grafton, County of Grafton, State of New Hampshire, approximately three (3) miles west of U. S., New Hampshire Highway #4; the roads leading to the property are county dirt roads in good condition; the Boston & Maine Railroad serves this district and the shipping point is approximately three (3) miles east of property location; Grafton, New Hampshire is located approximately forty (40) miles northwest of Concord, New Hampshire, and approximately twenty-eight (28) miles southeast of Lebanon, New Hampshire, on U.S.-New Hampshire Highway #4, a hard surface highway.

13. No water or power available or needed in exploration work.

THE BERYLLIUM CORPORATION

READING, PENNSYLVANIA

April 27, 1951

BY HAND

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

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate. This application is made for Beryllium Development, Inc., a wholly owned subsidiary of The Beryllium Corporation.

Very truly yours,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:MH

Enclosure

THE BERYLLIUM CORPORATION
P. O. BOX 1462
READING. PENNA.

April 27, 1951

BY HAND

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

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate. This application is made for Beryllium Development, Inc., a wholly owned subsidiary of The Beryllium Corporation.

Very truly yours,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:MR

Enclosure

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1162
Reading, Pa.

1. Corporation (Incorporated in the State of Delaware)

2. See No. 1

3. Officers and Directors:

DANIEL D. SCHWARTZ, Chairman of Board
W. D. Gradison & Company
Dixie Terminal Building
Cincinnati, Ohio

MAURICE A. HALLAM, Director
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

OTTO T. ENGLEHART, President, Assistant Treasurer, Director
819 Center Avenue
Reading, Pennsylvania

MATTHEW J. DONAGHIE, Vice President, Director
15 Norwood Terrace
Holyoke, Massachusetts

RICHARD M. QUIMBY, Secretary, Director
439 Oley Street
Reading, Pennsylvania

Stockholders:

The Beryllium Corporation is holder of all stock of Beryllium Development, Inc. The five largest stockholders of The Beryllium Corporation are as follows:

EDWARD C. CHILDS
S. W. Childs Management Corporation
1 Wall Street
New York 5, New York

OSCAR BROWN
1700 Bankers Securities Building
Philadelphia 7, Pennsylvania

MAURICE A. HALLAM
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1115

Date received

Participation

Beryllium Development, Inc.
P. O. Box 1162
Reading, Pennsylvania

Name and address of applicant

Date April 27, 1951

FILL IN THIS BLOCK

Date of application April 27, 1951

Estimated cost $25,000.00

Mineral or metal Beryl Ore

Percentage of Government participation 90%

Location of mine Grafton, County of Grafton, State of New Hampshire

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Beryllium Development, Inc.
(Name of company)

By Matthew F. Donachie
(Signature of authorized official)

April 27, 1951
(Date)

Vice President
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

1. Corporation (Incorporated in the State of Delaware)

2. See No. 1

3. Officers and Directors:

DANIEL D. SCHWARTZ, Chairman of Board
W. D. Gradison & Company
Dixie Terminal Building
Cincinnati, Ohio

MAURICE A. HALLAM, Director
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

OTTO T. ENGLEHART, President, Assistant Treasurer, Director
819 Center Avenue
Reading, Pennsylvania

MATTHEW J. DONACHIE, Vice President, Director
15 Norwood Terrace
Holyoke, Massachusetts

RICHARD M. QUIMBY, Secretary, Director
439 Oley Street
Reading, Pennsylvania

Stockholders:

The Beryllium Corporation is holder of all stock of Beryllium Development, Inc. The five largest stockholders of The Beryllium Corporation are as follows:

EDWARD C. CHILDS
S. W. Childs Management Corporation
1 Wall Street
New York 5, New York

OSCAR BROWN
1700 Bankers Securities Building
Philadelphia 7, Pennsylvania

MAURICE A. HALLAM
Hecker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

BAKER, WEEKS & HARDEN
1 Wall Street
New York 5, New York

GUNTHER & COMPANY
15 Nassau Street
New York 5, New York

4. (a) The Beryllium Development, Inc. has one year experience in the mining of beryl ore and, having the same officers and management as its parent company, The Beryllium Corporation, is well versed in the administration of a business enterprise, particularly the manufacture of alloys from beryllium.

(b) The person in charge of operations and exploration has had approximately forty (40) years experience in mining for beryl, mica, feldspar, quartz, and associated minerals.

5. Lessee.

6. See #5.

7. Lease is in good standing. See attached photostatic copy.

8. See attached photostac copies of current financial statements of Beryllium Development, Inc. and The Beryllium Corporation, parent company.

9. Beryllium Development, Inc. is prepared to invest its share (10%) of the proposed project in equipment installed at the exploration site and, if necessary, supply additional cash.

10. (a) The real property, completely described in attached photostatic lease (See #7), consists of approximately 250 acres in three (3) tracts located in Grafton, County of Grafton, State of New Hampshire.

(b) Same as 10 (a).

11. The property is known in Grafton, New Hampshire as Beryl Hill or Alger Hill or John Hill.

12. The property is located in Grafton, County of Grafton, State of New Hampshire, approximately three (3) miles west of U. S., New Hampshire Highway #4; the roads leading to the property are county dirt roads in good condition; the Boston & Maine Railroad serves this district and the shipping point is approximately three (3) miles east of property location; Grafton, New Hampshire is located approximately forty (40) miles northwest of Concord, New Hampshire, and approximately twenty-eight (28) miles southeast of Lebanon, New Hampshire, on U.S.-New Hampshire Highway #4, a hard surface highway.

13. No water or power available or needed in exploration work.

May 26, 1950

Registrar of Deeds
Grafton County
Woodsville, New Hampshire

Dear Sir:

In Liber 775, Folio 317, you recorded a lease for us on July 5, 1949. We are assigning this lease to our subsidiary, Beryllium Development, Inc. and request that you kindly register subject assignment, executed copy of which is attached.

Very truly yours,

B. V. Eldridge
Treasurer

BVE/ma
Attachment

ASSIGNMENT OF LEASE BY INDORSEMENT

THIS AGREEMENT, made this 22nd day of May, 1950, between The Beryllium Corporation, of Reading, Pennsylvania, vendor, and Beryllium Development, Inc., of Reading, Pennsylvania, purchaser, W I T N E S S E T H:

In consideration of One Dollar ($1.00), paid to said vendor by said purchaser and of the covenants of said purchaser hereinafter contained, the said vendor hereby assigns unto the said purchaser, his executors, administrators, and assigns all that estate demised to the said vendor by William A. Shepard and Arthur W. Bennett, of Canaan, County of Grafton, State of New Hampshire, under a certain written lease dated June 13, 1949, which said lease is of Record in Liber 775, Folio 317 in the Registry of Deeds of Grafton County at Woodsville, New Hampshire, with all rights, easements, and appurtenances as therein mentioned; and all the estate, right, title, and interest of the said vendor in and to the said premises.

To have and to hold the said premises unto the said purchaser, his executors, administrators, and assigns for the residue of the term granted by the above-designated written lease, at the rent thereby reserved, and subject to the covenant with the said lessee and the conditions therein contained, and thenceforth to be performed and observed by the said purchaser; and the said purchaser for himself, his heirs, executors, and administrators, hereby covenants with the said vendor, his executors, and administrators that he will henceforth pay the rent reserved and perform the covenants on the part of the lessee contained in said lease, and will keep the said vendor, his executors, and administrators indemnified against all action, claims, and liability for the nonpayment of said rent, for the breach of said covenants, or any of them.

In witness whereof, we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of The Beryllium Corporation, vendor herein, and we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of Beryllium Development, Inc., vendee herein, have hereunto set out hands and official seals for and in behalf of The Beryllium Corporation, as vendor, and for and in behalf of Beryllium Development, Inc., as vendee, in our respective capacities this 22nd day of May, 1950.

The Beryllium Corporation, VENDOR

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

Beryllium Development, Inc., VENDEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

State of Pennsylvania
County of Berks, S.S.

Before me, Martha H. Antonelli, Notary Public for and in the above said county and state, personally appeared this 22nd day of May, 1950, OTTO T. ENGLEHART and RICHARD M. QUIMBY to me personally known, who being by me duly sworn, say that they are President and Secretary respectively of The Beryllium Corporation and that they have the same official capacities with Beryllium Development, Inc., and that in their respective capacities for and in behalf of said corporation vendor and said corporation vendee they acknowledge the execution of the foregoing assignment, and that the seals affixed to said instrument are the corporate seals of said respective corporations, and that said instrument was signed and sealed in behalf of said corporations by authority of their respective board of directors, and that said OTTO T. ENGLEHART and said RICHARD M. QUIMBY in their respective capacities as officials of said vendor corporation and said vendee corporation acknowledge said assignment to be the free act and deed of said corporations.

Martha H. Antonelli
Notary Public

My Commission Expires At End
of Next Session of the Senate

THE BERYLLIUM CORPORATION
P. O. BOX 1462
READING, PENNA.

April 27, 1951

BY HAND

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

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate. This application is made for Beryllium Development, Inc., a wholly owned subsidiary of The Beryllium Corporation.

Very truly yours,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:MH

Enclosure

MINING LEASE

THIS AGREEMENT, made and executed in duplicate, this day of June, 1949, by and between WILLIAM A. SHEPARD, of Canaan, County of Grafton, State of New Hampshire, and ARTHUR W. BENNETT, of the same place, hereinafter referred to as the Lessors, and THE BERYLLIUM CORPORATION, a Delaware Corporation, having its principal office in Berks County, State of Pennsylvania, hereinafter referred to as the Lessee, W I T N E S S E T H:

That the said Lessors, for and in consideration of the sum of One Dollar ($1.00), cash, the receipt whereof is hereby acknowledged, and further, in consideration of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by the Lessee to be kept and performed, do hereby grant, demise, lease and let unto the said Lessee, for the purpose and purposes of mining, quarrying, or otherwise extracting and removing any and all ore and minerals, in their entirety, found upon, in or under the surface of the following tracts of land situate in the County of Grafton, State of New Hampshire:

Tract No. 1 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, containing about Fifty (50) acres, more or less, and being Lot #16 in the second (2nd) Range of the first (1st) Division of Lots in said Grafton, said Lot #16 being situated on Beryl Hill, or Alger Hill, or sometimes called John Hill.

Tract No. 2 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: Beginning at the schoolhouse near the Frank Smith place, so called; thence running southwesterly on the William Hill road, so called, to the land of Augustine Colby; thence westerly to the Alger lot, so called; then northerly on the Alger lot to a stake and stones; thence westerly to land of Marcus Kilton; thence northerly to the highway; thence easterly to the bound begun at, being the westerly part of the farm formerly owned by F. R. Smith, estimated to contain One Hundred Fifty (150) acres, more or less.

Tract No. 3 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: northerly by land formerly owned by F. H. Smith; easterly by land formerly owned by Hannah M. Bucklin; southerly by land formerly of Daniel Boyle; and westerly by land formerly owned by John Ford, containing Fifty (50) acres, more or less.

To have and to hold unto the Lessee, for a term of ten (10) years from the date hereof, unless sooner terminated by reason of any covenant hereinafter contained; and further, the Lessee shall have the option, right and privilege of renewing this lease for another like period of ten (10) years upon the same terms and conditions as contained herein, by giving to the Lessors notice of the exercise of the option to renew at least ninety (90) days prior to the expiration of the original term of this lease.

The Lessors do hereby grant unto the Lessee the right, during the term of this agreement, or any renewal thereof, to dig, mine and quarry in, upon and under the surface of the above-described tracts of land; and to lay or construct any ledges, shafts, excavations, conduits, tracks and roadways, in and upon the said premises and to remove therefrom any and all minerals and ore found thereon, particularly Mica, Feldspar and Beryl; and, further, the said Lessee shall have the right to dump and deposit any waste or refuse resulting from the said digging, mining or quarrying operations, upon any part of the said premises required for the convenient disposal of said waste and refuse; and further, the Lessors agree that the Lessee shall have the right to pass and repass upon the aforesaid premises, and use all roadways and bridges, during the time that this lease, or any renewal term thereof, is in force and effect.

The Lessors further agree that the Lessee shall have the right to erect buildings, install machinery and equipment, and do all things necessary for exploring for, mining, quarrying or otherwise extracting and

carrying away any and all minerals and ore found upon or under the surface of the leased premises; and that the said Lessee shall have the right to remove all, or any part of, said buildings, materials, machinery, tracks, conduits and all other equipment any time prior to, or at the termination of, the term of this lease or any renewal term thereof, and the same shall always be and remain the property of said Lessee.

The Lessee agrees to pay the Lessors a royalty for the minerals mined, quarried or otherwise extracted and removed from the demised premises on the following basis:

(a) The Lessee shall pay to the Lessors a royalty of Fifty Cents ($0.50) for every net short ton of all merchantable and marketable feldspar mined and removed from said lands.

(b) The Lessee shall pay to the Lessors a royalty of Ten Dollars ($10.00) for every net short ton for all merchantable and marketable sheet mica mined and removed from said lands.

(c) The Lessee shall pay to the Lessors a royalty of Five Dollars ($5.00) for every net short ton for all merchantable and marketable scrap mica mined and removed from said lands.

(d) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, prevailing at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of ten per cent (10%) or higher.

(e) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the mar et price, if such price exists or can be ascertained, at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of less than ten per cent (10%); and if there is no established price, or such price is not readily ascertainable, then the Lessors hereby agree that the royalty here inafore set forth shall be computed upon the price per net short ton as fixed by the Lessee.

(f) The royalty to be paid for any other mineral or ore that the Lessee shall mine, quarry and remove from the premises, in marketable quantities, shall be determined by mutual agreement between the parties hereto subsequent to the execution of this lease, when any such determination shall be required.

In determining the BeO content of beryl ore for royalty purposes, the analysis made by the Lessee's laboratory shall be conclusive and final.

Settlement for royalty shall be made by the Lessee with the Lessors on or before 10th day of each month for all such minerals and ores loaded on railroad cars, or other transport vehicles, and shipped during the preceding month; provided, however, that in the event such payments fail to reach the sum of One Hundred Dollars ($100.00) for any one calendar year, the Lessee hereby agrees to pay to the Lessors such additional monies that would be required to give the Lessors a minimum payment of One Hundred Dollars ($100.00) for each such calendar year; and provided further, that no such minimum payment shall be due from, or payable by, the Lessee for the calendar year of 1949.

It is mutually agreed between the parties hereto that the Lessee shall have the right and privilege of assigning, transferring or selling any or all of the rights to the minerals and interest in the aforementioned premises, granted to it under the terms and covenants of this lease, without the prior approval or consent of the Lessors; and further, said Lessee shall have the right and privilege to sublease any part or all of the premises hereby leased to it, without the prior approval or consent of the Lessors.

It is further mutually agreed between the parties that in the event the Lessee does not mine, quarry or otherwise remove any minerals or ores from the aforesaid demised premises, and ceases all work and operations thereon, for a period of one year or more, the Lessors shall have the right to terminate this lease prior to the expiration of the term, by giving the Lessee ninety (90) days notice of their intention to terminate the lease.

Lessors likewise agree that the Lessee may terminate this lease at any time if, in the sole judgment and discretion of the said Lessee, it is determined that the mining operations upon the aforesaid premises cease to be profitable, by giving the Lessors or their agent thirty (30) days notice of its intention so to do, and pay to the Lessors all royalties due and unpaid.

The Lessee agrees to keep a complete record of the entire output and shipment of minerals and ores taken from the said premises, and said record shall be opened to the Lessors for inspection at reasonable times, upon request, for the purpose of comparing and verifying the accounts and statements of royalties as rendered.

Lessee's right to mining operations on the above described tracts of land shall be exclusive; and the Lessors covenant with the Lessee that they are lawfully seized and own the lands and interests hereby leased, and that the same are free from all incumbrances and that they have the right to lease the same as aforesaid, and that they and their heirs, executors and administrators, shall warrant and defend the same to the Lessee, its successors and assigns against the claim of all persons. All covenants, agreements and conditions of this lease shall be binding and endure to the administrators, executors, heirs or assigns of both parties.

Witness the hands and seals of the Lessors herein, and the execution and affixing of the Corporate seal by the Lessee herein:

William A. Shepard
William A. Shepard

Arthur W. Bennett
Arthur W. Bennett

LESSORS

The Beryllium Corporation, LESSEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: R. M. Quimby
R. M. Quimby, ~~Secretary~~

State of New Hampshire,
County of Grafton, S.S.

Before me Emma A. Brown, a Notary Public for and in the above said county and state, personally appeared ARTHUR W. BENNETT AND WILLIAM A. SHEPARD this 13th day of June, 1949, and as Lessors, acknowledged the execution of the foregoing lease.

My commission expires Aug. 12, 1952 Emma A. Brown
Notary Public

State of Pennsylvania
County of Berks, S.S.

Before me, Stella Robinson, Notary Public for and in the abovesaid county and state, personally appeared OTTO T. ENGLEHART, as President of The Beryllium Corporation, this 8th day of June, 1949 and acknowledged the execution of the foregoing lease on behalf of the Lessee.

Stella Robinson
Notary Public

My commission expires Jan 4 1953

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951		March 31, 1951		Forecast March 31, 1951	
CURRENT ASSETS:						
Cash on hand and in banks		$ 594,073.47		$ 517,606.11		$ 745,000.
U. S. Treasury Notes		300,000.00		100,000.00		--
Accounts receivable:						
Customers	$ 439,676.65		$ 399,021.01		$ 440,000.	
Others	29,734.54		29,234.98		10,000.	
Total	$ 469,411.19		$ 428,255.99		$ 450,000.	
Less - reserve for losses	42,474.15		45,518.15		46,000.	
Accounts receivable - net		426,937.04		382,737.84		404,000.
INVENTORY AT THE LOWER OF COST OR MARKET:						
Work in process and finished goods	$1,376,682.84		$1,490,715.19		$1,421,000.	
Materials and supplies	587,037.31		633,613.38		617,000.	
Total inventories		1,963,720.15		2,124,328.57		2,038,000.
Total current assets		$3,284,730.66		$3,124,672.52		$3,187,000.
Investment in wholly-owned subsidiary		1,000.00		1,000.00		1,000.
PLANT AND EQUIPMENT:						
Land	$ 41,431.32		$ 41,431.32			
Buildings	528,478.08		529,185.38			
Machinery and equipment	1,387,053.64		1,390,780.88			
Furniture and fixtures	41,910.34		42,842.54			
Automobiles	12,085.58		12,085.58			
Total	$2,010,958.96		$2,016,325.70		$2,029,000.	
Less - reserve for depreciation	689,767.28		697,785.32		707,000.	
Plant and equipment - net		1,321,191.68		1,318,540.38		1,322,000.
PATENTS, RESEARCH AND DEVELOPMENT:						
Gross book value	$ 655,362.48		$ 655,364.48		$ 655,000.	
Less - reserve for amortization	541,348.66		544,545.37		545,000.	
Patents, research & development - net		114,013.82		110,819.11		110,000.
OTHER ASSETS:						
Cash in bank restricted by contract	$ 55,000.00		$ 55,000.00		$ 55,000.	
Deferred charges (including prepaid insurance of $4,938.21)	11,220.74		7,491.21		14,000.	
Total other assets		66,220.74		62,491.21		69,000.
Total		$4,787,156.90		$4,617,523.22		$4,689,000.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951	March 31, 1951	Forecast March 31, 1951
CURRENT LIABILITIES:			
Loans due within one year	$ 142,968.00	$ 90,807.00	$ 108,000.
Due under purchase money mortgage	60,380.12	60,380.12	60,000.
Trade accounts payable	96,049.89	67,513.32	90,000.
Estimated income taxes payable and accrued	1,085,282.37	963,344.31	976,000.
Miscellaneous accounts payable	3,498.97	3,759.22	3,000.
Other accrued expenses:			
Salaries and wages	75,371.06	42,896.58	22,000.
Taxes other than income taxes	20,310.04	25,282.75	17,000.
Interest	528.41	2,263.33	3,000.
Miscellaneous	44,108.62	50,391.53	42,000.
Total current liabilities	$1,528,497.48	$1,306,638.16	$1,371,000.
LOANS PAYABLE AFTER ONE YEAR	110,645.27	104,145.27	104,000.
DUE UNDER PURCHASE MONEY MORTGAGE	425,914.16	425,914.16	426,000.
ADVANCES UNDER CONTRACT	55,000.00	55,000.00	55,000.
CAPITAL STOCK:			
Preferred	321,152.00	--	321,000.
*Common - authorized 200,000 shares of no par value; outstanding 161,908; stated value $1,00	148,980.00	161,908.00	149,000.
SURPLUS:			
Capital	794,909.02	1,103,133.02	795,000.
Earned since January 1, 1945	1,402,058.97	1,460,784.61	1,468,000.
Total	$4,787,156.90	$4,617,523.22	$4,689,000.

*Notation effective as of March 31, 1951 statement

THE BERYLLIUM CORPORATION
STATEMENT OF INCOME
MARCH 31, 1951

	Month of February, 1951		Month of March, 1951		Forecast Month of March, 1951		Three Months Ended March 31, 1951		Forecast 1951
GROSS SALES		$570,033.57		$613,835.22		$631,000.		$1,794,370.21	$7,328,001.
Less:									
Returns and Allowances	$ 4,620.36		$ 10,323.10		$ 9,465.		$ 21,539.89		$107,357.
Discount on sales	2,304.20		2,664.11		2,525.		7,282.26		29,189.
Total		6,924.56		12,987.21		11,990.		28,822.15	136,546.
NET SALES		$563,109.01		$600,848.01		$619,010.		$1,765,548.06	$7,191,455.
COST OF SALES		320,278.01		371,287.13		375,950.		1,042,225.60	4,255,749.
Gross Profit		$242,831.00		$229,560.88		$243,060.		$ 723,322.46	$2,935,706.
OPERATING EXPENSE:									
Research	$ 3,286.14		$ 3,675.48		$ 3,676.		$ 10,426.56		$ 43,901.
Selling	24,811.40		28,330.38		21,235.		74,110.46		285,254.
Administrative	29,076.05		29,987.84		27,960.		86,325.71		334,822.
Total		57,173.59		61,993.70		52,871.		170,862.73	663,977.
Profit from Operations		$185,657.41		$167,567.18		$190,189.		$ 552,459.73	$2,271,729.
OTHER INCOME:									
Cash discount on purchases	$ 451.64		$ 688.50		$ 500.		$ 1,592.70		$ 5,953.
Miscellaneous	548.42		1,868.98		1,000.		9,497.73		18,080.
Total		1,000.06		2,557.48		1,500.		11,090.43	24,033.
Gross Income		$186,657.47		$170,124.66		$191,689.		$ 563,550.16	$2,295,762.
OTHER INCOME CHARGES:									
Interest	$ 2,373.01		$ 2,337.08		$ 2,374.		$ 7,465.35		$ 23,943.
Other	4,369.96		--		200.		4,369.96		2,200.
Total		6,742.97		2,337.08		2,574.		11,835.31	26,143.
Net Income before Taxes		$179,914.50		$167,787.58		$189,115.		$ 551,714.85	$2,269,619.
PROVISION FOR EST. TAXES ON INCOME:									
Federal	$109,747.84		$102,350.44		$115,360.		$336,546.07		$1,384,467.
State	7,196.58		6,711.50		7,565.		22,068.59		90,785.
Total		116,944.42		109,061.94		122,925.		358,614.66	1,475,252.
NET INCOME		$ 62,970.08		$ 58,725.64		$ 66,190.		$ 193,100.19	$ 794,367

BERYLLIUM DEVELOPMENT, INC.
BALANCE SHEET
DECEMBER 31, 1950

ASSETS

CURRENT ASSETS:		
Cash in banks		$1,432.80
Supply material		501.00
Machinery and equipment	$2,713.79	
Less reserve for depreciation	419.46	
Machinery and equipment -- NET		2,294.33
Deferred charges		247.66
Total		$4,475.79

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable		$12,834.54
Accrued expenses:		
Taxes -- Federal O.A.B.	$ 26.48	
" -- State Unemp. Compensation	23.06	
" -- Withholding	60.00	
Royalty	100.00	
Total accrued expenses		209.54
Capital stock -- common		1,000.00
Deficit -- 1949		562.20
Deficit -- 1950		9,006.09
Total		$ 4,475.79

BERYLLIUM DEVELOPMENT, INC.
STATEMENT OF INCOME
DECEMBER 31, 1950

GROSS SALES	$1,130.23
LESS:	
Cost of Sales	7,510.99
Loss	$6,380.76
OPERATING EXPENSE:	
Administrative	2,802.25
	$9,183.01
*MISCELLANEOUS INCOME	176.92
Net Loss	$9,006.09

*Recorded as sales by Haskins & Sells

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

14. Existing facilities now on property, and to be devoted to exploration work, are as follows:

1 - Davey Portable Air Compressor, 105CFM
1 - Jaeger 2-speed Hoist, 2,000 lbs. capacity
1 - Jaeger Pump, 1 1/2 H.P.
1 - Ingersoll-Rand Air Hammer, Model JB-5
1 - 1939 Ford Dump Truck, 3 ton capacity
2 - Small buildings enclosing hoist and compressor
2 - Small buildings for dynamite and caps
Miscellaneous drills, bits, tools, hose, etc., associated with project

15. Ore will be bagged and trucked from mine to railroad in Grafton, New Hampshire, and shipped to The Beryllium Corporation, Temple, Pennsylvania, for processing.

16. (a) Previous exploration consisted of test blasts which uncovered beryl of the gem variety. Surface indications such as bull-head mica, quartz, feldspar, indicate that commercial beryl is present. Operations were suspended in October, 1950, because of weather conditions.

(b) Not known.

(c) None.

17. Mine not in production.

18. (a) The property to be explored contains beryl ore in both gem and commercial grades, mica, and feldspar.

(b) No maps available. The assays made on the beryl ore recovered in exploration resulted in a beryllium oxide content of 12%.

(c) Not known.

19. The property is well known locally to contain beryl and there are other outcropings of beryl crystals which have not been test shot. These outcropings will be explored under this project.

20. The exploration will be for beryl ore; however, other minerals and ores will be considered as by-products.

21. The proposed exploration under this project will be the enlargement of the started exploration and the exploration of various outcropings indicating beryl ore. Estimated time to complete project is 24 months.

22. None available.

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

23. (a) 5 workmen who will do all types of work such as labor, construction, operating machines, mining, etc., at $1.25 per hour.

(b) 1 Supervisor at $75.00 per week

(c) Unknown, but not more than $250.00

(d) None at present time

(e) 1 air hammer at an estimated cost of $350.00

(f) None

(g) $150.00 per week of operating

(h) Materials and supplies in accordance with the degree of the project; no equipment less than $50.00

(i) Not needed for project listed

24. Information not available at present time.

May 26, 1950

Registrar of Deeds
Grafton County
Woodsville, New Hampshire

Dear Sir:

In Liber 775, Folio 317, you recorded a lease for us on July 5, 1949. We are assigning this lease to our subsidiary, Beryllium Development, Inc. and request that you kindly register subject assignment, executed copy of which is attached.

Very truly yours,

B. V. Eddridge
Treasurer

BVE/ma
Attachment

ASSIGNMENT OF LEASE BY INDORSEMENT

THIS AGREEMENT, made this 22nd day of May, 1950, between The Beryllium Corporation, of Reading, Pennsylvania, vendor, and Beryllium Development, Inc., of Reading, Pennsylvania, purchaser, W I T N E S S E T H:

In consideration of One Dollar ($1.00), paid to said vendor by said purchaser and of the covenants of said purchaser hereinafter contained, the said vendor hereby assigns unto the said purchaser, his executors, administrators, and assigns all that estate demised to the said vendor by William A. Shepard and Arthur W. Bennett, of Canaan, County of Grafton, State of New Hampshire, under a certain written lease dated June 13, 1949, which said lease is of Record in Liber 775, Folio 317 in the Registry of Deeds of Grafton County at Woodsville, New Hampshire, with all rights, easements, and appurtenances as therein mentioned; and all the estate, right, title, and interest of the said vendor in and to the said premises.

To have and to hold the said premises unto the said purchaser, his executors, administrators, and assigns for the residue of the term granted by the above-designated written lease, at the rent thereby reserved, and subject to the covenant with the said lessee and the conditions therein contained, and thenceforth to be performed and observed by the said purchaser; and the said purchaser for himself, his heirs, executors, and administrators, hereby covenants with the said vendor, his executors, and administrators that he will henceforth pay the rent reserved and perform the covenants on the part of the lessee contained in said lease, and will keep the said vendor, his executors, and administrators indemnified against all action, claims, and liability for the nonpayment of said rent, for the breach of said covenants, or any of them.

In witness whereof, we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of The Beryllium Corporation, vendor herein, and we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of Beryllium Development, Inc., vendee herein, have hereunto set out hands and official seals for and in behalf of The Beryllium Corporation, as vendor, and for and in behalf of Beryllium Development, Inc., as vendee, in our respective capacities this 22nd day of May, 1950.

The Beryllium Corporation, VENDOR

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

Beryllium Development, Inc., VENDEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

State of Pennsylvania
County of Berks, S.S.

Before me, Martha H. Antonelli, Notary Public for and in the above said county and state, personally appeared this 22nd day of May, 1950, OTTO T. ENGLEHART and RICHARD M. QUIMBY to me personally known, who being by me duly sworn, say that they are President and Secretary respectively of The Beryllium Corporation and that they have the same official capacities with Beryllium Development, Inc., and that in their respective capacities for and in behalf of said corporation vendor and said corporation vendee they acknowledge the execution of the foregoing assignment, and that the seals affixed to said instrument are the corporate seals of said respective corporations, and that said instrument was signed and sealed in behalf of said corporations by authority of their respective board of directors, and that said OTTO T. ENGLEHART and said RICHARD M. QUIMBY in their respective capacities as officials of said vendor corporation and said vendee corporation acknowledge said assignment to be the free act and deed of said corporations.

Martha H. Antonelli
Notary Public

My Commission Expires At End
of Next Session of the Senate

MINING LEASE

THIS AGREEMENT, made and executed in duplicate, this day of June, 1949, by and between WILLIAM A. SHEPARD, of Canaan, County of Grafton, State of New Hampshire, and ARTHUR W. BENNETT, of the same place, hereinafter referred to as the Lessors, and THE BERYLLIUM CORPORATION, a Delaware Corporation, having its principal office in Berks County, State of Pennsylvania, hereinafter referred to as the Lessee, W I T N E S S E T H:

That the said Lessors, for and in consideration of the sum of One Dollar ($1.00), cash, the receipt whereof is hereby acknowledged, and further, in consideration of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by the Lessee to be kept and performed, do hereby grant, demise, lease and let unto the said Lessee, for the purpose and purposes of mining, quarrying, or otherwise extracting and removing any and all ore and minerals, in their entirety, found upon, in or under the surface of the following tracts of land situate in the County of Grafton, State of New Hampshire:

Tract No. 1 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, containing about Fifty (50) acres, more or less, and being Lot #16 in the second (2nd) Range of the first (1st) Division of Lots in said Grafton, said Lot #16 being situated on Beryl Hill, or Alger Hill, or sometimes called John Hill.

Tract No. 2 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: Beginning at the schoolhouse near the Frank Smith place, so called; thence running southwesterly on the William Hill road, so called, to the land of Augustine Colby; thence westerly to the Alger lot, so called; then northerly on the Alger lot to a stake and stones; thence westerly to land of Marcus Kilton; thence northerly to the highway; thence easterly to the bound begun at, being the westerly part of the farm formerly owned by F. R. Smith, estimated to contain One Hundred Fifty (150) acres, more or less.

Tract No. 3 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: northerly by land formerly owned by F. H. Smith; easterly by land formerly owned by Hannah M. Bucklin; southerly by land formerly of Daniel Boyle; and westerly by land formerly owned by John Ford, containing Fifty (50) acres, more or less.

To have and to hold unto the Lessee, for a term of ten (10) years from the date hereof, unless sooner terminated by reason of any covenant hereinafter contained; and further, the Lessee shall have the option, right and privilege of renewing this lease for another like period of ten (10) years upon the same terms and conditions as contained herein, by giving to the Lessors notice of the exercise of the option to renew at least ninety (90) days prior to the expiration of the original term of this lease.

The Lessors do hereby grant unto the Lessee the right, during the term of this agreement, or any renewal thereof, to dig, mine and quarry in, upon and under the surface of the above-described tracts of land; and to lay or construct any ledges, shafts, excavations, conduits, tracks and roadways, in and upon the said premises and to remove therefrom any and all minerals and ore found thereon, particularly Mica, Feldspar and Beryl; and, further, the said Lessee shall have the right to dump and deposit any waste or refuse resulting from the said digging, mining or quarrying operations, upon any part of the said premises required for the convenient disposal of said waste and refuse; and further, the Lessors agree that the Lessee shall have the right to pass and repass upon the aforesaid premises, and use all roadways and bridges, during the time that this lease, or any renewal term thereof, is in force and effect.

The Lessors further agree that the Lessee shall have the right to erect buildings, install machinery and equipment, and do all things necessary for exploring for, mining, quarrying or otherwise extracting and

carrying away any and all minerals and ore found upon or under the surface of the leased premises; and that the said Lessee shall have the right to remove all, or any part of, said buildings, materials, machinery, cranes, conduits and all other equipment any time prior to, or at the termination of, the term of this lease or any renewal term thereof, and the same shall always be and remain the property of said Lessee.

The Lessee agrees to pay the Lessors a royalty for the minerals mined, quarried or otherwise extracted and removed from the demised premises on the following basis:

(a) The Lessee shall pay to the Lessors a royalty of Fifty Cents ($0.50) for every net short ton of all merchantable and marketable feldspar mined and removed from said lands.

(b) The Lessee shall pay to the Lessors a royalty of Ten Dollars ($10.00) for every net short ton for all merchantable and marketable sheet mica mined and removed from said lands.

(c) The Lessee shall pay to the Lessors a royalty of Five Dollars ($5.00) for every net short ton for all merchantable and marketable scrap mica mined and removed from said lands.

(d) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, prevailing at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of ten per cent (10%) or higher.

(e) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the mar et price, if such price exists or can be ascertained, at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of less than ten per cent (10%); and if there is no established price, or such price is not readily ascertainable, then the Lessors hereby agree that the royalty here inafter set forth shall be computed upon the price per net short ton as fixed by the Lessee.

(f) The royalty to be paid for any other mineral or ore that the Lessee shall mine, quarry and remove from the premises, in marketable quantities, shall be determined by mutual agreement between the parties hereto subsequent to the execution of this lease, when any such determination shall be required.

In determining the BeO content of beryl ore for royalty purposes, the analysis made by the Lessee's laboratory shall be conclusive and final.

Settlement for royalty shall be made by the Lessee with the Lessors on or before 10th day of each month for all such minerals and ores loaded on railroad cars, or other transport vehicles, and shipped during the preceding month; provided, however, that in the event such payments fail to reach the sum of One Hundred Dollars ($100.00) for any one calendar year, the Lessee hereby agrees to pay to the Lessors such additional monies that would be required to give the Lessors a minimum payment of One Hundred Dollars ($100.00) for each such calendar year; and provided further, that no such minimum payment shall be due from, or payable by, the Lessee for the calendar year of 1949.

It is mutually agreed between the parties hereto that the Lessee shall have the right and privilege of assigning, transferring or selling any or all of the rights to the minerals and interest in the aforementioned premises, granted to it under the terms and covenants of this lease, without the prior approval or consent of the Lessors; and further, said Lessee shall have the right and privilege to sublease any part or all of the premises hereby leased to it, without the prior approval or consent of the Lessors.

It is further mutually agreed between the parties that in the event the Lessee does not mine, quarry or otherwise remove any minerals or ores from the aforesaid demised premises, and ceases all work and operations thereon, for a period of one year or more, the Lessors shall have the right to terminate this lease prior to the expiration of the term, by giving the Lessee ninety (90) days notice of their intention to terminate the lease.

Lessors likewise agree that the Lessee may terminate this lease at any time if, in the sole judgment and discretion of the said Lessee, it is determined that the mining operations upon the aforesaid premises cease to be profitable, by giving the Lessors or their agent thirty (30) days notice of its intention so to do, and pay to the Lessors all royalties due and unpaid.

The Lessee agrees to keep a complete record of the entire output and shipment of minerals and ores taken from the said premises, and said record shall be opened to the Lessors for inspection at reasonable times, upon request, for the purpose of comparing and verifying the accounts and statements of royalties as rendered.

Lessee's right to mining operations on the above described tracts of land shall be exclusive; and the Lessors covenant with the Lessee that they are lawfully seized and own the lands and interests hereby leased, and that the same are free from all incumbrances and that they have the right to lease the same as aforesaid, and that they and their heirs, executors and administrators, shall warrant and defend the same to the Lessee, its successors and assigns against the claim of all persons. All covenants, agreements and conditions of this lease shall be binding and endure to the administrators, executors, heirs or assigns of both parties.

Witness the hands and seals of the Lessors herein, and the execution and affixing of the Corporate seal by the Lessee herein:

William A. Shepard)
William A. Shepard)
)
) LESSORS
Arthur W. Bennett)
Arthur W. Bennett)

The Beryllium Corporation, LESSEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: R. M. Quimby
R. M. Quimby, Secretary

State of New Hampshire,
County of Grafton, S.S.

Before me Emmit A. Barney, a Notary Public for and in the above said county and state, personally appeared ARTHUR W. BENNETT AND WILLIAM A. SHEPARD this 13th day of June, 1949, and as Lessors, acknowledged the execution of the foregoing lease.

My commission expires Aug. 12, 1952 Emmit A. Barney
Notary Public

State of Pennsylvania
County of Berks, S.S.

Before me, Stella Robinson, Notary Public for and in the abovesaid county and state, personally appeared OTTO T. ENGLEHART, as President of The Beryllium Corporation, this 8th day of June, 1949 and acknowledged the execution of the foregoing lease on behalf of the Lessee.

Stella Robinson
Notary Public

My commission expires Jan. 4 1953

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951		March 31, 1951		Forecast March 31, 1951	
CURRENT ASSETS:						
Cash on hand and in banks		$ 594,073.47		$ 517,606.11		$ 745,000.
U. S. Treasury Notes		300,000.00		100,000.00		--
Accounts receivable:						
Customers	$ 439,676.65		$ 399,021.01		$ 440,000.	
Others	29,734.54		29,234.98		10,000.	
Total	$ 469,411.19		$ 428,255.99		$ 450,000.	
Less - reserve for losses	42,474.15		45,518.15		46,000.	
Accounts receivable - net		426,937.04		382,737.84		404,000.
INVENTORY AT THE LOWER OF COST OR MARKET:						
Work in process and finished goods	$1,376,682.84		$1,490,715.19		$1,421,000.	
Materials and supplies	587,037.31		633,613.38		617,000.	
Total inventories		1,963,720.15		2,124,328.57		2,038,000.
Total current assets		$3,284,730.66		$3,124,672.52		$3,187,000.
Investment in wholly-owned subsidiary		1,000.00		1,000.00		1,000.
PLANT AND EQUIPMENT:						
Land	$ 41,431.32		$ 41,431.32			
Buildings	528,478.08		529,185.38			
Machinery and equipment	1,387,053.64		1,390,780.88			
Furniture and fixtures	41,910.34		42,842.54			
Automobiles	12,085.58		12,085.58			
Total	$2,010,958.96		$2,016,325.70		$2,029,000.	
Less - reserve for depreciation	689,767.28		697,785.32		707,000.	
Plant and equipment - net		1,321,191.68		1,318,540.38		1,322,000.
PATENTS, RESEARCH AND DEVELOPMENT:						
Gross book value	$ 655,362.48		$ 655,364.48		$ 655,000.	
Less - reserve for amortization	541,348.66		544,545.37		545,000.	
Patents, research & development - net		114,013.82		110,819.11		110,000.
OTHER ASSETS:						
Cash in bank restricted by contract	$ 55,000.00		$ 55,000.00		$ 55,000.	
Deferred charges (including prepaid insurance of $4,938.21)	11,220.74		7,491.21		14,000.	
Total other assets		66,220.74		62,491.21		69,000.
Total		$4,787,156.90		$4,617,523.22		$4,689,000.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951	March 31, 1951	Forecast March 31, 1951
CURRENT LIABILITIES:			
Loans due within one year	$ 142,968.00	$ 90,807.00	$ 108,000.
Due under purchase money mortgage	60,380.12	60,380.12	60,000.
Trade accounts payable	96,049.89	67,513.32	90,000.
Estimated income taxes payable and accrued	1,085,282.37	963,344.31	976,000.
Miscellaneous accounts payable	3,498.97	3,759.22	3,000.
Other accrued expenses:			
Salaries and wages	75,371.06	42,896.58	22,000.
Taxes other than income taxes	20,310.04	25,282.75	17,000.
Interest	528.41	2,263.33	3,000.
Miscellaneous	44,108.62	50,391.53	42,000.
Total current liabilities	$1,528,497.48	$1,306,638.16	$1,371,000.
LOANS PAYABLE AFTER ONE YEAR	110,645.27	104,145.27	104,000.
DUE UNDER PURCHASE MONEY MORTGAGE	425,914.16	425,914.16	426,000.
ADVANCES UNDER CONTRACT	55,000.00	55,000.00	55,000.
CAPITAL STOCK:			
Preferred	321,152.00	--	321,000.
*Common - authorized 200,000 shares of no par value; outstanding 161,908; stated value $1,00	148,980.00	161,908.00	149,000.
SURPLUS:			
Capital	794,909.02	1,103,133.02	795,000.
Earned since January 1, 1945	1,402,058.97	1,460,784.61	1,468,000.
Total	$4,787,156.90	$4,617,523.22	$4,689,000.

*Notation effective as of March 31, 1951 statement

THE BERYLLIUM CORPORATION
STATEMENT OF INCOME
MARCH 31, 1951

	Month of February, 1951		Month of March, 1951		Forecast Month of March, 1951		Three Months Ended March 31, 1951		Forecast 1951
GROSS SALES		$570,033.57		$613,835.22		$631,000.		$1,794,370.21	$7,328,001.
Less:									
Returns and Allowances	$ 4,620.36		$ 10,323.10		$ 9,465.		$ 21,539.89		$107,357.
Discount on sales	2,304.20		2,664.11		2,525.		7,282.26		29,189.
Total		6,924.56		12,987.21		11,990.		28,822.15	136,546.
NET SALES		$563,109.01		$600,848.01		$619,010.		$1,765,548.06	$7,191,455.
COST OF SALES		320,278.01		371,287.13		375,950.		1,042,225.60	4,255,749.
Gross Profit		$242,831.00		$229,560.88		$243,060.		$ 723,322.46	$2,935,706.
OPERATING EXPENSE:									
Research	$ 3,286.14		$ 3,675.48		$ 3,676.		$ 10,426.56		$ 43,901.
Selling	24,811.40		28,330.38		21,235.		74,110.46		285,254.
Administrative	29,076.05		29,987.84		27,960.		86,325.71		334,822.
Total		57,173.59		61,993.70		52,871.		170,862.73	663,977.
Profit from Operations		$185,657.41		$167,567.18		$190,189.		$ 552,459.73	$2,271,729.
OTHER INCOME:									
Cash discount on purchases	$ 451.64		$ 688.50		$ 500.		$ 1,592.70		$ 5,953.
Miscellaneous	548.42		1,868.98		1,000.		9,497.73		18,080.
Total		1,000.06		2,557.48		1,500.		11,090.43	24,033.
Gross Income		$186,657.47		$170,124.66		$191,689.		$ 563,550.16	$2,295,762.
OTHER INCOME CHARGES:									
Interest	$ 2,373.01		$ 2,337.08		$ 2,374.		$ 7,465.35		$ 23,943.
Other	4,369.96		--		200.		4,369.96		2,200.
Total		6,742.97		2,337.08		2,574.		11,835.31	26,143.
Net Income before Taxes		$179,914.50		$167,787.58		$189,115.		$ 551,714.85	$2,269,619.
PROVISION FOR EST. TAXES ON INCOME:									
Federal	$109,747.84		$102,350.44		$115,360.		$336,546.07		$1,384,467.
State	7,196.58		6,711.50		7,565.		22,068.59		90,785.
Total		116,944.42		109,061.94		122,925.		358,614.66	1,475,252.
NET INCOME		$ 62,970.08		$ 58,725.64		$ 66,190.		$ 193,100.19	$ 794,367

Form MF-103
(April 1951)

U[illegible] DEPARTMENT OF THE INTER[illegible]R
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1115

Date received

Participation

Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Name and address of applicant

Date April 27, 1951

FILL IN THIS BLOCK

Date of application April 27, 1951

Estimated cost $25,000.00

Mineral or metal Beryl Ore

Percentage of Government participation 90%

Location of mine Grafton, County of Grafton, State of New Hampshire

Date of filing MF-100 None

DMA Docket Number, if available None

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

(*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons. State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

Beryllium Development, Inc.
(Name of company)

By Matthew J. Donachie
(Signature of authorized official)

April 27, 1951
(Date)

Vice President
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

1. Corporation (Incorporated in the State of Delaware)

2. See No. 1

3. Officers and Directors:

DANIEL D. SCHWARTZ, Chairman of Board
W. D. Gradison & Company
Dixie Terminal Building
Cincinnati, Ohio

MAURICE A. HALLAM, Director
Hooker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

OTTO T. ENGLEHART, President, Assistant Treasurer, Director
819 Center Avenue
Reading, Pennsylvania

MATTHEW J. DONACHIE, Vice President, Director
15 Norwood Terrace
Holyoke, Massachusetts

RICHARD W. QUINNEY, Secretary, Director
439 Oley Street
Reading, Pennsylvania

Stockholders:

The Beryllium Corporation is holder of all stock of Beryllium Development, Inc. The five largest stockholders of The Beryllium Corporation are as follows:

EDWARD C. CHILDS
S. W. Childs Management Corporation
1 Wall Street
New York 5, New York

OSCAR BROWN
1700 Bankers Securities Building
Philadelphia 7, Pennsylvania

MAURICE A. HALLAM
Hooker & Company
Liberty Trust Building
Broad & Arch Streets
Philadelphia 7, Pennsylvania

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

BAKER, WEEKS & HARDEN
1 Wall Street
New York 5, New York

GUNTHER & COMPANY
15 Nassau Street
New York 5, New York

4. (a) The Beryllium Development, Inc. has one year experience in the mining of beryl ore and, having the same officers and management as its parent company, The Beryllium Corporation, is well versed in the administration of a business enterprise, particularly the manufacture of alloys from beryllium.

(b) The person in charge of operations and exploration has had approximately forty (40) years experience in mining for beryl, mica, feldspar, quartz, and associated minerals.

5. Lessee.

6. See #5.

7. Lease is in good standing. See attached photostatic copy.

8. See attached photostat copies of current financial statements of Beryllium Development, Inc. and The Beryllium Corporation, parent company.

9. Beryllium Development, Inc. is prepared to invest its share (10%) of the proposed project in equipment installed at the exploration site and, if necessary, supply additional cash.

10. (a) The real property, completely described in attached photostatic lease (See #7), consists of approximately 250 acres in three (3) tracts located in Grafton, County of Grafton, State of New Hampshire.

(b) Same as 10 (a).

11. The property is known in Grafton, New Hampshire as Beryl Hill or Alger Hill or John Hill.

12. The property is located in Grafton, County of Grafton, State of New Hampshire, approximately three (3) miles west of U. S., New Hampshire Highway #4; the roads leading to the property are county dirt roads in good condition; the Boston & Maine Railroad serves this district and the shipping point is approximately three (3) miles east of property location; Grafton, New Hampshire is located approximately forty (40) miles northwest of Concord, New Hampshire, and approximately twenty-eight (28) miles southeast of Lebanon, New Hampshire, on U.S.-New Hampshire Highway #4, a hard surface highway.

13. No water or power available or needed in exploration work.

BERYLLIUM DEVELOPMENT, INC.
STATEMENT OF INCOME
DECEMBER 31, 1950

GROSS SALES	$1,130.23
LESS:	
Cost of Sales	7,510.99
Loss	[illegible]
OPERATING EXPENSE:	
Administrative	1,[illegible]
*MISCELLANEOUS INCOME	[illegible]
Net Loss	[illegible]

*Recorded as sales by Dunklee & Wells

BERYLLIUM DEVELOPMENT, INC.
BALANCE SHEET
DECEMBER 31, 1950

A S S E T S

CURRENT ASSETS:		
Cash in banks		$1,432.30
Supply material		501.00
Machinery and equipment	$2,713.79	
Less reserve for depreciation	419.46	
Machinery and equipment -- NET		2,294.33
Deferred charges		247.66
Total		$4,475.79

L I A B I L I T I E S

CURRENT LIABILITIES:		
Accounts payable		$12,834.34
Accrued expenses:		
Taxes -- Federal C.A.L.	$ 28.46	
" -- State Unemp. Compensation	23.00	
" -- Withholding	00.00	
Royalty	100.00	
Total accrued expenses		209.34
Capital stock -- common		1,000.00
Deficit -- 1949		[illegible]
Deficit -- 1950		9,[illegible]
Total		$ 4,475.79

May 26, 1950

Registrar of Deeds
Grafton County
Woodsville, New Hampshire

Dear Sir:

In Liber [illegible], Folio 217, you recorded a lease from us on July [illegible], 1944. We are assigning this lease to our subsidiary, Berylliam Development, Inc., and request that you duly register subject assignment, executed copy of which is attached.

Very truly yours,

B. J. Vinkins
Treasurer

BVD/ma
Attachment

ASSIGNMENT OF LEASE BY INDORSEMENT

THIS AGREEMENT, made this 22nd day of May, 1950, between The Beryllium Corporation, of Reading, Pennsylvania, vendor, and Beryllium Development, Inc., of Reading, Pennsylvania, purchaser, W I T N E S S E T H:

In consideration of One Dollar ($1.00), paid to said vendor by said purchaser and of the covenants of said purchaser hereinafter contained, the said vendor hereby assigns unto the said purchaser, his executors, administrators, and assigns all that estate demised to the said vendor by William A. Shepard and Arthur W. Bennett, of Canaan, County of Grafton, State of New Hampshire, under a certain written lease dated June 13, 1949, which said lease is of Record in Liber 775, Folio 317 in the Registry of Deeds of Grafton County at Woodsville, New Hampshire, with all rights, easements, and appurtenances as therein mentioned; and all the estate, right, title, and interest of the said vendor in and to the said premises.

To have and to hold the said premises unto the said purchaser, his executors, administrators, and assigns for the residue of the term granted by the above-designated written lease, at the rent thereby reserved, and subject to the covenant with the said lessee and the conditions therein contained, and thenceforth to be performed and observed by the said purchaser; and the said purchaser for himself, his heirs, executors, and administrators, hereby covenants with the said vendor, his executors, and administrators that he will henceforth pay the rent reserved and perform the covenants on the part of the lessee contained in said lease, and will keep the said vendor, his executors, and administrators indemnified against all action, claims, and liability for the nonpayment of said rent, for the breach of said covenants, or any of them.

In witness whereof, we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of The Beryllium Corporation, vendor herein, and we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of Beryllium Development, Inc., vendee herein, have hereunto set our hands and official seals for and in behalf of The Beryllium Corporation, as vendor, and for and in behalf of Beryllium Development, Inc., as vendee, in our respective capacities this 22nd day of May, 1950.

The Beryllium Corporation, VENDOR

By: Otto T. Englehart
Otto T. Englehart, President

Attest: _____
Richard M. Quimby, Secretary

Beryllium Development, Inc., VENDEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: _____
Richard M. Quimby, Secretary

State of Pennsylvania
County of Berks, S.S.

Before me, Martha M. Antonelli, Notary Public for and in the above said county and state, personally appeared this 22nd day of May, 1950, OTTO T. ENGLEHART and RICHARD M. QUIMBY to me personally known, who being by me duly sworn, say that they are President and Secretary respectively of The Beryllium Corporation and that they have the same official capacities with Beryllium Development, Inc., and that in their respective capacities for and in behalf of said corporation vendor and said corporation vendee they acknowledge the execution of the foregoing assignment, and that the seals affixed to said instrument are the corporate seals of said respective corporations, and that said instrument was signed and sealed in behalf of said corporations by authority of their respective board of directors, and that said OTTO T. ENGLEHART and said RICHARD M. QUIMBY in their respective capacities as officials of said vendor corporation and said vendee corporation acknowledge said assignment to be the free act and deed of said corporations.

Martha M. Antonelli
Notary Public

My Commission Expires At the
of Next Session of the Senate

MINING LEASE

THIS AGREEMENT, made and executed in duplicate, this day of June, 1949, by and between WILLIAM A. SHEPARD, of Canaan, County of Grafton, State of New Hampshire, and ARTHUR W. BENNETT, of the same place, hereinafter referred to as the Lessors, and THE BERYLLIUM CORPORATION, a Delaware Corporation, having its principal office in Berks County, State of Pennsylvania, hereinafter referred to as the Lessee, W I T N E S S E T H:

That the said Lessors, for and in consideration of the sum of One Dollar ($1.00), cash, the receipt thereof is hereby acknowledged, and further, in consideration of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by the Lessee to be kept and performed, do hereby grant, demise, lease and let unto the said Lessee, for the purpose and purposes of mining, quarrying, or otherwise extracting and removing any and all ore and minerals, in their entirety, found upon, in or under the surface of the following tracts of land situate in the County of Grafton, State of New Hampshire:

Tract No. 1 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, containing about Fifty (50) acres, more or less, and being Lot #16 in the second (2nd) Range of the first (1st) Division of Lots in said Grafton, said Lot #16 being situated on Sergl Hill, or Alger Hill, or sometimes called John Hill.

Tract No. 2 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: Beginning at the schoolhouse near the Frank Smith place, so called; thence running southwesterly on the William Hill road, so called, to the land of Augustine Colby; thence westerly to the Alger lot, so called; then northerly on the Alger lot to a stake and stones; thence westerly to land of Marcus Kilton; thence northerly to the highway; thence easterly to the bound begun at, being the westerly part of the farm formerly owned by F. R. Smith, estimated to contain One hundred Fifty (150) acres, more or less.

Tract No. 3 - A certain tract of land situate in Grafton, County of Crafton, State of New Hampshire, bounded and described as follows: northerly by land formerly owned by F. H. Smith; easterly by land formerly owned by Hannah M. Bucklin; southerly by land formerly of Daniel Boyle; and westerly by land formerly owned by John Ford, containing Fifty (50) acres, more or less.

To have and to hold unto the Lessee, for a term of ten (10) years from the date hereof, unless sooner terminated by reason of any covenant hereinafter contained; and further, the Lessee shall have the option, right and privilege of renewing this lease for another like period of ten (10) years upon the same terms and conditions as contained herein, by giving to the Lessors notice of the exercise of the option to renew at least ninety (90) days prior to the expiration of the original term of this lease.

The Lessors do hereby grant unto the Lessee the right, during the term of this agreement, or any renewal thereof, to dig, mine and quarry in, upon and under the surface of the above-described tracts of land; and to lay or construct any ledges, shafts, excavations, conduits, tracks and roadways, in and upon the said premises and to remove therefrom any and all minerals and ore found thereon, particularly Mica, Feldspar and Beryl; and, further, the said Lessee shall have the right to dump and deposit any waste or refuse resulting from the said digging, mining or quarrying operations, upon any part of the said premises required for the convenient disposal of said waste and refuse; and further, the Lessors agree that the Lessee shall have the right to pass and repass upon the aforesaid premises, and use all roadways and bridges, during the time that this lease, or any renewal term thereof, is in force and effect.

The Lessors further agree that the Lessee shall have the right to erect buildings, install machinery and equipment, and do all things necessary for exploring for, mining, quarrying or otherwise extracting and

carrying away any and all minerals and ore found upon or under the surface of the leased premises; and that the said Lessee shall have the right to remove all, or any part of, said buildings, materials, machinery, cranes, conveyors and all other equipment any time prior to, or at the termination of, the term of this lease or any renewal term thereof, and the same shall always be and remain the property of said Lessee.

The Lessee agrees to pay the Lessors a royalty for the minerals mined, quarried or otherwise extracted and removed from the leased premises on the following basis:

(a) The Lessee shall pay to the Lessors a royalty of fifty dollars ($50.00) for every net short ton of all ore saleable and marketable whatever mined and removed from said lands.

(b) The Lessee shall pay to the Lessors a royalty of ten dollars ($10.00) for every net short ton for all ore saleable and marketable sheet mica mined and removed from said lands.

(c) The Lessee shall pay to the Lessors a royalty of five Dollars ($5.00) for every net short ton for all ore saleable and marketable scrap mica mined and removed from said lands.

(d) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the mine price, provided that such ore is loaded on railroad cars or other transport vehicles for shipment, for every net short ton of all beryl ore having a BeO content of ten per cent (10%) or higher.

(e) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the mine price, if such price exists or can be ascertained, at the time such ore is loaded on railroad cars or other transport vehicles and pounded for shipment, for every net short ton of all beryl ore having a BeO content of less than ten per cent (10%); and if there is no established price, or such price is not readily ascertainable, then the Lessors hereby agree that the royalty here before set forth shall be calculated on the price or not more than as fixed by the Lessee.

(f) The royalty to be paid for any other mineral or ore that the Lessee shall mine, quarry and remove from the premises, in marketable quantities, shall be determined by mutual agreement between the parties hereto subsequent to the execution of this lease, when any such determination shall be required.

In determining the BeO content of beryl ore for royalty purposes, the analysis made by the Lessee's laboratory shall be conclusive and final.

Settlement for royalty shall be made by the Lessee with the Lessors on or before 10th day of each month for all such minerals and ores loaded on railroad cars, or other transport vehicles, and shipped during the preceding month; provided, however, that in the event such payments fail to reach the sum of One Hundred Dollars ($100.00) for any one calendar year, the Lessee hereby agrees to pay to the Lessors such additional monies that would be required to give the Lessors a minimum payment of One Hundred Dollars ($100.00) for each such calendar year; and provided further, that no such minimum payment shall be due from, or payable by, the Lessee for the calendar year of 1949.

It is mutually agreed between the parties hereto that the Lessee shall have the right and privilege of assigning, transferring or selling any or all of the rights to the minerals and interest in the aforementioned premises, granted to it under the terms and covenants of this lease, without the prior approval or consent of the Lessors; and further, said Lessee shall have the right and privilege to sublease any part or all of the premises hereby leased to it, without the prior approval or consent of the Lessors.

It is further mutually agreed between the parties that in the event the Lessee does not mine, quarry or otherwise remove any minerals or ores from the aforesaid demised premises, and ceases all work and operations thereon, for a period of one year or more, the Lessors shall have the right to terminate this lease prior to the expiration of the term, by giving the Lessee ninety (90) days notice of their intention to terminate the lease.

Lessors likewise agree that the Lessee may terminate this lease at any time if, in the sole judgment and discretion of the said Lessee, it is determined that the mining operations upon the aforesaid premises cease to be profitable, by giving the Lessors or their agent thirty (30) days notice of its intention so to do, and pay to the Lessors all royalties due and unpaid.

The Lessee agrees to keep a complete record of the entire output and shipment of minerals and ores taken from the said premises, and said record shall be opened to the Lessors for inspection at reasonable times, upon request, for the purpose of comparing and verifying the accounts and statements of royalties as rendered.

Lessee's right to mining operations on the above described tracts of land shall be exclusive; and the Lessors covenant with the Lessee that they are lawfully seized and own the lands and interests hereby leased, and that the same are free from all incumbrances and that they have the right to lease the same as aforesaid, and that they and their heirs, executors and administrators, shall warrant and defend the same to the Lessee, its successors and assigns against the claim of all persons. All covenants, agreements and conditions of this lease shall be binding and endure to the administrators, executors, heirs or assigns of both parties.

Witness the hands and seals of the Lessors herein, and the execution and affixing of the Corporate seal by the Lessee herein:

William A. Shepard)
William A. Shepard)
)
) LESSORS
Arthur W. Bennett)
Arthur W. Bennett)

The Beryllium Corporation, LESSEE

By: Otto T. Engelhart
Otto T. Engelhart, President

Attest:
R. M. Quimby, Secretary

State of New Hampshire,
County of Grafton, S.S.

Before me Edwin A. Bowen, a Notary Public for and in the above said county and state, personally appeared ARTHUR W. BENNETT AND WILLIAM A. SHEPARD this 13th day of June, 1949, and as Lessors, acknowledged the execution of the foregoing lease.

My commission expires Aug. 12, 1952

Edwin A. Bowen
Notary Public

State of Pennsylvania
County of Berks, S.S.

Before me, Stella Robinson, Notary Public for and in the aforesaid county and state, personally appeared OTTO T. ENGLEHART, as President of The Beryllium Corporation, this 8th day of June, 1949 and acknowledged the execution of the foregoing lease on behalf of the Lessee.

Stella Robinson
Notary Public

My commission expires Jan 4 1953

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951		March 31, 1951		Forecast March 31, 1951	
CURRENT ASSETS:						
Cash on hand and in banks		$ 594,073.47		$ 517,606.11		$ 745,000.
U. S. Treasury Notes		300,000.00		100,000.00		--
Accounts receivable:						
Customers	$ 439,676.65		$ 399,021.01		$ 440,000.	
Others	29,734.54		29,234.98		10,000.	
Total	$ 469,411.19		$ 428,255.99		$ 450,000.	
Less - reserve for losses	42,474.15		45,518.15		46,000.	
Accounts receivable - net		426,937.04		382,737.84		404,000.
INVENTORY AT THE LOWER OF COST OR MARKET:						
Work in process and finished goods	$1,376,682.84		$1,490,715.19		$1,421,000.	
Materials and supplies	587,037.31		633,613.38		617,000.	
Total inventories		1,963,720.15		2,124,328.57		2,038,000.
Total current assets		$3,284,730.66		$3,124,672.52		$3,187,000.
Investment in wholly-owned subsidiary		1,000.00		1,000.00		1,000.
PLANT AND EQUIPMENT:						
Land	$ 41,431.32		$ 41,431.32			
Buildings	528,478.08		529,185.38			
Machinery and equipment	1,387,053.64		1,390,780.88			
Furniture and fixtures	41,910.34		42,842.54			
Automobiles	12,085.58		12,085.58			
Total	$2,010,958.96		$2,016,325.70		$2,029,000.	
Less - reserve for depreciation	689,767.28		697,785.32		707,000.	
Plant and equipment - net		1,321,191.68		1,318,540.38		1,322,000.
PATENTS, RESEARCH AND DEVELOPMENT:						
Gross book value	$ 655,362.48		$ 655,364.48		$ 655,000.	
Less - reserve for amortization	541,348.66		544,545.37		545,000.	
Patents, research & development - net		114,013.82		110,819.11		110,000.
OTHER ASSETS:						
Cash in bank restricted by contract	$ 55,000.00		$ 55,000.00		$ 55,000.	
Deferred charges (including prepaid insurance of $4,938.21)	11,220.74		7,491.21		14,000.	
Total other assets		66,220.74		62,491.21		69,000.
Total		$4,787,156.90		$4,617,523.22		$4,689,000.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951	March 31, 1951	Forecast March 31, 1951
CURRENT LIABILITIES:			
Loans due within one year	$ 142,968.00	$ 90,807.00	$ 108,000.
Due under purchase money mortgage	60,380.12	60,380.12	60,000.
Trade accounts payable	96,049.89	67,513.32	90,000.
Estimated income taxes payable and accrued	1,085,282.37	963,344.31	976,000.
Miscellaneous accounts payable	3,498.97	3,759.22	3,000.
Other accrued expenses:			
Salaries and wages	75,371.06	42,896.58	72,000.
Taxes other than income taxes	20,310.04	25,282.75	17,000.
Interest	528.41	2,263.33	3,000.
Miscellaneous	44,108.62	50,391.53	42,000.
Total current liabilities	$1,528,497.48	$1,306,638.16	$1,371,000.
LOANS PAYABLE AFTER ONE YEAR	110,645.27	104,145.27	104,000.
DUE UNDER PURCHASE MONEY MORTGAGE	425,914.16	425,914.16	426,000.
ADVANCES UNDER CONTRACT	55,000.00	55,000.00	55,000.
CAPITAL STOCK:			
Preferred	321,152.00	--	321,000.
*Common - authorized 200,000 shares of no par value; outstanding 161,908; stated value $1,00	148,980.00	161,908.00	149,000.
SURPLUS:			
Capital	794,909.02	1,103,133.02	795,000.
Earned since January 1, 1945	1,402,058.97	1,460,784.61	1,468,000.
Total	$4,787,156.90	$4,617,523.22	$4,689,000.

*Notation effective as of March 31, 1951 statement

THE BERYLLIUM CORPORATION
STATEMENT OF INCOME
MARCH 31, 1951

	Month of February, 1951		Month of March, 1951		Forecast Month of March, 1951		Three Months Ended March 31, 1951		Forecast 1951
GROSS SALES		$570,033.57		$613,835.22		$631,000.		$1,794,370.21	$7,328,001.
Less:									
Returns and Allowances	$ 4,620.36		$ 10,323.10		$ 9,465.		$ 21,539.89		$107,357.
Discount on sales	2,304.20		2,664.11		2,525.		7,282.26		29,189.
Total		6,924.56		12,987.21		11,990.		28,822.15	136,546.
NET SALES		$563,109.01		$600,848.01		$619,010.		$1,765,548.06	$7,191,455.
COST OF SALES		320,278.01		371,287.13		375,950.		1,042,225.60	4,255,749.
Gross Profit		$242,831.00		$229,560.88		$243,060.		$ 723,322.46	$2,935,706.
OPERATING EXPENSE:									
Research	$ 3,286.14		$ 3,675.48		$ 3,676.		$ 10,426.56		$ 43,901.
Selling	24,811.40		28,330.38		21,235.		74,110.46		285,254.
Administrative	29,076.05		29,987.84		27,960.		86,325.71		334,822.
Total		57,173.59		61,993.70		52,871.		170,862.73	663,977.
Profit from Operations		$185,657.41		$167,567.18		$190,189.		$ 552,459.73	$2,271,729.
OTHER INCOME:									
Cash discount on purchases	$ 451.64		$ 688.50		$ 500.		$ 1,592.70		$ 5,953.
Miscellaneous	548.42		1,868.98		1,000.		9,497.73		18,080.
Total		1,000.06		2,557.48		1,500.		11,090.43	24,033.
Gross Income		$186,657.47		$170,124.66		$191,689.		$ 563,550.16	$2,295,762.
OTHER INCOME CHARGES:									
Interest	$ 2,373.01		$ 2,337.08		$ 2,374.		$ 7,465.35		$ 23,943.
Other	4,369.96		--		200.		4,369.96		2,200.
Total		6,742.97		2,337.08		2,574.		11,835.31	26,143.
Net Income before Taxes		$179,914.50		$167,787.58		$189,115.		$ 551,714.85	$2,269,619.
PROVISION FOR EST. TAXES ON INCOME:									
Federal	$109,747.84		$102,350.44		$115,360.		$336,546.07		$1,384,467.
State	7,196.58		6,711.50		7,565.		22,068.59		90,785.
Total		116,944.42		109,061.94		122,925.		358,614.66	1,475,252.
NET INCOME		$ 62,970.03		$ 58,725.64		$ 66,190.		$ 193,100.19	$ 794,367.

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

14. Existing facilities now on property, and to be devoted to exploration work, are as follows:

1 - Davey Portable Air Compressor, 105CFM
1 - Jaeger 2-speed Hoist, 2,000 lbs. capacity
1 - Jaeger Pump, 1 1/2 H.P.
1 - Ingersoll-Rand Air Hammer, Model JR-5
1 - 1939 Ford Dump Truck, 3 ton capacity
2 - Small buildings enclosing hoist and compressor
2 - Small buildings for dynamite and caps
Miscellaneous drills, bits, tools, hose, etc., associated with project

15. Ore will be bagged and trucked from mine to railroad in Grafton, New Hampshire, and shipped to The Beryllium Corporation, Temple, Pennsylvania, for processing.

16. (a) Previous exploration consisted of test blasts which uncovered beryl of the gem variety. Surface indications such as bull-head mica, quartz, feldspar, indicate that commercial beryl is present. Operations were suspended in October, 1950, because of weather conditions.

(b) Not known.

(c) None.

17. Mine not in production.

18. (a) The property to be explored contains beryl ore in both gem and commercial grades, mica, and feldspar.

(b) No maps available. The assays made on the beryl ore recovered in exploration resulted in a beryllium oxide content of 12%.

(c) Not known.

19. The property is well known locally to contain beryl and there are other outcroppings of beryl crystals which have not been test shot. These outcroppings will be explored under this project.

20. The exploration will be for beryl ore; however, other minerals and ores will be considered as by-products.

21. The proposed exploration under this project will be the enlargement of the started exploration and the exploration of various outcroppings indicating beryl ore. Estimated time to complete project is 24 months.

22. None available.

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Pa.

23. (a) 5 workmen who will do all types of work such as labor, construction, operating machines, mining, etc., at $1.25 per hour. 12,000

(b) 1 Supervisor at $75.00 per week 3,900

(c) Unknown, but not more than $250.00 250

(d) None at present time —

(e) 1 air hammer at an estimated cost of $350.00 350

(f) None —

(g) $150.00 per week of operating 7,800

(h) Materials and supplies in accordance with the degree of the project; no equipment less than $50.00

(i) Not needed for project listed —

24. Information not available at present time. 23,400 total cost of coming subsidies.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951		March 31, 1951		Forecast March 31, 1951	
CURRENT ASSETS:						
Cash on hand and in banks		$ 594,073.47		$ 517,606.11		$ 745,000.
U. S. Treasury Notes		300,000.00		100,000.00		--
Accounts receivable:						
Customers	$ 439,676.65		$ 399,021.01		$ 440,000.	
Others	29,734.54		29,234.98		10,000.	
Total	$ 469,411.19		$ 428,255.99		$ 450,000.	
Less - reserve for losses	42,474.15		45,518.15		46,000.	
Accounts receivable - net		426,937.04		382,737.84		404,000.
INVENTORY AT THE LOWER OF COST OR MARKET:						
Work in process and finished goods	$1,376,682.84		$1,490,715.19		$1,421,000.	
Materials and supplies	587,037.31		633,613.38		617,000.	
Total inventories		1,963,720.15		2,124,328.57		2,038,000.
Total current assets		$3,284,730.66		$3,124,672.52		$3,187,000.
Investment in wholly-owned subsidiary		1,000.00		1,000.00		1,000.
PLANT AND EQUIPMENT:						
Land	$ 41,431.32		$ 41,431.32			
Buildings	528,478.08		529,185.38			
Machinery and equipment	1,387,053.64		1,390,780.88			
Furniture and fixtures	41,910.34		42,842.54			
Automobiles	12,085.58		12,085.58			
Total	$2,010,958.96		$2,016,325.70		$2,029,000.	
Less - reserve for depreciation	689,767.28		697,785.32		707,000.	
Plant and equipment - net		1,321,191.68		1,318,540.38		1,322,000.
PATENTS, RESEARCH AND DEVELOPMENT:						
Gross book value	$ 655,362.48		$ 655,364.48		$ 655,000.	
Less - reserve for amortization	541,348.66		544,545.37		545,000.	
Patents, research & development - net		114,013.82		110,819.11		110,000.
OTHER ASSETS:						
Cash in bank restricted by contract	$ 55,000.00		$ 55,000.00		$ 55,000.	
Deferred charges (including prepaid insurance of $4,938.21)	11,220.74		7,491.21		14,000.	
Total other assets		66,220.74		62,491.21		69,000.
Total		$4,787,156.90		$4,617,523.22		$4,689,000.

THE BERYLLIUM CORPORATION
COMPARATIVE BALANCE SHEET
MARCH 31, 1951

	February 28, 1951	March 31, 1951	Forecast March 31, 1951
CURRENT LIABILITIES:			
Loans due within one year	$ 142,968.00	$ 90,807.00	$ 108,000.
Due under purchase money mortgage	60,380.12	60,380.12	60,000.
Trade accounts payable	96,049.89	67,513.32	90,000.
Estimated income taxes payable and accrued	1,085,282.37	963,344.31	976,000.
Miscellaneous accounts payable	3,498.97	3,759.22	3,000.
Other accrued expenses:			
Salaries and wages	75,371.06	42,896.58	72,000.
Taxes other than income taxes	20,310.04	25,282.75	17,000.
Interest	528.41	2,263.33	3,000.
Miscellaneous	44,108.62	50,391.53	42,000.
Total current liabilities	$1,528,497.48	$1,306,638.16	$1,371,000.
LOANS PAYABLE AFTER ONE YEAR	110,645.27	104,145.27	104,000.
DUE UNDER PURCHASE MONEY MORTGAGE	425,914.16	425,914.16	426,000.
ADVANCES UNDER CONTRACT	55,000.00	55,000.00	55,000.
CAPITAL STOCK:			
Preferred	321,152.00	--	321,000.
*Common - authorized 200,000 shares of no par value; outstanding 161,908; stated value $1,00	148,980.00	161,908.00	149,000.
SURPLUS:			
Capital	794,909.02	1,103,133.02	795,000.
Earned since January 1, 1945	1,402,058.97	1,460,784.61	1,468,000.
Total	$4,787,156.90	$4,617,523.22	$4,689,000.

THE BERYLLIUM CORPORATION
STATEMENT OF INCOME
MARCH 31, 1951

	Month of February, 1951		Month of March, 1951		Forecast Month of March, 1951		Three Months Ended March 31, 1951		Forecast 1951
GROSS SALES		$570,033.57		$613,835.22		$631,000.		$1,794,370.21	$7,328,001.
Less:									
Returns and Allowances	$ 4,620.36		$ 10,323.10		$ 9,465.		$ 21,539.89		$107,357.
Discount on sales	2,304.20		2,664.11		2,525.		7,282.26		29,189.
Total		6,924.56		12,987.21		11,990.		28,822.15	136,546.
NET SALES		$563,109.01		$600,848.01		$619,010.		$1,765,548.06	$7,191,455.
COST OF SALES		320,278.01		371,287.13		375,950.		1,042,225.60	4,255,749.
Gross Profit		$242,831.00		$229,560.88		$243,060.		$ 723,322.46	$2,935,706.
OPERATING EXPENSE:									
Research	$ 3,286.14		$ 3,675.48		$ 3,676.		$ 10,426.56		$ 43,901.
Selling	24,811.40		28,330.38		21,235.		74,110.46		285,254.
Administrative	29,076.05		29,987.84		27,960.		86,325.71		334,822.
Total		57,173.59		61,993.70		52,871.		170,862.73	663,977.
Profit from Operations		$185,657.41		$167,567.18		$190,189.		$ 552,459.73	$2,271,729.
OTHER INCOME:									
Cash discount on purchases	$ 451.64		$ 688.50		$ 500.		$ 1,592.70		$ 5,953.
Miscellaneous	548.42		1,868.98		1,000.		9,497.73		18,080.
Total		1,000.06		2,557.48		1,500.		11,090.43	24,033.
Gross Income		$186,657.47		$170,124.66		$191,689.		$ 563,550.16	$2,295,762.
OTHER INCOME CHARGES:									
Interest	$ 2,373.01		$ 2,337.08		$ 2,374.		$ 7,465.35		$ 23,943.
Other	4,369.96		--		200.		4,369.96		2,200.
Total		6,742.97		2,337.08		2,574.		11,835.31	26,143.
Net Income before Taxes		$179,914.50		$167,787.58		$189,115.		$ 551,714.85	$2,269,619.
PROVISION FOR EST. TAXES ON INCOME:									
Federal	$109,747.84		$102,350.44		$115,360.		$336,546.07		$1,384,467.
State	7,196.58		6,711.50		7,565.		22,068.59		90,785.
Total		116,944.42		109,061.94		122,925.		358,614.66	1,475,252.
NET INCOME		$ 62,970.08		$ 58,725.64		$ 66,190.		$ 193,100.19	$ 794,367

BERYLLIUM DEVELOPMENT, INC.
STATEMENT OF INCOME
DECEMBER 31, 1950

GROSS SALES	$1,130.23
LESS:	
Cost of Sales	7,510.99
Loss	$6,380.76
OPERATING EXPENSE:	
Administrative	2,802.25
	$9,183.01
*MISCELLANEOUS INCOME	176.92
Net Loss	$9,006.09

*Recorded as sales by Haskins & Sells

BERYLLIUM DEVELOPMENT, INC.
BALANCE SHEET
DECEMBER 31, 1950

ASSETS

CURRENT ASSETS:		
Cash in banks		$1,432.80
Supply material		501.00
Machinery and equipment	$2,713.79	
Less reserve for depreciation	419.46	
Machinery and equipment -- NET		2,294.33
Deferred charges		247.66
Total		$4,475.79

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable		$12,834.54
Accrued expenses:		
Taxes -- Federal O.A.B.	$ 26.48	
" -- State Unemp. Compensation	23.06	
" -- Withholding	60.00	
Royalty	100.00	
Total accrued expenses		209.54
Capital stock -- common		1,000.00
Deficit -- 1949		562.20
Deficit -- 1950		9,006.09
Total		$ 4,475.79

May 26, 1950

Registrar of Deeds
Grafton County
Woodsville, New Hampshire

Dear Sir:

In Liber 775, Folio 317, you recorded a lease for us on July 5, 1949. We are assigning this lease to our subsidiary, Beryllium Development, Inc. and request that you kindly register subject assignment, executed copy of which is attached.

Very truly yours,

B. V. Eddridge
Treasurer

BVE/ma
Attachment

ASSIGNMENT OF LEASE BY INDORSEMENT

THIS AGREEMENT, made this 22nd day of May, 1950, between The Beryllium Corporation, of Reading, Pennsylvania, vendor, and Beryllium Development, Inc., of Reading, Pennsylvania, purchaser, W I T N E S S E T H:

In consideration of One Dollar ($1.00), paid to said vendor by said purchaser and of the covenants of said purchaser hereinafter contained, the said vendor hereby assigns unto the said purchaser, his executors, administrators, and assigns all that estate demised to the said vendor by William A. Shepard and Arthur W. Bennett, of Canaan, County of Grafton, State of New Hampshire, under a certain written lease dated June 13, 1949, which said lease is of Record in Liber 775, Folio 317 in the Registry of Deeds of Grafton County at Woodsville, New Hampshire, with all rights, easements, and appurtenances as therein mentioned; and all the estate, right, title, and interest of the said vendor in and to the said premises.

To have and to hold the said premises unto the said purchaser, his executors, administrators, and assigns for the residue of the term granted by the above-designated written lease, at the rent thereby reserved, and subject to the covenant with the said lessee and the conditions therein contained, and thenceforth to be performed and observed by the said purchaser; and the said purchaser for himself, his heirs, executors, and administrators, hereby covenants with the said vendor, his executors, and administrators that he will henceforth pay the rent reserved and perform the covenants on the part of the lessee contained in said lease, and will keep the said vendor, his executors, and administrators indemnified against all action, claims, and liability for the nonpayment of said rent, for the breach of said covenants, or any of them.

In witness whereof, we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of The Beryllium Corporation, vendor herein, and we, Otto T. Englehart, as President, and Richard M. Quimby, as Secretary, of Beryllium Development, Inc., vendee herein, have hereunto set out hands and official seals for and in behalf of The Beryllium Corporation, as vendor, and for and in behalf of Beryllium Development, Inc., as vendee, in our respective capacities this 22nd day of May, 1950.

The Beryllium Corporation, VENDOR

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

Beryllium Development, Inc., VENDEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: Richard M. Quimby
Richard M. Quimby, Secretary

State of Pennsylvania
County of Berks, S.S.

Before me, Martha H. Antonelli, Notary Public for and in the above said county and state, personally appeared this 22nd day of May, 1950, OTTO T. ENGLEHART and RICHARD M. QUIMBY to me personally known, who being by me duly sworn, say that they are President and Secretary respectively of The Beryllium Corporation and that they have the same official capacities with Beryllium Development, Inc., and that in their respective capacities for and in behalf of said corporation vendor and said corporation vendee they acknowledge the execution of the foregoing assignment, and that the seals affixed to said instrument are the corporate seals of said respective corporations, and that said instrument was signed and sealed in behalf of said corporations by authority of their respective board of directors, and that said OTTO T. ENGLEHART and said RICHARD M. QUIMBY in their respective capacities as officials of said vendor corporation and said vendee corporation acknowledge said assignment to be the free act and deed of said corporations.

Martha H. Antonelli
Notary Public

My Commission Expires At End
of Next Session of the Senate

MINING LEASE

THIS AGREEMENT, made and executed in duplicate, this day of June, 1949, by and between WILLIAM A. SHEPARD, of Canaan, County of Grafton, State of New Hampshire, and ARTHUR W. BENNETT, of the same place, hereinafter referred to as the Lessors, and THE BERYLLIUM CORPORATION, a Delaware Corporation, having its principal office in Berks County, State of Pennsylvania, hereinafter referred to as the Lessee, W I T N E S S E T H:

That the said Lessors, for and in consideration of the sum of One Dollar ($1.00), cash, the receipt whereof is hereby acknowledged, and further, in consideration of the royalties hereinafter reserved and the covenants and agreements hereinafter expressed, and by the Lessee to be kept and performed, do hereby grant, demise, lease and let unto the said Lessee, for the purpose and purposes of mining, quarrying, or otherwise extracting and removing any and all ore and minerals, in their entirety, found upon, in or under the surface of the following tracts of land situate in the County of Grafton, State of New Hampshire:

Tract No. 1 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, containing about Fifty (50) acres, more or less, and being Lot #16 in the second (2nd) Range of the first (1st) Division of Lots in said Grafton, said Lot #16 being situated on Beryl Hill, or Alger Hill, or sometimes called John Hill.

Tract No. 2 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: Beginning at the schoolhouse near the Frank Smith place, so called; thence running southwesterly on the William Hill road, so called, to the land of Augustine Colby; thence westerly to the Alger lot, so called; then northerly on the Alger lot to a stake and stones; thence westerly to land of Marcus Kilton; thence northerly to the highway; thence easterly to the bound begun at, being the westerly part of the farm formerly owned by F. R. Smith, estimated to contain One Hundred Fifty (150) acres, more or less.

Tract No. 3 - A certain tract of land situate in Grafton, County of Grafton, State of New Hampshire, bounded and described as follows: northerly by land formerly owned by F. H. Smith; easterly by land formerly owned by Hannah M. Bucklin; southerly by land formerly of Daniel Boyle; and westerly by land formerly owned by John Ford, containing Fifty (50) acres, more or less.

To have and to hold unto the Lessee, for a term of ten (10) years from the date hereof, unless sooner terminated by reason of any covenant hereinafter contained; and further, the Lessee shall have the option, right and privilege of renewing this lease for another like period of ten (10) years upon the same terms and conditions as contained herein, by giving to the Lessors notice of the exercise of the option to renew at least ninety (90) days prior to the expiration of the original term of this lease.

The Lessors do hereby grant unto the Lessee the right, during the term of this agreement, or any renewal thereof, to dig, mine and quarry in, upon and under the surface of the above-described tracts of land; and to lay or construct any ledges, shafts, excavations, conduits, tracks and roadways, in and upon the said premises and to remove therefrom any and all minerals and ore found thereon, particularly Mica, Feldspar and Beryl; and, further, the said Lessee shall have the right to dump and deposit any waste or refuse resulting from the said digging, mining or quarrying operations, upon any part of the said premises required for the convenient disposal of said waste and refuse; and further, the Lessors agree that the Lessee shall have the right to pass and repass upon the aforesaid premises, and use all roadways and bridges, during the time that this lease, or any renewal term thereof, is in force and effect.

The Lessors further agree that the Lessee shall have the right to erect buildings, install machinery and equipment, and do all things necessary for exploring for, mining, quarrying or otherwise extracting and

carrying away any and all minerals and ore found upon or under the surface of the leased premises; and that the said Lessee shall have the right to remove all, or any part of, said buildings, materials, machinery, tracks, conduits and all other equipment any time prior to, or at the termination of, the term of this lease or any renewal term thereof, and the same shall always be and remain the property of said Lessee.

The Lessee agrees to pay the Lessors a royalty for the minerals mined, quarried or otherwise extracted and removed from the demised premises on the following basis:

(a) The Lessee shall pay to the Lessors a royalty of Fifty Cents ($0.50) for every net short ton of all merchantable and marketable feldspar mined and removed from said lands.

(b) The Lessee shall pay to the Lessors a royalty of Ten Dollars ($10.00) for every net short ton for all merchantable and marketable sheet mica mined and removed from said lands.

(c) The Lessee shall pay to the Lessors a royalty of Five Dollars ($5.00) for every net short ton for all merchantable and marketable scrap mica mined and removed from said lands.

(d) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, prevailing at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of ten per cent (10%) or higher.

(e) The Lessee shall pay to the Lessors a royalty of five per cent (5%) of the market price, if such price exists or can be ascertained, at the time such ore is loaded on railroad cars or other transport vehicles and readied for shipment, for every net short ton of all beryl ore having a BeO content of less than ten per cent (10%); and if there is no established price, or such price is not readily ascertainable, then the Lessors hereby agree that the royalty here before set forth shall be computed upon the price per net short ton as fixed by the Lessee.

(f) The royalty to be paid for any other mineral or ore that the Lessee shall mine, quarry and remove from the premises, in marketable quantities, shall be determined by mutual agreement between the parties hereto subsequent to the execution of this lease, when any such determination shall be required.

In determining the BeO content of beryl ore for royalty purposes, the analysis made by the Lessee's laboratory shall be conclusive and final.

Settlement for royalty shall be made by the Lessee with the Lessors on or before 10th day of each month for all such minerals and ores loaded on railroad cars, or other transport vehicles, and shipped during the preceding month; provided, however, that in the event such payments fail to reach the sum of One Hundred Dollars ($100.00) for any one calendar year, the Lessee hereby agrees to pay to the Lessors such additional monies that would be required to give the Lessors a minimum payment of One Hundred Dollars ($100.00) for each such calendar year; and provided further, that no such minimum payment shall be due from, or payable by, the Lessee for the calendar year of 1949.

It is mutually agreed between the parties hereto that the Lessee shall have the right and privilege of assigning, transferring or selling any or all of the rights to the minerals and interest in the aforementioned premises, granted to it under the terms and covenants of this lease, without the prior approval or consent of the Lessors; and further, said Lessee shall have the right and privilege to sublease any part or all of the premises hereby leased to it, without the prior approval or consent of the Lessors.

It is further mutually agreed between the parties that in the event the Lessee does not mine, quarry or otherwise remove any minerals or ores from the aforesaid demised premises, and ceases all work and operations thereon, for a period of one year or more, the Lessors shall have the right to terminate this lease prior to the expiration of the term, by giving the Lessee ninety (90) days notice of their intention to terminate the lease.

Lessors likewise agree that the Lessee may terminate this lease at any time if, in the sole judgment and discretion of the said Lessee, it is determined that the mining operations upon the aforesaid premises cease to be profitable, by giving the Lessors or their agent thirty (30) days notice of its intention so to do, and pay to the Lessors all royalties due and unpaid.

The Lessee agrees to keep a complete record of the entire output and shipment of minerals and ores taken from the said premises, and said record shall be opened to the Lessors for inspection at reasonable times, upon request, for the purpose of comparing and verifying the accounts and statements of royalties as rendered.

Lessee's right to mining operations on the above described tracts of land shall be exclusive; and the Lessors covenant with the Lessee that they are lawfully seized and own the lands and interests hereby leased, and that the same are free from all incumbrances and that they have the right to lease the same as aforesaid, and that they and their heirs, executors and administrators, shall warrant and defend the same to the Lessee, its successors and assigns against the claim of all persons. All covenants, agreements and conditions of this lease shall be binding and endure to the administrators, executors, heirs or assigns of both parties.

Witness the hands and seals of the Lessors herein, and the execution and affixing of the Corporate seal by the Lessee herein:

William A. Shepard)
William A. Shepard)
)
) LESSORS
Arthur W. Bennett)
Arthur W. Bennett)

The Beryllium Corporation, LESSEE

By: Otto T. Englehart
Otto T. Englehart, President

Attest: R. M. Quimby
R. M. Quimby, Secretary

State of New Hampshire,
County of Grafton, S.S.

Before me Emmit A. Brown, a Notary Public for and in the above said county and state, personally appeared ARTHUR W. BENNETT AND WILLIAM A. SHEPARD this 13th day of June, 1949, and as Lessors, acknowledged the execution of the foregoing lease.

My commission expires Aug. 12, 1952 Emmit A. Brown
Notary Public

State of Pennsylvania
County of Berks, S.S.

Before me, Stella Robinson, Notary Public for and in the abovesaid county and state, personally appeared OTTO T. ENGLEHART, as President of The Beryllium Corporation, this 8th day of June, 1949 and acknowledged the execution of the foregoing lease on behalf of the Lessee.

Stella Robinson
Notary Public

My commission expires Jan 4 1953

D:A-1115-X Exploration
Beryl
Region VIII

Beryllium Development, Inc., Reading Pa.

Total Amount of Project, $25,000. Definite program of exploration should be discussed with applicant. Schedule of costs and requirements is needed. Possibility of mica in the deposits needs to be checked.