

160 acres

Hugo Road

Yellow Jacket Mine

N 1/2 of NE 1/4 of SE 1/4 of NE 1/4,  
NE 1/4 of NW 1/4 of Sect 8 T.35S, R.6W,  
1938 assay .15 Au, 2.25 Ag, 9.46 Cu

December 31, 1981

David Henderson  
19303 N.E. 113th Street  
Redmond, Washington 98052

Dear Mr. Henderson:

I visited a prospect on your property in 1963 and took a sample of selected ore from a small pile (about 3 tons) beside a caved shaft. The assay results are enclosed. I was reasonably sure that I had written a preliminary report but found no records of it; so must have intended to but failed to follow through.

My field notes of January 3, 1963 describe the deposit as very spotty mineralization in a vein in a discontinuous pegmatite dike in a decomposed quartz diorite. There apparently was also a short caved adit about 60 feet east of the caved shaft. The dump indicates the vein was encountered in the crosscut.

The only other evidence of mineralization I can recall in the area was a sample of molybdenum-bearing skarn reported to be from lower Ewe Creek about 3 miles south of your property. We have never made a further investigation of the area.

Your best procedure would probably be to hire a private geologist to appraise the mineral resource value of your property prior to sale.

Separation of mineral rights from surface rights is not usually advisable as it creates a future "cloud" on the title.

We hope this information is helpful.

Sincerely,

Len Ramp  
Resident Geologist

LR:rep  
Encl: Copy of assay XG-3 (1963)