

G H A E N B A C K M I N E

LOCATION: Josephine County, Oregon. About 10 miles easterly from Leland station on Southern Pacific Railroad and about 6 miles easterly from Pacific Highway, Grave Creek Junction.

**AREA:** 8 mining claims and 80 acres, patented.

**FORMATION:** Porphyry on the west, serpentinite on the east. Veins in diorite and greenstone extending into porphyry on on west.

ORE  
SHOOTS: Probably one shoot on the Greenback Vein, off set by fault at about center, total length about 1200 feet as indicated by present development. 600 feet east of fault mostly stoped from No. 9 level to surface. Sector west of fault under exploration.

**MINERALS:** Gold, silver, little copper and lead, galena, pyrites, etc.

**DEVELOPMENT:** In round numbers. Main working level (No. 9) length 1750 feet. Winze 350 feet. Total underground workings about 7000 feet. Total depth on pitch of vein about 1000 feet.

[illegible]

One of the major reasons for the increase in the number of  
corporate taxes is the fact that the number of corporations has  
increased from 10,000 in 1900 to 1,000,000 in 1960. The number of  
persons employed by corporations has also increased from 10,000,000 in  
1900 to 100,000,000 in 1960. The number of corporations has increased  
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to 1,000,000 in 1960. The number of persons employed by corporations  
has also increased from 10,000,000 in 1900 to 100,000,000 in 1960.

GREENBACK MINE - Continued Page 2.

**COSTS:** Costs of former operations are not available. Present costs based on experience under like conditions in the locality should not exceed \$4.00 per ton for actual mining and milling exclusive of exploration and development.

**RECOVERY:** Without actual past records it can only be said that values of old tailings indicate that a fair recovery, perhaps exceeding 80% was made by amalgamation and gravity concentration. More careful application of these methods followed by Flotation or Cyanide should return 90% recovery, or better.

**POWER:** Commercial electric power can be had by extension of power line. Deisel power, however, is being installed for present operations, beginning with about 100 HP.

**WATER:** Sufficient for operating purposes owned by the property.

**TIMBER:** A good stand of mine timber owned by the property.

**DUMP-RIGHT:** Ample for disposal of tailings.

**CLIMATE:** Suitable to continuous operation.

**TRANSPORTATION:** Good auto road excepting upper end which is being relocated and improved. Distance 6 miles from Pacific Highway at Grave Creek Junction.

**BUILDINGS:** Old mill building and other buildings to be replaced under present operations.

**EQUIPMENT:** 3 Ten Stamp mill batteries, (30 Stamps), 2 rock crushers, mineral jig, concentrator, amalgamation plates, etc. Mine cars, tracks, pipe lines, etc. Deisel compressor being installed.

**INVESTMENT:** Records are not available from which to make a statement of total investments in the property but it can be said that present developments and improvements could not be replaced short of a cost exceeding \$150,000.00.

**REMARKS:** The Greenback Mine is at this time under long term lease to P. B. Wickham of Ashland, Oregon. Reopening of the mine has been under way for some months. Rebuilding of the milling plant, installation of additional mine and mill equipment and improvement of the road are in the immediate program.

*GREENBACK*

Discovered 1897. In 1898 a producer of some importance, although ores then treated in arrastre, located at Placer. In 1900 the property was owned by Victor Junior Mining Co. In 1902-3 a 40-stamp mill and 100-ton cyanide plant was installed. In 1904 was 2d highest producer in State. In 1905 continued its large production. In August, 1906 closed down, remained down for 3 years. In 1910 was large producer again, but soon after it closed again, has not since been reopened. In 1902 property was acquired by Greenback Gold Mining & Milling Co. Property first operated by steam and "later" by electric power. Had following principal equip: 12x14 air compressor, 3 large Risdon crushers, 8 12' plates (now removed), 5 Frue vanners, 7 other concentrating tables, several Pelton wheels, 4 cyanide tanks each  $4\frac{1}{2}' \times 30'$ , solution and sump tanks, an aerial tram 7000' long. Opened on 12 levels. Above 9th, most of ore stoped out to surface. Vein averaged about 20" wide; runs from less than 6" to more than 4'. Quartz predominates. Average content 1st & 2d levels more than \$8 per ton & 75% free milling (USGS Bull. 340-1908). "Concentrates ran about \$75 to ton. After cyaniding the waste product contained less than \$1 to ton.

1/20/37 report: "Present owners (Finley & O'Neil) are trying out new trick plastic composition belt, run on principle of old Frue vanner table. Being installed as added installation of cats and dogs & if it will recover any gold values should make some recoveries for the reason that the one single table ahead of this machine is crowded with pulp from stamps which is overloading the one table in operation. Oil engine for power". "--the new owners of the mine -- are operating 10 stamps, their mill practice very poor, ordinary amalgamation & concentration, should save 82% of values; have slimes to contend with but no excuse can be offered for sulphides lost in tails. -- the load is too heavy, should have 2 tables at least & for better mill practice 3 tables of standard make. This 3d table so arranged to re-run middlings & slimes from other 2 tables."

Since previous report received, L.E. Klumpp brought suit against Finley & O'Neil, the contract purchasers, securing judgment against them & terminating contract. Purchasers have vacated property & Mr. & Mrs. K. have gone back to property, built new house & are living there. Understand -- want to sell property and want \$75,000. for it.

<u>Greenback Mine</u>	<u>Gold</u>	
NAME	OLD NAMES	PRINCIPAL ORE
		MINOR MINERALS

34S-33S     5W-5W     32-33-34  
T                      R                      S

..... Josephine ..... COUNTY

..... Greenback ..... AREA

..... ELEVATION

..... ROAD OR HIGHWAY

3 miles North of Leland .... DISTANCE TO SHIPPING POINT

PRESENT LEGAL OWNER (S) .. Pearl E. Klump .....

.....

.....

.....

OPERATOR .....

Name of claims	Area	Pat.	Unpat.
<u>Eight mining claims and 80 acres of</u>			
<u>patented ground.</u>			

EQUIPMENT ON PROPERTY

PUBLISHED REFERENCES

Ore. Metal Mines Hdbk. 14-C Vol.II Sec.1 pp.104

Petrology and Mineral Resources of Jackson,

Josephine Counties, Oregon; A. N. Winchell

MISCELLANEOUS RECORDS

Address ..... Grays Creek, Oregon .....

.....

.....

.....

.....

.....

Name of claims	Area	Pat.	Unpat.



1  
RECEIVED  
JAN 20 1939

STATE DEPT OF GEOLOGY  
& MINERAL INDS.

Josephine County  
Greenback District

Name: Greenback Consolidated Mines (Lode and placer--gold)

Owner: Bullion Mountain Inc., Selling Building, Portland, Oregon.  
D. Witt Connell, President and Dr. Robert D. Brandon,  
General Manager. Leased to Greenback Consolidated, Inc.  
(Greenback Consolidated Mines is the operating company  
for the Bullion Mountain, Inc. Same directors as for  
Bullion Mountain, Inc.)

Capitalization: \$300,000. Shares 300,000.

Location: Graves Creek 21 miles by road north of Grants Pass and  
three miles east of Graves Creek Post Office which is on  
Highway 99, in Secs. 32 and 33, T. 33 S., R. 5 W. and  
Secs. 3, 4, 5, 7, and 8 in T. 34 S., R. 5 W.

Area: This Company owns 2240 acres on Tom East ~~Creek~~ and Graves  
Creeks, and holdings consist of 7 unpatented placer claims,  
11 unpatented lode claims, 3 patented lode claims and  
the remainder is patented ground. A large portion of this  
acreage is not mining ground but is held for the purpose  
of protecting ditch right-of-ways etc. The unpatented  
mining claims might be called the Yellowhorn Jim Blaine  
group and will be described as such later in the report.  
The placer ground still goes by the name of Columbia  
Placer and the Company owns all the placer ground on Tom  
East Creek.

History: The properties of the Bullion Mountain, Inc. are listed  
in the Hand-Book. There was very little activity on any  
of the properties from 1916 to 1929 at which time the  
Bullion Mountain, Inc. purchased the major part of its  
holdings from the Lewis Investment Company. The Green-  
back Consolidated was formed in 1934 and took over  
operations of the property under lease from the Bullion  
Mountain Inc. Development work on the lode claims has  
been carried on in a small way since 1929. Possibly 400  
feet of tunnel has been driven since they acquired the  
property. There has been no production on the lode claims.  
Mr. Glen Booth and associates have had a lease on the  
lower part of the Columbia Placer since 1934 and the placer  
has been worked every season by Mr. Booth.

THE YELLOWHORN JIM BLAINE GROUP

General Information:

This group consists of 11 unpatented mining claims in  
Sections 4 and 5 estimated at 150 acres. Steep Mountain-  
ous topography. Elevation 1700 to 2100 feet. Maximum  
snow is two feet. Plenty of timber for mining purposes  
on property. There is a good mining road to the property.  
23/100 c.f.s. water right for milling purposes.

Development: The Yellowhorn workings are described on Page 240 in  
the Hand Book. 225 feet of these old workings were caved

# IMPORTANT

Josephine County  
Greenback District (Continued)

and has been re-opened. From the face of the tunnel a drift was run about 234 feet in a southwest direction through the mountain. This was done for convenience of tramming ore from the Sherington workings. The Sherington workings consist of 3 tunnels with a total length of 350 feet on which is thought to be on continuation of the Yellowhorn vein. At a point 78 feet in on the Yellowhorn tunnel a drift was started and run in a northerly direction 100 feet to pick up the Vulcan vein, which is a parallel vein about 260 feet north of the Yellowhorn. This vein was never reached. The workings on the Vulcan vein consist of an inaccessible tunnel which runs in a westerly direction 200 feet. There are six tunnels, the total length of which 1250 feet on the Jim Blaine vein. The Jim Blaine Claim is described on Page 134 of the Handbook. On the west side there are two tunnels. The lower one runs S. 85° E. 206 feet. The upper tunnel which is about 120 feet vertically above the lower tunnel runs S. 75° E. 240 feet. On the east side of the ridge at an elevation of 2109 feet there is a tunnel which runs N. 50° W. 108 feet. Tunnel No. 2 at an elevation of 2075 feet runs in a general direction of N. 50° W. 150 feet. Tunnel No. 3 at an elevation of 2075 feet runs in a general direction of N. 60° W. 110 feet with a drift at a point 55 feet in, running in a northerly direction 70 feet. Tunnel No. 4 at an elevation of 1960 feet which is a cross-cut tunnel and is not on the vein, runs N. 29° W. 150 feet with a drift to the west of 100 feet on a vein and to the east 40 feet. Each of the other claims have a small amount of workings but none accessible at the present time.

## Geology:

The country rock at the Yellowhorn Jim Blaine group is largely greenstone which is the result of an alteration of an andesitic mass which in places shows darker phases. About 300 feet east of the Yellowhorn tunnel is a contact with the serpentine. This contact runs in a general north 30° E. direction and is thought to be the same contact which is spoken of in the Greenback Mine workings. There are three parallel east west veins which can be traced for a distance of almost 1000 feet. All three exhibit variations in strike and dip. The veins vary in width from nothing to 4 feet and as a whole will carry some gold; possibly two or three dollars. Rich ore shoots are encountered in the vein which run up very high. These shoots are seldom over 25 to 30 feet in their greatest dimension and are found near intersections with branch veins as there are a great number of these. But the inter-sections of all the branch veins do not produce rich ore shoots. The vein filling is chiefly white quartz with some calcite pyrite and a small amount of galena. The Yellowhorn is the most southerly vein and has the most development work on it. Then the Vulcan which is about 260 feet north of it, and the Jim Blaine which is about 1000 feet north.

Equipment: One Ingersoll Rand compressor--two drill capacity. Buda Diesel Engine--80 H.P., and miscellaneous small equipment

Josephine County  
Greenback District (Continued)

-3-

for carrying on the development work. At present three men are working.

COLUMBIA PLACER

The Columbia Placer is under lease to Glen Booth and Associates of Placer, Oregon. The Columbia Placer, as now known, refers to all the placer ground on Tom East Creek and it has been worked from the mouth to the Greenback Mine, a distance of approximately two miles. The grade on the lower part of Tom East Creek is very low and the original operators did not go to bedrock due to this fact. The present operators started in at the Tom East Creek bridge and are mining to bedrock about 6 feet below the original operations. They have installed hydraulic lifts in order to dispose of the tailings.

Geology: Fairly smooth greenstone bedrock. No clay, few boulders larger than a water bucket. Fine to coarse gold. Gold comes from veins near the head of Tom East Creek.

Water Right: A water right for 6200 miner's inches was taken out in 1895 on Graves Creek and its tributaries. Two ditches were constructed to deliver the water to the property. The upper ditch is shown on the Riddle Quadrangle Topographic sheet. This ditch is 16 miles long and has a capacity of 3000 miner's inches. If this ditch was in use it would deliver the water to the present workings under a 900 foot head. The lower ditch is three miles long and has a capacity of 3200 miner's inches and delivers the water under a head of 350 feet.

Equipment: The property is operated with three hydraulic giants under 145 pound pressure with six men employed.

Informant: J. E. Morrison. 9/7/37, 8/6/38, 12/19/38.

This report must be properly executed and filed with the Corporation Commissioner on or before July 1, 1930, in order to entitle a corporation mining for any of the precious metals, coal, or prospecting or operating for oil, or operating an oil well, to pay a license fee of only \$10. If not so filed, such corporation must pay the same license fees as are required to be paid by other corporations for gain.—Section 6890, Oregon Laws.

# Annual Report to the Corporation Department

FOR THE YEAR ENDING JUNE 30, ~~1929~~ 1937

Of BULLION MOUNTAIN, INC.

(Give legal name in full)

a corporation organized and existing under and pursuant to the laws of the State of Oregon.

The location of its principal office is at No. \_\_\_\_\_ Street,  
in the city of Grants Pass, in the state of Oregon

The names and addresses of principal officers, with the postoffice address of each, are as follows:

NAMES	OFFICE	BUSINESS ADDRESS
<u>J. A. Strowbridge</u>	<u>President</u>	<u>Spalding Bldg., Portland, Ore.</u>
<u>John I. McGregor</u>	<u>Secretary</u>	<u>Portland, Oregon</u>
<u>R. B. Brandon</u>	<u>Treasurer</u>	<u>910 Selling Bldg., Portland, Ore.</u>

The date of the annual election of officers is May 1st

The date of the annual election of directors is May 1st

	Common With Par Value	Common No Par Value	Preferred
Amount of authorized capital stock . . . . .	\$1,000,000.00	Shares	\$
Number of shares of authorized capital stock . . . . .	1,000,000		
Par value of each share . . . . .	\$ 1.00	xxxxxx	\$
Amount of capital stock subscribed . . . . .	\$190,000.00	Shares	\$
Amount of capital stock issued . . . . .	\$490,000.00	Shares	\$
Amount of capital stock paid up . . . . .	\$490,000.00	Shares	\$
Price at which no par value stock issued . . . . .	xxxxxx	\$	xxxxxx

State amount of capital, represented by stock of no par value, with which

the corporation began business . . . . . \$ none

Total amount of its properties in Oregon (name of claims, lodes, or placers) Yellow Horn,

Jim Blaine, Peggy, Orphington, Vulcan, Negative, Loma, Morning Star,

St. Jacobs, Browning, Juno, New Esmeralda and Hidden Treasure Vein.

*Land from Humbach Con*

The location of its properties Josephine and Jackson Counties, Oregon

The amount of work done thereon and improvements made thereon since the time of filing  
last report None

The amount of output or products of the mines or wells of such corporation from January 1,  
1936 1936  
1929, to December 31, 1929, inclusive, none

The value of output or products of the mines or wells of such corporation from January 1,  
1936 1936  
1929, to December 31, 1929, \$ none

IN WITNESS WHEREOF, I, R. B. Brandon,

of said corporation, have signed this report, this

[CORPORATE SEAL]

23d day of June, A. D. 1937.

(signed) R. B. Brandon

STATE OF OREGON,

County of \_\_\_\_\_

} ss.

I, \_\_\_\_\_,  
being first duly sworn, depose and say, upon oath, that I am \_\_\_\_\_ of the foregoing corporation;  
that said corporation is not engaged in or transacting any other business except that of locating, prospecting,  
developing or operating mines for any of the precious metals, coal, or prospecting or operating for oil, or operating  
an oil well; that the value of the output or products of the mines or wells of said corporation from January 1, 1929.

2825 S. W. Montgomery Dr.  
Portland 1, Oregon  
February 2, 1948

Mr. Walter Binderman, President  
Eastern Seaboard Plastics, Inc.  
217 Astor Street  
Newark, New Jersey

Dear Mr. Binderman:-

In accordance with your instructions I have visited the Queen of Bronze, Cowboy, Waldo, and other properties in the group held by Mr. Waite in Josephine County, Oregon, together with Mr. E. R. Waite, the present owner. My findings, together with copies of metallurgical reports, smelter schedules, letter re R. E. Rates, snapshots, etc. are attached.

The physical aspects of the properties were found to be as represented, with the exception of the estimate of broken ore underground, which could not be verified due to inaccessibility of the workings. From past records of underground sorting, and discussion with men who worked in the properties, it is probable that a considerable quantity of material was left in the old stopes after sorting, which could pay to treat by heavy media separation methods. I was informed that there is a balance due of \$24,000.00 to Josephine County which is the only obligation of record against the several properties.

There is somewhere between forty and fifty thousand tons of ore in the dumps.

The dumps were sampled by taking several hundreds of individual pieces over the whole area, and the final sample prepared and assayed in quadruplicate for copper, gold, and silver. The average of the assays is as follows:

Copper	-	2.60% per ton
Gold	-	0.055 oz. per ton
Silver	-	0.04 oz. per ton

This checks very closely the head assays as reported by the Sink-Float Corp. and American Cyanamid from samples submitted to them by Waite for testing.

	<u>Copper</u>	<u>Gold</u>
Sink-Float Corp.	2.92%	0.06 oz.
American Cyanamid	2.54%	0.05 oz.

A study was made of available Geological and other reports made from 1907 to date. Copies would be too voluminous to attach, but notes and references are included.

The metallurgical research conducted by the Sink-Float Corp., and American Cyanamid Co. indicated quite similar results although the American Cyanamid Co. obtained a slightly higher grade concentrate in copper (5.26% @ 3.00 gravity).

These concerns are highly regarded by the mining industry, and their work may be accepted without question.

From the data following in this report it is evident, however, that this grade of concentrate does not permit shipment at present prices and costs. The cut off point, assuming a constant gold value, would be six percent (6%) copper, with a smelter payment of \$21.86 against a cost of \$21.38. It will be necessary to maintain a grade above seven percent (7%) copper in order to receive a profit from the smelter.

In fairness to the owners, the increase in smelter and freight rates was only recently established. These items alone raised the cost figures nearly four dollars per ton above estimates as of November 1947.

It is suggested that the American Cyanamid Company be instructed to determine whether an increase in the grade of concentrate can be made.

Direct operating costs, not including charges for taxes, depreciation of equipment, insurance, or depletion based upon an operation crushing to one inch only with heavy medid separation of the crushed product should not exceed \$2.25 per ton of concentrates. This estimate is based upon treatment of six hundred tons per day with recovery of two hundred tons of concentrates. The dump ore can be moved to a bin, or pocket from which

it can be fed to a crusher by slusher or drag scraper. This can be handled by the same man who operates the crusher. Using the figure of \$2.25 per ton, the direct operating cost of concentrate at the Tacoma Smelter would be as follows:

	<u>\$20-30</u> <u>per ton value</u>	<u>\$30-40</u> <u>per ton value</u>	<u>\$40-100</u> <u>per ton value</u>
Handling & Milling	2.25	2.25	2.25
Trucking to R.R.	5.00	5.00	5.00
Freight to Tacoma	5.78	6.13	6.32
Smelter rate	7.00	8.00	8.00
	<u>\$20.03</u>	<u>\$21.38</u>	<u>\$21.57</u>

To illustrate the "cut off" point in shipment of copper ores from these properties, and the advisability of shipping the highest possible grade of concentrate, I have prepared the following payment figures based upon the smelter schedule which is attached for your reference. It is assumed that the gold in the concentrate will average 0.09 oz., as recovered by both the Sink-Float Corp., and American Cyanamid results. Based upon the schedule, this has a value of \$2.86 per ton. Payment for copper is, as you will note, based upon assay value, less 20 lbs. per ton (or 1%), less 2½ cents per pound of contained copper. The present quotation is 21½ cents per pound. This means that after a deduction of twenty pounds of copper per ton, the balance is paid for at the rate of 19 cents per ton at present prices.



The payment by the Smelter will be as follows on the following grades of ore:

<u>Copper</u>	<u>Payment</u>	<u>Gold (.09 oz.)</u>	<u>Total</u>
4%	\$11.40	2.86	\$14.26
5%	15.20	2.86	18.06
6%	19.00	2.86	21.86
7%	22.80	2.86	25.66
8%	26.60	2.86	29.46
9%	30.40	2.86	33.26
10%	34.20	2.86	37.06

The total recorded production from the Queen of Bronze, Waldo, and Cowboy mines is in excess of \$2,000,000.00.

#### Geological Data

The geology of the district and the properties has been described in several bulletins and papers written at intervals from 1907 to the present date. These bulletins can be seen in most large technical libraries. Reference is made to:

U.S.G.S. Bulletin #380 1908  
by G. W. Hayes and Waldemar Lindgren

Mineral Resources of Oregon Volume 1 #5 1914  
A. N. Winchell  
The Takilma Area by L. E. Reber, Jr.

U.S.G.S. Bulletin #846-B 1933  
by P. J. Shenon

Bulletin 380 U.S.G.S., page 76 - 1908 - "Largest body of unoxidized ore mined at the Queen of Bronze contained 10,000 tons, several thousand tons of oxidized ores have been mined with average grade of copper more than 10 percent."

T. Wood Smith, Engineer for Reconstruction Finance Corp., reported (1943) that "one lense in the Cowboy assayed 19.32 percent copper..

It is reported that the Waldo has between 12,000 and 15,000 tons of copper ore which averaged 9.84 percent copper. This was not verified.

It is generally considered that the district has much promise, and that the possibility of developing a substantial mining operation is good. The mineralogical zone is more than two miles in length in a general North South direction, and production has been won from operations at intervals throughout this length. There has never been any amount of developed ore during any previous operation. Due to the character of the ore, lenses more or less in echelon, the ore was mined as developed.

#### Recommendations

The proposed plan to erect a heavy media separation plant should be held up pending further tests to determine whether a concentrate can be made which will exceed seven percent (7%) copper.

It is recommended that a geophysical survey be made along the entire ore zone to determine the location of other ore bodies not exposed at the surface, and to outline continuation of those now known. As the ore shoots occur as lenses of sulfides, in more or less

massive form, the findings of the geophysical exploration should be quite positive and accurate.

The geophysical work should be followed by a diamond drilling program to determine the values of the located ore bodies in copper and gold. This should be completed for a few thousand dollars and produce data of positive nature, from which operating plans can be determined.

In conclusion, it is my judgment that the properties in mention merit exploration of the nature outlined. The price of copper can be expected to remain at or near the present level for some time to come, and if additional ore bodies are located as indicated, a profitable operation may be expected.

Respectfully submitted,

K. E. Hamblen

Registered Professional Engineer  
Oregon  
March 1927 #1330

KEH:fh  
Enclosures

TACOMA SMELTER - AMERICAN SMELTING AND REFINING CO.  
GENERAL CLAUSES COVERING ALL OPEN SCHEDULES

1. In each case where shipments are made in lots of less than five tons a charge of \$10.00 per lot is made in addition to the quoted rate to cover the additional expense of handling and sampling these small lots
2. The rates quoted apply to shipments in bulk. When shipments are made in sacks an additional charge of 75 cents per ton will be made to cover extra cost of handling.
3. All Federal or State taxes now or hereafter imposed and all duties and excise or other taxes levied by the United States or any foreign government shall be for shipper's account.
4. SPECIAL:  
All schedules on ore not under contract for a definite period of time are subject to change without notice. Should thirty days elapse before you make shipment on the attached schedule, it will be necessary for you to take the matter up with us again for confirmation of the price, because our prices and conditions of purchase are changing from time to time.
5. In the event that the quotation date should fall on a legal holiday or one upon which no quotation is issued, the next succeeding quotation will be used in settlement. However, it is understood that in case there is no silver or copper quotation on the date of arrival of the ore in the Buyer's Plant, for the reason that there is no market for such metals, then in such case the metal so affected will be settled for according to the quotation of copper and/or silver actually received by the Buyer when the metals resulting from smelting each lot have been actually sold.
6. Base charges apply on the ore delivered in our Plant.
7. In the above schedule where the word "ton" is used, it is understood to be a ton of two thousand pounds avoirdupois; where the word "ounce" is used, as referring to gold and silver, it is understood to mean the troy ounce; and where the word "unit" is used, it is understood to mean a unit of one per cent, or twenty pounds avoirdupois.
8. Weighing and sampling (at which seller or a representative may be present) as done by Buyer according to standard practice, promptly after receipt of product, will be accepted as final. The absence of seller or a representative shall be deemed a waiver of the right in each instance. After sampling the product may be placed in process, commingled, or otherwise disposed of by Buyer. In case of disagreement on assays, an umpire shall be selected in rotation from a list mutually agreed upon, whose assays shall be final if within the limits of the assays of the two parties, and if not, the assay of the party nearer to the umpire shall prevail.

The party whose results are farther from the umpire results shall pay cost of umpire. In case of Seller's failure to make or submit assays, Buyer's assays shall govern.

9. In order that delivery of the ore to our Plant may not be unnecessarily delayed, we make it a general rule that unless other arrangements have been previously made, the freight charge on a first shipment to us must either be prepaid or guaranteed by the shipper.

TACOMA SMELTER

SUBJECT

Report by Mr Wickham  
Greenback Dist.  
MAR 20 1939

G R E E N B A C K M I N E

NAME: Greenback Mine

LOCATION: Josephine County, Oregon. About 10 miles easterly from Leland Station on Southern Pacific Railroad and about 6 miles easterly from Pacific Highway, Grave Creek Junction. *in sec 32, 33, T 32 S, R 5 W and sec 4, T 34 S, R 4 W.*

ELEVATION: About 2000 feet.

AREA: 8 mining claims and 80 acres, Patented.

TITLE: Good commercial title.

FORMATION: Porphyry on the West, Serpentine on the East. Veins in Dioryte and Greenstone extending into Porphyry on West.

VEIN: Simple Fissure. Strike easterly and westerly. Dip about 60 degrees northerly. Width average about 3 feet.

ORE

SHOOTS: Probably one shoot on the Greenback Vein, offset by fault at about center, total length about 1200 feet as indicated by present development. 600 feet East of fault mostly stoped from No. 9 level to surface. Sector West of fault under exploration.

ORES: Quartz predominating. White to grey and almost black. Often massive, associated with Dioritic gangue. Values in free gold and base metals.

MINERALS: Gold, silver, little copper and lead, galena, pyrites etc.

VALUES: Commercial values are mostly in gold, partly free milling. Records are not available from which to offer a concise statement of average value under former operation but it is established that the yield was high. Present reopening of the mine has not progressed far enough to permit a general sampling but unconfirmed engineer's reports give an average value ranging from \$8.00 to \$16.00 per ton on the low grade ores remaining in the old workings East of the fault. Development West of the fault is showing some excellent ore and occasional high grade with promise of a good average.

DEVELOPMENT: In round numbers. Main working level (No.9) length 1750 feet. Winze 350 feet. Total underground workings about 7000 feet. Total depth on pitch of vein about 1000 feet.

PRODUCTION: Records of past production are reputed to account for more than \$3,500,000.00 from milling operations.

PROCESS: Stamp milling. Amalgamation and gravity concentration. Future practice may include Flotation. Old tailings are being treated by Cyanide, leaching process.

TONNAGE: As in the case of values, reopening has not progressed far enough to permit a survey to determine amount of ore now available but above engineers reports claim 26,000 tons measured ore remaining in old workings on Greenback Vein above "1000" level, East of the fault. The Irish Girl Vein above No. 9 level will add to this tonnage materially. In the new sector West of the fault dimensions of the block would suggest some 30,000 tons potential ore without present knowledge of average value. More conservatively, it might be suggested that there are some 50,000 tons of ore of all grades above the "1000" level, on the Greenback Vein.

COSTS: Costs of former operations are not available. Present costs based on experience under like conditions in the locality should not exceed \$4.00 per ton for actual mining and milling exclusive of exploration and development.

RECOVERY: Without actual past records it can only be said that values of old tailings indicate that a fair recovery, perhaps exceeding 80% was made by amalgamation and gravity concentration. More careful application of these methods followed by Flotation or Cyanide should return 90% recovery, or better.

POWER: Commercial electric power can be had by extension of power line. Deisel power, however, is being installed for present operations, beginning with about 100 H.P.

WATER: Sufficient for operating purposes owned by the property.

TIMBER: A good stand of mine timber owned by the property.

DUMP-RIGHT Ample for disposal of tailings.

CLIMATE: Suitable to continuous operation.

TRANSPORTATION: Good auto road excepting upper end which is being relocated and improved. Distance 6 miles from Pacific Highway at Grave Creek Junction.

BUILDINGS: Old mill building and other buildings to be replaced under present operations.

EQUIPMENT: 3 Ten Stamp mill batteries, (30 Stamps) 2 Rock Crushers, Mineral Jig, Concentrator, amalgamation plates, etc. Mine cars, tracks, pipe lines, etc. Deisel compressor being installed.

INVESTMENT: Records are not available from which to make a statement of total investments in the property but it can be said that present development and improvements could not be replaced short of a cost exceeding \$150,000.00.

REMARKS: The Greenback Mine is at this time under long term lease to P.B. Wickham of Ashland, Oregon. Reopening of the mine has been under way for some months. Rebuilding of the milling plant, installation of additional mine and mill equipment and improvement of the road are in the immediate program.

OWNER: Pearl E. Klumpp, Grave Creek, Ore. Lessee: P.B. Wickham  
Dated March, 1939. Ashland, Oregon

Josephine County  
Greenback District

Name: Greenback Mine (gold quartz)

Owner: Pearl E. Klumpp, Graves Creek, Oregon.

Location: On Tom East Creek, a tributary to Graves Creek. 22 miles by road north of Grants Pass and four miles northeast of Graves Creek Post Office, which is on Highway 99, and legally described as being in Secs. 32, 33, T. 33 S., R. 5 W. and Section 4, T. 34 S., R. 5 W.

Area: The S. E. 1/4 and the S. 1/2 of the S.W. 1/4 of Sec. 33 patented land and 11 lode mining claims held by location. Estimated a total of 320 acres.

History: Mrs. Klumpp acquired the Greenback in 1928 and her husband operated it in a small way until it was leased to McNeil and Finley in 1936. They did some work but nothing of importance and the property was returned to Mrs. Klumpp in 1937. Mr. P. B. Wickham of Ashland leased the mine in December of 1938 and has a small crew of men cleaning up and re-timbering the 9th level at the present time. 1/19/39

Development: All the development work done since the 1916 report has been west of the important fault which cut off the ore vein mentioned in the 2nd paragraph on Page 113 of the Hand Book. Some good ore has been found west of this fault.

Equipment: All the equipment except ten stamps have been removed from the property. The buildings are all in need of repair.

Informant: J. E. Morrison, 10/21/37.

*See Handbook pp 112*

*Hughes has finished reworking the tailing  
at the Greenback.*



## BLANK B—ANNUAL REPORT

This report must be properly executed and filed with the Corporation Commissioner on or before July 1, 1930, in order to entitle a corporation mining for any of the precious metals, coal, or prospecting or operating for oil, or operating an oil well, to pay a license fee of only \$10. If not so filed, such corporation must pay the same license fees as are required to be paid by other corporations for gain.—Section 6890, Oregon Laws.

# Annual Report to the Corporation Department

FOR THE YEAR ENDING JUNE 30, ~~1930~~ 1937

Of GREENBACK CONSOLIDATED

(Give legal name in full)

a corporation organized and existing under and pursuant to the laws of the State of Oregon.

The location of its principal office is at No. 910 Selling Bldg. Street,  
in the city of Portland, in the state of Oregon

The names and addresses of principal officers, with the postoffice address of each, are as follows:

NAMES	OFFICE	BUSINESS ADDRESS
<u>J. A. Strawbridge</u>	President	<u>Spalding Bldg., Portland, Oregon</u>
<u>John I. McGregor</u>	Secretary	<u>Portland, Oregon</u>
<u>R. B. Brandon</u>	Treasurer	<u>Selling Bldg., Portland, Ore.</u>

The date of the annual election of officers is Nov. 7

The date of the annual election of directors is Nov. 7

	Common With Par Value	Common No Par Value	Preferred
Amount of authorized capital stock . . . . .	<u>\$ 5000000.00</u>	<u>Shares</u>	<u>\$</u>
Number of shares of authorized capital stock . . . . .	<u>3000000</u>		
Par value of each share . . . . .	<u>\$ 1.00</u>	<u>x x x x x x</u>	<u>\$</u>
Amount of capital stock subscribed . . . . .	<u>\$ 2089364.00</u>	<u>Shares</u>	<u>\$</u>
Amount of capital stock issued . . . . .	<u>\$ 2089364.00</u>	<u>Shares</u>	<u>\$</u>
Amount of capital stock paid up . . . . .	<u>\$ 2089364.00</u>	<u>Shares</u>	<u>\$</u>
Price at which no par value stock issued . . . . .	<u>x x x x x x</u>	<u>\$</u>	<u>x x x x x x</u>

State amount of capital, represented by stock of no par value, with which

the corporation began business . . . . . \$ none

Total amount of its properties in Oregon (name of claims, lodes, or placers) Yellow Horn, Jim  
Blaine, Peggy, Orphington, Vulcan, Negative, Loma, Morning Star, St. Jacobs, Browning,  
Juno, New Esmeralda and Hidden Treasure Vein. These properties are held under lease  
from Bullion Mountain, Inc.

The location of its properties Josephine and Jackson Counties, Ore.

The amount of work done thereon and improvements made thereon since the time of filing  
last report some development work and survey

The amount of output or products of the mines or wells of such corporation from January 1,  
1936 to December 31, 1936, inclusive, \$606.04

The value of output or products of the mines or wells of such corporation from January 1,  
1936 to December 31, 1936, \$606.04

IN WITNESS WHEREOF, I, R. B. Brandon

of said corporation, have signed this report, this

[CORPORATE SEAL]

22d day of June, A. D. 1937

(signed) R. B. Brandon

STATE OF OREGON,

County of ss.

I, \_\_\_\_\_,  
being first duly sworn, depose and say, upon oath, that I am \_\_\_\_\_ of the foregoing corporation;  
that said corporation is not engaged in or transacting any other business except that of locating, prospecting,  
developing or operating mines for any of the precious metals, coal, or prospecting or operating for oil, or operating  
an oil well; that the value of the output or products of the mines or wells of said corporation from January 1, 1936

## CRIB MINERAL RESOURCES FILE 12

## RECORD IDENTIFICATION

RECORD NO..... M020030  
RECORD TYPE..... X1M  
INFORMATION SOURCE... 1  
DEPOSIT NO..... DDGM1 100-65  
MAP CODE NO. OF REC..

## REPORTER

NAME..... FERNS, MARK L. (BROOKS, HOWARD C.)  
AFFILIATION..... DDGM1  
DATE..... 81 04

## NAME AND LOCATION

DEPOSIT NAME..... GREENBACK CHROME

MINING DISTRICT/AREA/SUBDIST. GREENBACK

COUNTRY CODE..... US

COUNTRY NAME: UNITED STATES

STATE CODE..... OR

STATE NAME: OREGON

COUNTY..... JOSEPHINE

DRAINAGE AREA..... 17100310 PACIFIC NORTHWEST

PHYSIOGRAPHIC PRDV..... 13 KLAMATH MOUNTAINS

LAND CLASSIFICATION..... 49

QUAD SCALE

1: 62500

QUAD NO OR NAME

GLENDAL

LATITUDE

42-40-04N

LONGITUDE

123-16-50W

UTM NORTHING

4723750

UTM EASTING

477000

UTM ZONE NO

+10

TWP..... 033S

RANGE..... 005W

SECTION.. 27 34

SECTION FRACTIONS: NE 1/4 NW 1/4 SEC 34

MERIDIAN. WILLAMETTE

ACCURACY OF LOCATION

ESTIMATED

POTENTIAL.....  
OCCURRENCE..... CR

DRE MATERIALS (MINERALS, ROCKS, ETC.):  
CHROMITE

ANALYTICAL DATA (GENERAL)  
25.00 % CR2O3, 12.05 % FE

EXPLORATION AND DEVELOPMENT  
STATUS OF EXPLOR. OR DEV. 2

DESCRIPTION OF DEPOSIT

DEPOSIT TYPES:  
MASSIVE CHROMITE  
FORM/SHAPE OF DEPOSIT:

SIZE/DIRECTIONAL DATA  
SIZE OF DEPOSIT..... SMALL

DESCRIPTION OF WORKINGS  
SURFACE

PRODUCTION  
NO PRODUCTION

GEOLOGY AND MINERALOGY  
HOST ROCK TYPES..... SERPENTINE

GENERAL COMMENTS  
ASSAY INFORMATION ONLY

GENERAL REFERENCES

- 1) RAMP, L. AND PETERSON, N.V., 1979, GEOLOGY AND MINERAL RESOURCES OF JOSEPHINE COUNTY, OREGON; ODGMI BULL. 100, 45 P
- 2) RAMP, L., 1961, CHROMITE IN SOUTHWESTERN OREGON; ODGMI BULL. 52, P. 136



## COMMODITY SPECIALIST INFORMATION:

SPECIAL FIELD 3 PLACER

ORE MATERIALS (MINERALS, ROCKS, ETC.):  
GOLD, PLATINUM

## ANALYTICAL DATA (GENERAL)

FROM DAY & RICHARDS - GREENBACK: \$325.79 AU/TON & \$191.40 PT/TON, CONC. 100 TO 1, RECALCULATED TO .16 OZ AU/T  
.06 OZ PT/TON

## EXPLORATION AND DEVELOPMENT

STATUS OF EXPLOR. OR DEV. 8

## DESCRIPTION OF DEPOSIT

## DEPOSIT TYPES:

PLACER

## FORM/SHAPE OF DEPOSIT:

## SIZE/DIRECTIONAL DATA

SIZE OF DEPOSIT..... SMALL

MAX LENGTH..... 50 FT

## DESCRIPTION OF WORKINGS

LENGTH OF WORKINGS..... 2 MI

## COMMENTS (DESCRIP. OF WORKINGS):

HYDRAULIC, SAC/YEAR (1914)

## PRODUCTION

YES

MEDIUM PRODUCTION

ANNUAL PRODUCTION (ORE, COMMOD., CONC., OVERBURD.)

CUMULATIVE PRODUCTION (ORE, COMMOD., CONC., OVERBUR.)

ITEM	ACC	AMOUNT	THOUS. UNITS	YEAR	GRADE, REMARKS
15 AU	EST	020.000	OZ	1890-1914	
23 AU, MED		MAJOR	OREGON	1895-1941	AU (LOW)

## GEOLOGY AND MINERALOGY

AGE OF HOST ROCKS..... QUAT



## CRIB MINERAL RESOURCES FILE 12

## RECORD IDENTIFICATION

RECORD NO..... MO61243  
 RECORD TYPE..... X1M  
 COUNTRY/ORGANIZATION. USGS  
 DEPOSIT NO..... DDCMI 100-116  
 MAP CODE NO. OF REC..

## REPORTER

NAME..... JOHNSON, MAUREEN G.  
 UPDATED..... 81 05  
 BY..... FERNS, MARK L. (BROOKS, HOWARD C.)

## NAME AND LOCATION

DEPOSIT NAME..... COLUMBIA  
 SYNONYM NAME..... GREENBACK CONSOLIDATED

MINING DISTRICT/AREA/SUBDIST. GRAVE CREEK

COUNTRY CODE..... JS  
 COUNTRY NAME: UNITED STATES

STATE CODE..... OR  
 STATE NAME: OREGON

COUNTY..... JOSEPHINE  
 DRAINAGE AREA..... 17100310 PACIFIC NORTHWEST  
 PHYSIOGRAPHIC PRDV..... 13 KLAMATH MOUNTAINS  
 LAND CLASSIFICATION..... 01

QUAD SCALE QUAD NO OR NAME  
 1: 62500 GLENDALE

LATITUDE LONGITUDE  
 42-38-40N 123-18-54W

UTM NORTHING UTM EASTING UTM ZONE NO  
 4721152.7 474178.9 +10

TWP..... 34S  
 RANGE..... 05W  
 SECTION.. 05, 08

## COMMODITY INFORMATION

COMMODITIES PRESENT..... AU PT

PRODUCER(PAST OR PRESENT):

MAJOR PRODUCTS.. AL



# State Department of Geology and Mineral Industries

702 Woodlark Building  
Portland, Oregon

## GREENBACK MINE (Gold)

Greenback area

Owner: Pearl E. Klump, Grave Creek, Oregon.

Location: On Tom East Creek, north of Placer in secs. 32 and 33, T.33S., R.5W., and sec. 4, T34S., R5W. Placer is about 5 miles east of the Pacific Hiway at Grave Creek.

Area: 8 mining claims and 80 acres of patented land.

History: Park~~s~~ and Swartley give the following description:

"The Greenback Mine is situated near the head of Tom East Creek, a tributary of Grave Creek, about  $1\frac{1}{2}$  miles north of the town of Placer, which is 8 miles from Leland, the nearest railway point, in sec. 33, T33S., R5W. Its present has probably had much to do with making Tom East Creek the site of one of the most important placer mines in Oregon.

"The mine was discovered in 1897 and yielded rich returns from the first. In 1898 it was a producer of some importance, although at that time its ores were treated in an arrastre at Placer. The mine was then sold to the Victor Junior Gold Mining Company, from which it passed in 1902 to the Greenback Gold Mining and Milling Co. It is now owned largely or wholly by R. C. Robinson of Parish, N.Y. It has the largest milling equipment in southern Oregon, consisting of 40 stamps, operated first by steam and later by electric power, and the following additional machinery; onw 12 by 14 air compressor, 3 large Risdon crushers, 8 amalgamating plates each 12 feet long (now removed), 5 Prue vanners and 7 other concentrating tables, several Pelton wheels, 4 cyanide tanks each  $4\frac{1}{2}$  by 30 feet, besides solution and sump tanks, and an aerial tramway about 7000 feet long.

"The mine is opened on 12 levels, as shown in the accompanying plan. Above the 9th level most of the ore is stoped out to the surface. Below that level it is opened only by a winze, which is full of water, and these lower workings shown in the drawing are taken from a map at the mine. The vein strikes about east and west and varies in dip from about 30° to 60° N. The average dip from the 1st. level to the 9th is about 45° N.; it is less above the 5th level, and about 55° to 60° below that level. The vertical depth reached by the 9th level ~~and depth~~ is less than 500 feet the vein averages about 20 inches in width, but varies from less than 6 inches to more than 4 feet. The vein filling consists of quartz, calcite and pyrite, with quartz dominant in most places. The average content of the ore mined from the first and second levels was more than \$8 per ton, and 75 percent of this ore was free-milling, according to Captain Buck. The concentrates ran about \$75 a ton, and after cyaniding the waste product contained less than \$1 to the ton.



of greenstone). Metallic minerals include arsenopyrite, pyrite, chalcopyrite and free gold. Metallics comprise about one or five percent of the ore. Smaller veinlets parallel or cross the main vein and contain some gold values. Further details of the geology can be found in Appendix A and geologic maps prepared by Tom Ferrero in the pockets at the end of this report.

### 3.3 Reserves

Reserves have been calculated based upon information developed to March 1, 1989. Sampling and assay results have been developed independently by several parties. This information was reviewed by MGC and incorporated in the reserve estimate. Reserve calculations are based primarily on the new information developed during the past year on the middle (3rd) level which includes the development of the vein over 264 feet. Results of these reserve calculations are as follows:

Martha Mine  
Josephine County, Oregon  
Reserve Summary as of March 1, 1989

	Tons -----	Grade (oz gold per ton) -----
Proven	13,200	0.500 (a diluted mine grade over a four foot mining width.)
Probable	24,413	Grade assumed the same
Possible	58,440	Grade assumed the same
Total	<u>96,053</u>	<u>0.500</u> (Grade assumed the same)

The grade of the above reserves has been calculated incorporating 37 samples collected by MGC in February, 1989. In

addition the sampling work of Tom Ferrero and that of DGI by their miner Tom Billings were also utilized to arrive at the average grade. The various sampling programs are summarized as follows:

1. Drift sampling of 172 feet by Tom Ferrero with waste dilution to four feet mining width average 0.356 ounces per ton.

2. Drift sampling of 240 feet by Maurice Magee (MGC) with waste dilution to four feet mining width averaged 0.510 ounces per ton.

3. Fifty face samples collected by Tom Billings (DGI) averaged 0.717 ounces per ton over a four foot mining width. (Likely unintentional bias on the high side by chipping more quartz vein and less greenstone.)

4. Muck samples collected from 35 headings by Tom Billings (DGI) averaged 0.442 ounces per ton. (Likely includes some waste and low grade drift headings.)

5. Ore deck stockpile sampling by Tom Billings averaged 0.644 ounces per ton. (Likely biased on the high side since some low grade headings were not delivered to the stockpiles.)

From the above MGC concludes that a fair estimate of the mine grade in the area of the proven reserve would average about 0.50 ounces per ton. Mining in select areas may average 0.60 ounces per ton, at the same time some low grade areas cannot be avoided in mining and the grade may drop to 0.40 ounces per ton or lower in some areas.

Grade of the probable and possible areas can only be assumed



XG - 82  
Au, Ag

2033 First Street  
Baker, Oregon

STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES  
1069 State Office Building  
Portland 1, Oregon

239 S.E. "H" Street  
Grants Pass, Oregon

REQUEST FOR SAMPLE INFORMATION

The State law governing analysis of samples by the State assay laboratory is given on the back of this blank. Please supply the information requested herein fully and submit this blank filled out along with the sample.

Your name in full Len Ramp (DOGAMI) (1-4-12-63)

Street or P.O. Box P.O. Box 417 City & State Grants Pass, Oregon

Are you a citizen of Oregon?            Date on which sample is sent 4/15/63

Name (or names) of owners of the property Wesley Pieren

Are you hiring labor?            Are you milling or shipping ore?           

Name of claim sample obtained from Jim Blaine Group (Patented)

Location of property or source of sample (If legal description is not known, give location with reference to known geographical point.)

County Josephine Mining District Greenback

Township 34 S Range 5 W Section 5 Quarter section           

How far from passable road? 1/2 mile Name of road Greenback Mine

Channel (length) Grab Assay for            Description           

Sample no. 1 3 feet Au, Ag Composite vein from S. side & back of

Sample no. 2                       45' drift 30 feet from portal tunnel

1850 A elevation  
(Samples for assay should be at least 1 pound in weight)

(Signed) L.R.

DO NOT WRITE BELOW THIS LINE - FOR OFFICE USE ONLY - USE OTHER SIDE IF DESIRED

Sample Description Fractured iron-stained vein quartz with some mixed weathered greenstone.

Sample number	GOLD		SILVER					
	oz./T.	Value	oz./T.	Value				
P-28317 XG-82	0.04	\$1.40	Trace	- -	- - -	- - -	- - -	- - -

Report issued            Card filed            Report mailed 5-8-63 Called for           

SIR-5



## STATE DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

## ASSAY LABORATORIES

Baker, Oregon  
Grants Pass, Oregon

## SAMPLE INFORMATION REQUESTED

The law passed by the Legislature, governing the free assaying and analyzing of samples sent to a State Assay Laboratory, provides that certain information be furnished to the laboratory regarding samples sent for assays, etc. A copy of the law will be found on the back of this blank. Please read the law carefully. Will you please fill in the information called for in the following blank, as far as possible, and return the same to the nearest State Assay Laboratory, along with your sample. If you have made out a blank, this copy is for your future use. Keep a copy of the information on each sample for your own reference.

Your name in full J. E. Morrison

Post office address \_\_\_\_\_

Are you a citizen of Oregon? \_\_\_\_\_ Date on which sample is sent 10-22-37Name (or names) of owners of the property Greenback counselName of particular claim and date of location Jim Blaine

Location of property or source of sample:

(1) County Josephine (2) Mining District Greenback(3) Township 34 (4) Range 5 (5) Section 4

(6) Quarter Section \_\_\_\_\_

How far from passable road? on road

For what do you wish sample tested? \_\_\_\_\_

Does your sample represent a new discovery? noOn a newly located claim? no Old? yesHas any ore from this claim been milled or shipped? littleWidth of ore where sample was taken (length of channel cut) 30 in face upper

Remarks: The Department would be pleased to have you add to the above, such information as you think would be of interest and value. This could be placed in the space below or upon a separate sheet. This could best be shown by a pencil sketch, indicating the development on the claim with widths of vein, especially the width of ore at the place where this sample was taken.

A sample, to be of value, should be taken in an even channel across the vein from wall to wall. Its position in the workings should be marked and the width measured. Assays of unlocated samples, without widths, are of little value. They create but little interest in the minds of experienced investors and engineers.

Signed J. E. Morrison

(Over)



## ASSAY REPORT

~~Baker, Oregon.~~  
Grants Pass, Oregon.

Date November 22, 1937Sample submitted by Mr. J. E. MorrisonSender's Address Grants Pass, Oregon

Description of sample furnished by sender Greenback; number 1. Character: Quartz  
containing a small amount of serpentine and pyrite. Weight: About 4  
pounds. Size: 1 inch and smaller.

The assay results given below are made without charge as provided by Chapter 176, Section 10, Oregon Laws 1937, the sender having complied with the provisions thereof.

NOTICE: The assay result given below is from a sample furnished by the above named person. This department had no part in the taking of the sample and assumes no responsibility, other than the accuracy of the assay of the material as furnished it by the sender.

	Ounces per ton	Dollars per ton	Per cent	Value per ton	Total Value
Gold. @ \$35.00 / oz. . . . .	0.11	3.83			\$3.85
Silver @ \$0.77 / oz. . . . .	0.8	0.62			0.62
Copper . . . . .					
Lead . . . . .					
Zinc . . . . .					
. . . . .					
. . . . .					
. . . . .					
. . . . .					
. . . . .					
Total Value .					\$4.47

Signed \_\_\_\_\_

Assayer



# State Department of Geology and Mineral Industries

702 Woodlark Building  
Portland, Oregon

-2-

"The country rock at the Greenback Mine is largely greenstone, which is the result of alteration of an andesitic mass. Southeast of the mine serpentine is abundant, while an area of argillite lies to the north. The vein is cut off to the eastward by serpentine, which is apparently later than the mineralization, since the latter is not known to extend into the serpentine, either with or without faulting at the contact. To the westward the main vein is cut off by an important fault which strikes N 35-40°W. and dips 75-80° NE. Between these 2 limits, which are about 600 feet apart on the 9th level, the vein is continuous, although exhibiting variations in both strike and dip. Outside of these limits it has nowhere been found. In the stopes on the 6th level there is some indication of a branch vein or stringer going downward with the footwall and diverging also on the strike to the westward, but it has not been explored.

"About 80 feet south of the Greenback vein on the 5th level the Irish Girl vein strikes N 70°W., almost exactly parallel with the former, and dips about 60°N. Where opened it is a vein similar to the Greenback in mineral contents, but only 1 to 3 feet thick and lower in grade. It has been opened only by a drift 75 feet long and a short raise. The long crosscut into the footwall discloses two more veins, which are about parallel, but they are still smaller.

"The Greenback Mine is at present under lease and bond to Dr. W. L. Baker, of Buffalo, New York, and H. L. Holmes, of Geneva, New York; who are prosecuting some systematic work of rejuvenation of the property, under the efficient management of Mr. Childers of Montana. They are at present working a force of 30 men."

Some years later the property was acquired by L. E. Klump. According to the Grants Pass Courier, Jan. 27, 1937, Finley and McNeil of San Francisco undertook operations. In 1939, P. B. Wickham took a long term lease and opened the mine, but a series of accidents caused the mine to be closed in 1940. The Grants Pass Courier, April 3, 1941, reported that H. Anderson and Jess Wimer had reopened the mine but the work was discontinued in the fall of 1941. The mine is now idle. (1942).

According to P. B. Wickham, past production has amounted to 3½ million dollars.

Topography: The mine openings are at an elevation of 2000 feet on the east side of Tom East Creek. Snowfall does not hamper work for more than a short time each year. Rainfall is abundant during the winter months. Sufficient water for operating purposes is available. The property has a good stand of timber and there is ample space for tailings disposal.

Development: Total underground workings aggregate about 7000 feet. The main working level (No. 9) has a length of 1750 feet with a 350 foot winze. Total depth on the pitch of the vein is about 1000 feet. Most of the work since the 1916 report has been in extending previous development work. Some engineers' reports indicate from 25,000 to 50,000 tons of ore above the "1000" level.



# State Department of Geology and Mineral Industries

702 Woodlark Building  
Portland, Oregon

-39

Geology: The mine is on a serpentine and greenstone contact. The simple fissure vein strikes east-west and has a  $60^{\circ}$  dip N., with an average width of 3 feet. The quartz in the vein is white to gray to almost black, often quite massive and associated with a dioritic gangue. Ore minerals are gold, silver, chalcopyrite, pyrite, and some arsenopyrite. Commercial values are mostly in gold, partly free milling. There is probably one ore shoot on the Greenback vein which is offset by a fault at about the center. The section west of the fault has not been explored extensively.

Equipment: The mill used stamps, followed by amalgamation and gravity concentration. Old tailings have been retreated to a limited extent by cyaniding. Equipment consisted of 3 ten-stamp batteries, 2 rock crushers, jig, amalgamation plates, etc.; mine cars, track, pipe lines, etc. Much of this equipment was installed by Wickham, who removed it when he gave up his lease.

Reference: Parks and Swartley, 16:112-114 (quoted)

Informant: P. B. Wickham, 1939  
Ray C. Treasher, 1942



and cannot be assured until sampled.

This reserve summary requires several footnotes to explain the calculations, estimates and observations. The above table is qualified in the entirety by the following ten notes.

1. The definition of reserves as used in this report is subject to restrictive use. The SEC requires that a "reserve" be "technically, economically and legally extractable." Only the technical aspects of the reserve estimation and calculations are addressed in this report. The SEC will accept only "proven and probable" categories of reserves for reporting purposes. A "reserve" implies that the calculations have been properly made from adequate sampling and assaying information and that the material is reasonably assured to be in place. Only the proven and probable categories may meet the technical and economic criteria of the SEC.

2. The "possible" or "inferred" category is based upon reasonable geologic projections of the vein along strike and down dip from the proven and probable areas of the mine, but the "possible" areas have not been sampled and assayed, as no mine development is in place for sampling. We have no assurance that the vein will continue nor do we have assurance that the grade will continue as projected. The "possible" category tonnage and grade may be presented in private or exempt transactions and may be used in some Canadian mining company reserve statements. It is used here for presenting the projected potential of the property and for mine planning and development.

3. Reserves stated are in-place diluted reserves. For mining purposes a mine recovery factor of 80 percent may be appropriate with 20 percent of the reserve left in the ground as support pillars. A mill recovery factor of an estimated 90 to 92 percent based on metallurgical tests should also be applied in the economic evaluation. Actual metallurgical recoveries will be based upon plant design, which has yet to be completed.

4. Accuracy in reserve estimation has not been quantified in the industry and no criteria or formulae for percentage estimation has been established throughout the industry. The following is an approximation of probable accuracy. A proven reserve is considered generally accurate to about  $\pm 10$  percent and may also be stated as a figure with about a 90 percent confidence level. A probable reserve is considered generally accurate to  $\pm 30$  percent with a confidence level of about 70 percent. Proven and probable reserves may be combined and may be stated as reasonable accurate to  $\pm 20$  percent. Possible reserves may be accurate to about  $\pm 50$  percent. These percentage estimates are not applied uniformly throughout the industry. These percentage estimates apply to both the tonnage and the grade.

5. Reserve estimates in this letter report are based primarily on the chip sampling work by Maurice Magee assisted by Tom Billings of DGI in February, 1989. A review was made of the work of Tom Ferrero and his interpretations included in his report of January 12, 1989. Work by Geoff Garcia is used for the upper level projections and estimations made in his report of May 2, 1988. The



sampling and assaying done by Tom Billings for DGI have been reviewed and are used for comparisons in the areas of the new mine development on the middle level and in the area to the east of the sampling done by Tom Ferrero. Muck sample assays and ore deck sample assays taken by Tom Billings of DGI were also reviewed.

6. The vein width ranges from one to 48 inches and is on average about 24 inches. The reserve estimate minimum mining width is 48 inches, which includes an average of 24 inches of greenstone wallrock as dilution. This material may have some gold content, and it was sampled and weighted into the average grade by Maurice Magee. It was also sampled in part by Tom Ferrero. While the quartz vein contains most of the gold, some of the gold occurs in shear zone material adjacent to the vein and some gold occurs in the greenstone where it is brecciated. The average grade of a minimum mining width of four feet is estimated to be 0.50 ounces gold per ton. The vein is reasonably certain to project to the upper level, but the grade in this area is less certain. Projection of the vein to the lower level is projected with less confidence. The vein has been found on the lower level in recent mine development, but the grade of the vein at 200 feet further depth is not known at this time and is projected to this lower level with much less confidence.

7. The grade data for the proven reserve is based principally on the sampling by Maurice Magee. However, the sampling by Tom Ferrero and Tom Billings are also considered. Mr. Ferrero, in his calculations excluded a 30 foot section of low grade material from



his reserve estimate. This resulted in a grade estimation averaging 0.411 opt over a strike length of 145 feet. If the low grade zone is added back to the reserve calculations estimate, the average grade is 0.356 opt over 172 feet. By comparison, the grade average by Magee was 0.510 opt over 240 feet, which includes 90 feet of new mine development not included in the Ferrero estimate. The proven reserve is projected up 100 feet and down 50 feet from the middle (3rd) level over a strike length of 264 feet and a mining width of 4 feet. The grade of the vein cannot be projected further with sufficient confidence upward to the upper level. The proven reserve is calculated as:

$$264' \times 150' \times 4' / 12 \text{ cu. ft. per ton} = 13,200 \text{ tons.}$$

8. Probable reserves are projected from the proven area another 50 feet downward, 100 feet along strike and upward to the upper level about 110 feet. Calculation procedures are similar to that stated above in note 7. Grade information is projected from the proven area and an assumption is made that the grade will continue as found in the proven area. There has been no sampling in the probable area except for a few samples taken in pillars on the upper level. New mine development of 70 to 100 feet east on the middle level will add new information on the grade and vein width.

9. Possible reserves are projected to the lower level and upper level and along strike to the east another 200 feet beyond the proven and probable categories. A block of possible reserves of 13,333 tons are also estimated above the upper level, between

stopes, however, in this area the early mining may have mined out much of this area and what is left may be too low grade to be economically recoverable. There are no samples taken in the possible area and the grade is assumed at the same level as that found in the proven area.




10. The Martha vein dips on about 40 to 60 degrees to the north. The actual vein width is demonstrated in the areas of the middle level where stoping has been done in two areas about 10 feet up above the drift level and along the drift for about 150 feet on the strike of the vein. A vein dip of 60 degrees is used for the calculations made in the reserve estimation and a minimum mining width of four feet is used. The tonnage calculations are based on a tonnage factor of 12 cubic feet per ton which is reasonable for this type quartz vein in greenstone deposit.

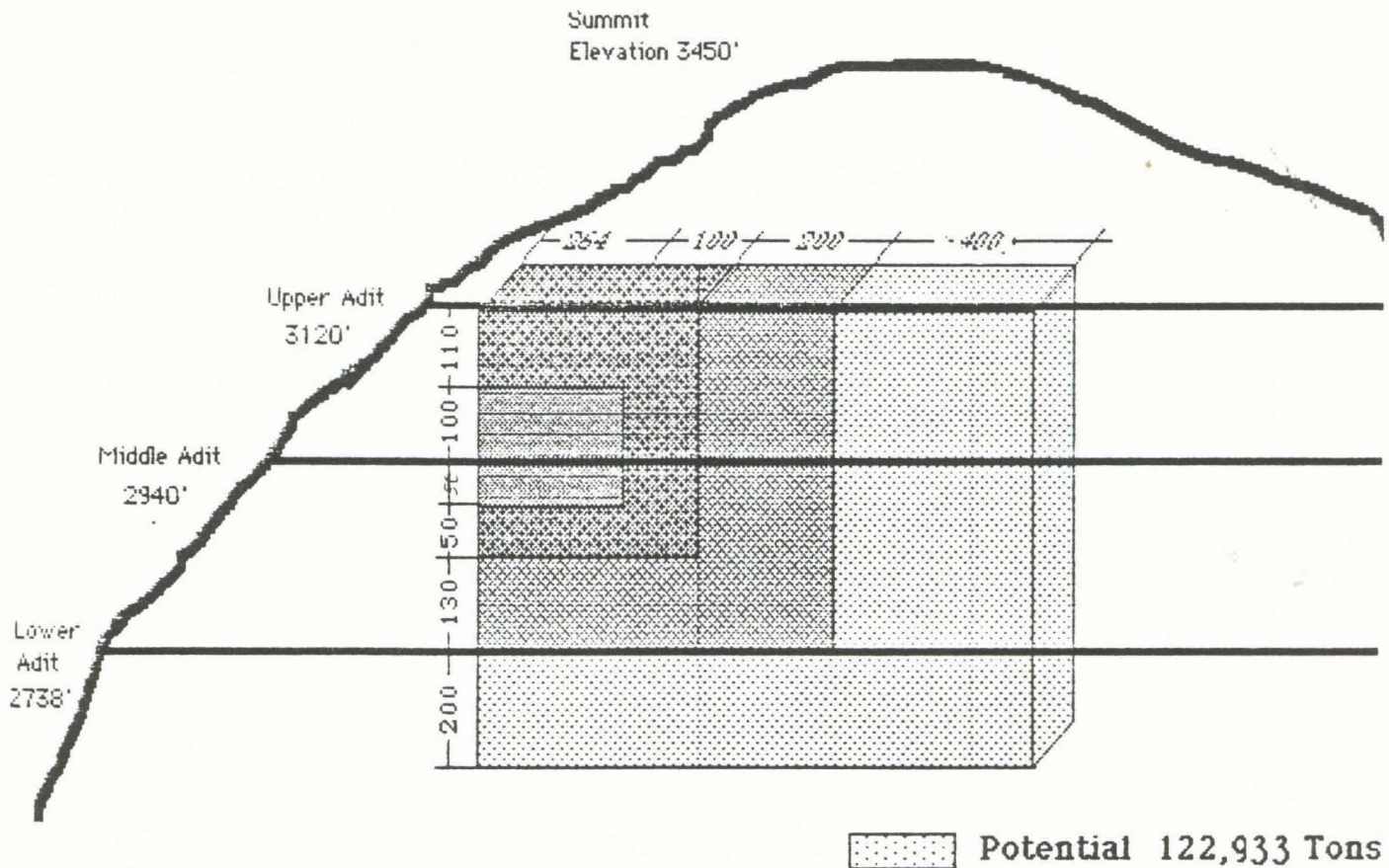
### 3.4 Exploration Recommendations

MGC believes that the Martha mine should be explored to develop additional reserves. In order to achieve the definition of additional reserves the following programs should be continued or started.

1. Exploration development on the middle and lower (3rd and 4th) levels should continue with drift development of an additional 400 feet along the vein on the middle level and 700 feet on the lower level. The upper (2nd) level should also be explored beyond the caved area to explore the upper part of the deposit and be reached by a raise from the middle level to the upper level for an

# Mine Model Diagram - 3/3/89

	Proven	13,200 Tons
	Probable	24,413 Tons
	Possible	58,440 Tons
		<u>96,053 Tons</u>



**CONFIDENTIAL**



---

PROJECT NAME: GREENBACK

---

OWNER(S): MEGA GOLD RESOURCES

METAL(S): GOLD  
SILVER

EXPL. STATUS: EXPLORATION  
ACTIVITY STATUS: ACTIVE  
(PAST PRODUCER)

OPERATION-TYPE: UNDERGROUND

MINESEARCH #: 057805

MOST RECENT SOURCE: APRIL 1985

LOCATION

STATE: OREGON  
COUNTY: JOSEPHINE  
LOCALE: TOM EAST CREEK  
TOWN: PLACER  
DISTANCE FROM: 1.5 MI N OF PLACER.  
LONGITUDE: 123.18.21  
LATITUDE: 42.39.12

THE PROSPECT IS IN SEC 32, 33, AND 5, T33 AND 34S, R5W, JOSEPHINE COUNTY.

WORK HISTORY

1897: THE DEPOSIT WAS DISCOVERED.  
1898-1912: PRODUCTION TOTALED ABOUT \$3.5 MILLION.  
1984: MEGA EXPLORED THE PROPERTY, INCLUDING GEOLOGIC MAPPING.  
(OG 4/85)

CURRENT WORK PLAN

1985: A PROGRAM OF GEOLOGICAL MAPPING AND GEOLOGICAL STUDY HAS BEEN RECOMMENDED. (NWP WINTER 1985)

GEOLOGY REPORT

ZONE NAME: N/A  
OREBODY TYPE 1: VEIN (LODE)  
GANGUE 1: QUARTZ  
GANGUE 2: CALCITE  
GANGUE 3: PYRITE  
GANGUE 4: ARSENOPYRITE  
WIDTH: 20 INCHES  
LENGTH: MORE THAN 500 FT  
COUNTRY-ROCK: GREENSTONE

GEOLOGIC MAPPING OF THE AREA INDICATES 18 PARALLEL QUARTZ VEINS IN A 4,500-FT-LONG BAND OF GREENSTONES. (OG 4/85)

COMPANY INFORMATION

WE HAVE BEEN UNABLE TO LOCATE THE COMPANY.

BIBLIOGRAPHY

MILS SEQUENCE # 0410330177  
OREGON GEOLOGY 4/85  
NORTHWEST PROSPECTOR WINTER 1985

Owner: Pearl E. Klumpp, Grave Creek, Oregon.

~~Lessee: P. B. Wickham, Ashland, Oregon.~~

Location: ~~Josephine County, Orego-~~ About 10 miles easterly from Leland Station on Southern Pacific Railroad and about 6 miles easterly from Pacific Highway, Grave Creek Junction, in secs. 32, 33, T. 32 S., R. 5 W., and sec. 4, T. 34 S., R. 4 W.

Elevation: About 2000 feet.

Area: Eight mining claims and 80 acres, patented. Good commercial title.

Formation: Porphyry on the west, serpentine on the east. Veins in diorite and greenstone extending into porphyry on west.

Vein: Simple fissure. Strike easterly and westerly, dip about  $60^{\circ}$  N.; width, averages about 3 feet.

Ore Shoots: Probably one shoot on the Greenback Vein, offset by fault at about center, total length about 1200 feet as indicated by present development. 600 feet east of fault most stoped from No. 9 level to surface. Sector west of fault under exploration. Quartz predominating. White to grey and almost black. Often massive, associated with dioritic gangue. Values in free gold and base metals.

Minerals: Gold, silver, little copper and lead, galena, pyrites, etc. Commercial values are mostly in gold, partly free milling. Records are not



429

GREENBACK MINE (continued)

Recovery: Without actual past records it can only be said that values of old tailings indicate that a fair recovery, perhaps exceeding 80% was made by amalgamation and gravity concentration. More careful application of these methods followed by flotation or cyanide should return 90% recovery, or better.

~~-Power~~

General: Commercial electric power can be had by extension of power line. Deisel power, however, is being installed for present operations, beginning with about 100 H.P. Sufficient water for operating purposes, owned by the property. A good stand of mine timber owned by the property. Ample space for disposal of tailings. Suitable climate for continuous operation. Good auto road excepting upper end which is being relocated and improved. Distance, 6 miles from Pacific Highway at Grave Creek Junction.

Buildings: Old mill building and other buildings to be replaced under present operations.

Equipment: 3 ten-stamp mill batteries, (30 stamps) 2 Rock Crushers, Miner Jig, Concentrator, amalgamation plates, etc. Mine cars, track, pipe lines, etc. Deisel compressor being installed.

Investment: Records are not available from which to make a statement of total investments in the property, but it can be said that present development and improvements could not be replaced short of a cost exceeding \$150,000.00.

Remarks: The Greenback Mine is at this time under long term lease to P. B. Wickham of Ashland, Oregon. Reopening of the mine has been under way for some months. Rebuilding of the milling plant, installation of additional mine and mill equipment and improvement of the road are the immediate program.

Informant: P. B. Wickham, Lessee, 39

Reference: Parks + Swartley 16: 112-114 (quoted)



GREENBACK MINE (continued)

available from which to offer a concise statement of average value under former operation but it is established that the yield was high. Present reopening of the mine has not progressed far enough to permit a general sampling but unconfirmed engineer's reports give an average value ranging from \$8.00 to \$16.00 per ton on the low grade ores remaining in the old workings east of the fault. Development west of the fault is showing some excellent ore and occasional high grade with promise of a good average.

Development: In round numbers. Main working level (No. 9) length 1750 feet. Winze 350 feet. Total underground workings about 7000 feet. Total depth on pitch of vein about 1000 feet.

~~Production: Records of past production are reputed to account for more than \$3,500,00.00 for milling operations.~~

Process: Stamp milling. Amalgamation and gravity concentration. Future practice may include flotation. Old tailings are being treated by cyanide, leaching process.

Tonnage: As in the case of values, reopening has not progressed far enough to permit a survey to determine amount of ore now available but above engineers' reports claim 26,000 tons measured ore remaining in old workings on Greenback Vein above "1000" level, east of the fault. The Irish Girl Vein above No. 9 level will add to this tonnage materially. In the new sector west of the fault dimensions of the block would suggest some 30,000 tons potential ore without present knowledge of average value. More conservatively, it might be suggested that there are some 50,000 tons of ore of all grades above the "1000" level, on the Greenback Vein.

Costs: Cost of former operations are not available. Present costs based on experience under like conditions in the locality should not exceed \$4.00 per ton for actual mining and milling exclusive of exploration and development.



# Gold venture seeks funds, partnership

By SCOTT JORGENSEN  
IVN Staff Writer

Is there gold in them thar hills?

On the evening of Thursday, Jan. 29, some 35 people attended a presentation by the Ontario, Canada-based company, Southern Oregon Gold, at the Guild Building in Grants Pass.

Attendees included Josephine County Commissioner Sandi Cassanelli; a representative from the office of Oregon Congressman Greg Walden (R-2nd District); Jon Jordan, executive director of the Grants Pass Chamber of Commerce; and members of the Josephine County Chapter of Americans for Prosperity.

Jeremy Goldman, Southern Oregon Gold board member and Foundation Markets president and founder, began by discussing the region's history in the mining industry. He said that gold has performed well in international markets, and characterized it as a resource that isn't "being taken advantage of."

Enrique J. Lopez De Mesa, president of Southern Oregon Gold, asked audience members for their help in making the venture a success.

"We're looking to build a world-class company here," he said. "That's only going to happen if we have partners at multiple levels."

Lopez De Mesa said that, if the company gets enough local support, "We're going to spend a lot of money in this region."

The company already owns the Greenback Mine in the Wolf Creek area, Lopez De Mesa said, and conducted soil and rock sampling and trenching there.

"No surprise, we found gold," he said. "We're excited with what we're finding."

Lopez De Mesa said that the Greenback Mine has been expanded from 300 to 1,000 acres, and that the company has already started hiring local people for its operations. The company also has acquired 360 acres of property

around Grouse Mountain in S.W. Oregon, he said.

Developing those properties will require between \$40 million and \$100 million in investments, he said, and may take from five to 10 years.

Lopez De Mesa said the company is looking to raise \$1 million by March 1, and is seeking small investments to draw larger investments. Southern Oregon Gold plans to go public some time this year on the Toronto Stock Exchange, he said.

"We are poised and positioned to take advantage of this (economic) downturn," Lopez De Mesa said.

#30

#### COMMENTS ON ARTICLE:

Canada has no gold?????? The U.S. has no gold mining companies???? no wonder we are where we are in this country. If Alaska and it's citizenry can profit from oil, why can't Oregon and it's citizenry profit from gold mined in the county. Seems to me that if someone local did this it would be good for all. Perhaps these are those "jobs that Americans won't do"!

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might as well take the tax \$\$\$ and invest in the lottery, the real local economy...who elects these people? Where's Waldo? The old county seat...

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Foreigners (i.e. non-US citizens) and non-US based companies should not be permitted to mine precious metals within America until we have eliminated the National Debt, as we may (will) need the metal in the ground to back our ever-inflating currency.

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FEE \$375

AppNo: 5832

TWN: 34 RNG: 05 SEC: 05 QSEC: 00 TAX: 000200

Second Map No: 34050500000400

Fourth Map No: 33.05.33 TL 2800 330505 TL 100

Third Map No: 33052800000400

Fifth Map No: 33.05.32 TL 2300 330505 TL 507

Situs: KING MOUNTAIN TRL

330532 TL 33 ZONE: FC

Second Situs: KING MOUNTAIN TRAIL

ZONE:

Owner: JOSEPHINE COUNTY

Telephone:

Address: 500 NW 6TH ST

GRANTS PASS, OR 97526-2037

Applicant: SOUTHERN OREGON GOLD

Telephone: 474-2717

Address: 12303 GALICE ROAD

MERLIN OR 97532

Name:

Telephone:

Address:

Applications: Pre-Application Review

PreAppReq: CUP

Type of Procedure : Quasi-Judicial

TEAM MEETING DATE: NOTICE OK'D: DATE NOTICE MAILED:

COMMENT DEADLINE: CAC or NA:

TAKINGS REVIEW REQUIRED ( ) LEGAL COUNSEL'S REVIEW IN FILE ( )

Application Complete: STATUTORY TIME LIMIT EXPIRES:

PLANNING DIRECTOR FINDINGS ENTERED: (Date) Appeal Deadline:

PUBLIC HEARING: (PC) (HO) (BCC)

Hearing Date: Decision Date: Date Findings Signed:

Date Findings Mailed: Appeal Filed:

### FILE NOTES

9/26/08 - James M.



# Josephine County, Oregon

Board of Commissioners: Jim Raffenburg, Dwight Ellis, Dave Toler

## PLANNING OFFICE

Michael Snider, Director

510 NW 4th Street / Grants Pass, OR 97526

(541) 474-5421 / FAX (541) 474-5422

E-MAIL - planning@co.josephine.or.us

## CONDITIONAL USE PERMIT APPLICATION

[SITE PLAN REVIEW PRE-APP REQUIRED]

PRE-APPLICATION FEE: \$375

CONDITIONAL USE FEE: \$2,000

### PROPERTY & APPLICATION INFORMATION

#### ASSESSOR'S LEGAL DESCRIPTION:

TWN \_\_\_ RNG \_\_\_ SEC \_\_\_ QTR \_\_\_ TAX LOT(S) See Attached Sheets

TWN \_\_\_ RNG \_\_\_ SEC \_\_\_ QTR \_\_\_ TAX LOT(S) \_\_\_\_\_

PROPERTY ADDRESS: None

EXISTING ZONING: Forest Commercial / Supercenter PARCEL SIZE: ± 616 Acres Total

DESCRIBE THE PROPOSED USE: Mineral Exploration / Mining

### OWNERSHIP & APPLICANT INFORMATION

OWNER'S NAME: Greenback Holding Corp TEL: 817-6202 416-810-9116

MAILING ADDRESS: 76 Southern Oregon Gold Corp

APPLICANT'S NAME: Southern Oregon Gold Corp TEL: 541-660-4851

MAILING ADDRESS: 12303 Galice Rd, Merlin, Oregon 97532

REPRESENTATIVE: Geoff Garcia TEL: 541-660-4851

MAILING ADDRESS: 12303 Galice Rd. Merlin, Oregon 97532



## CRIB MINERAL RESOURCES FILE 12

## RECORD IDENTIFICATION

RECORD NO..... MC61242  
RECORD TYPE..... XIM  
COUNTRY/ORGANIZATION. USGS  
DEPOSIT NO..... DDGMI 100-115  
MAP CODE NO. OF REC..

## REPORTER

NAME..... JOHNSON, MAUREEN G.  
UPDATED..... 81 02  
BY..... SMITH, ROSCOE M.  
FERN, MARK L. (BROOKS, HOWARD C.)  
FERN, MARK L. (BROOKS, HOWARD C.)

## NAME AND LOCATION

DEPOSIT NAME..... GREENBACK

MINING DISTRICT/AREA/SUBDIST. GREENBACK

COUNTRY CODE..... US

COUNTRY NAME: UNITED STATES

STATE CODE..... OR

STATE NAME: OREGON

COUNTY..... JOSEPHINE

DRAINAGE AREA..... 17100310 PACIFIC NORTHWEST

PHYSIOGRAPHIC PROV..... 13 KLAMATH MOUNTAINS

LAND CLASSIFICATION..... 01 49

QUAD SCALE  
1: 62500QUAD NO OR NAME  
GLENDALELATITUDE  
42-39-13NLONGITUDE  
123-18-23WUTM NORTHING  
4722169.4UTM EASTING  
474892.6UTM ZONE NO  
+10

TWP..... 33S  
RANGE..... 05W  
SECTION.. 32 33  
MERIDIAN. W.M.

LOCATION COMMENTS: S 1/2

## COMMODITY INFORMATION

MAJOR PRODUCTS.. AU  
MINOR PRODUCTS.. AG

OCCURRENCE(S) OR POTENTIAL PRODUCT(S):  
POTENTIAL.....  
OCCURRENCE..... CU AS

ORE MATERIALS (MINERALS, ROCKS, ETC.):  
FREE GOLD; PYRITE, CHALCOPYRITE, ARSENOPYRITE

COMMODITY SUBTYPES OR USE CATEGORIES:  
1.47 AU:AG

COMMODITY COMMENTS:  
75 % FREE MILLING GOLD

EXPLORATION AND DEVELOPMENT  
STATUS OF EXPLOR. OR DEV. 6  
PRESENT/LAST OWNER..... WES PIEREN, GRANTS PASS OREGON (1979)

#### DESCRIPTION OF DEPOSIT

DEPOSIT TYPES:

VEIN \*

FORM/SHAPE OF DEPOSIT:

SIZE/DIRECTIONAL DATA

SIZE OF DEPOSIT..... MEDIUM

MAX LENGTH..... 600 FT

MAX WIDTH..... 4

STRIKE OF OREBODY.... WEST

DIP OF OREBODY..... 50N

COMMENTS(DESCRIPTION OF DEPOSIT):

TWO PARALLEL VEINS, THE GREENBACK AND IRISH GIRL

#### DESCRIPTION OF WORKINGS

UNDERGROUND

DEPTH OF WORKINGS BELOW SURFACE. 1000 FT

LENGTH OF WORKINGS..... 7000 FT

COMMENTS(DESCRIP. OF WORKINGS):

7000 FEET OF WORKINGS ON TWELVE LEVELS

#### PRODUCTION

YES

LARGE PRODUCTION

ANNUAL PRODUCTION (ORE, COMMOD, CONC, OVERBURD.)



STATE OF OREGON  
DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES  
Project Sample Record

SAMPLES SUBMITTED BY: LEN RAMP

Date: May 1, 1975

☐ Baker  
☒ Grants Pass

Sample No.	Mine or Prospect	Type	District	S.	T.	R.	Assay for
AJG-18	Greenback	Table Concentrate	Greenback	32-33	33 S.,	5 W.	Au, Ag
AJG-19	"	Table Middlings	"	"	"	"	Au, Ag

Descriptions:

AJG-18      Pyrite, chalcopyrite, epidote, quartz, galena, gold(?), arsenopyrite(?), tramp metal, etc.

AJG-19      Mostly quartz with minor sulfides.

Results:

		<u>Au oz/ton</u>	<u>Ag oz/ton</u>
39286 - 1	AJG-18	5.56	4.73
39286 - 2	AJG-19	0.10	nil

Results for AJG - 18 are average of 4 assays

*Barista*

July 26, 1957

## GREEN BACK MINE

Located on upper Torn East Creek  
a tributary of Grave Creek in <sup>SW 1/4</sup> Sec 33  
T.33S., R.5W. The owner is Wes

Perrin of Grants Pass. The mine  
was discovered in 1897 and has been  
a large producer of Gold (\$5 million?).  
There are several levels and thousands of feet  
of ~~to~~ underground workings. The  
gold was recovered from a quartz vein and  
the adjacent greenstone. The greenback  
vein averaged about 3 feet wide for 1500'  
striking N75W and dipping 60° to the north.  
The vein was mined for 1000 feet along  
the dip.

The 500' level was entered and explored  
for at least 1000 feet along the strike. ~~The~~  
The tunnels are in fair condition but  
in some places are caved. The vein has  
been mined out except for about 200 feet  
at the west end.

Samples taken in this area contained  
pyrite, chalcopyrite, galena and some  
free gold.

Mr. Perrin has done no work in the  
mine except to uncover the portal



of the 500 ft level and has attempted to open the tunnel at the 900 ft level. He has located some smaller quartz veins that parallel the Greenback vein. One at 2040 <sup>(A)</sup> elevation is about 3 inches wide and carries good value in free gold. (Cooperston)? This vein is 250 feet north of the Greenback and has been traced for 100 feet at the surface.

Mr. Perrin is presently cleaning up the old mill site which contains 40 stamps plus cyaniding equipment. The old equipment is gone and only one or 2 cabins remain. Mr. Perrin is planning to install a small mill (~~ten~~ tons per day) to work ore from the mine as well as from newly discovered veins.

One sample of dark grey quartz from the 500 foot level - west end was sent in for assay. —

N. Peterson + L. Lang

CUMULATIVE PRODUCTION (DRE, COMMOD., CONC., OVERBUR.)

ITEM	ACC	AMOUNT	THOUS. UNITS	YEAR	GRADE, REMARKS
15 AU	EST	0175.000	OZ	1898-1912	
23 DRE, AU, EST		3500.000	DOLLARS	1897-1941	0.4+ AU

PRODUCTION YEARS..... 1925-1941

SOURCE OF INFORMATION (PRODUCTION).. USBM

PRODUCTION COMMENTS.... MOST OF THE PRODUCTION IS FROM THE GREENBACK VEIN

RESERVES AND POTENTIAL RESOURCES

ITEM	ACC	AMOUNT	THOUS. UNITS	YEAR	GRADE OR USE
1 DRE	EST	25.-50.00	TONS	1952	IND

RESERVES ONLY

ITEM	ACC	AMOUNT	THOUS. UNITS	YEAR	GRADE OR USE
1		25.000-50.00	TONS	1952	IND.

GEOLOGY AND MINERALOGY

AGE OF HOST ROCKS..... PERM-TRI  
HOST ROCK TYPES..... GREENSTONE

AGE OF ASSOC. IGNEOUS ROCKS.. JUR?  
IGNEOUS ROCK TYPES..... SERPENTINE

PERTINENT MINERALOGY..... GANGUE -QUARTZ, PYRITE, CALCITE

GEOLOGICAL DESCRIPTIVE NOTES. GREENSTONE IS ALTERED ANDESITE; SERPENTINE POSSIBLY LATER THAN GREENSTONE

LOCAL GEOLOGY

NAMES/AGE OF FORMATIONS, UNITS, OR ROCK TYPES

- 1) NAME: APPLGATE GROUP  
AGE: PERM-TRI
- 2) NAME: GALICE  
AGE: JUR

SIGNIFICANT LOCAL STRUCTURES:

VEIN CUT OFF BY FAULT ON WEST & SERPENTINE ON EAST

COMMENTS (GEOLOGY AND MINERALOGY):

COMPLEX GEOLOGY NEAR THE THRUST CONTACT BETWEEN THE APPLGATE GROUP AND UNDERLYING JURASSIC SEDIMENTS



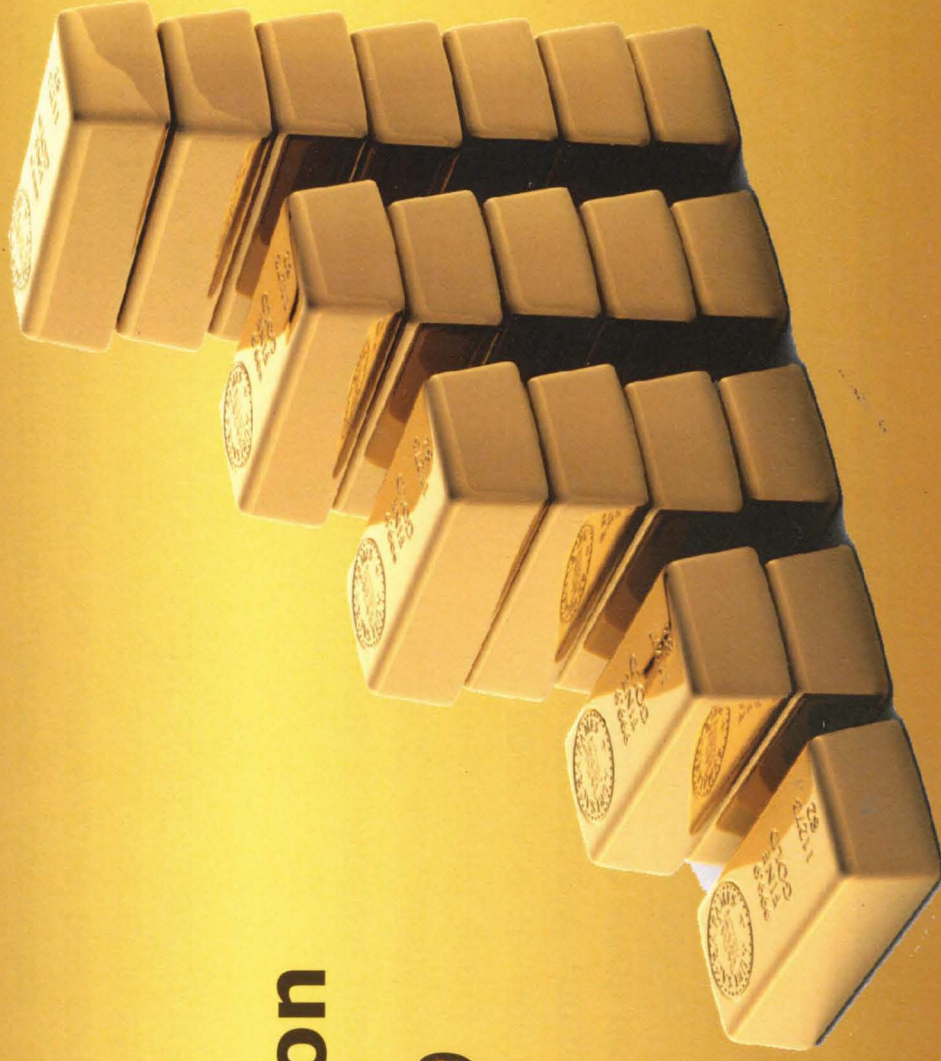
# **Southern Oregon**



**Gold/Corp**

## **Corporate Presentation**

**Winter 2009**





## Disclaimer

Our remarks today may contain forward-looking statements relating to the Company's operations or to its business environment. Such statements are based on the Company's operations, estimates, forecasts, and projections, but are not guarantees of future performance and involve risks and uncertainties that are difficult to predict or control. A number of factors could cause actual outcomes and results to differ materially from those expressed. These factors include those set forth in the corporate filings.

Although any such forward-looking statements are based upon what management believes to be reasonable assumptions, the Company cannot guarantee that actual results will be consistent with these forward-looking statements. In addition, the Company disclaims any intention or obligation to update or revise any forward-looking statements, for any reason. We also do not commit in any way to guarantee that we will continue reporting on items or issues that arise.



## Overview

- Strategic land position assembled within the proven Alaska-Baja gold-rich Cordilleran belt of western North America
- 175,000+ oz gold production in early 1900s from high grade veins
- Abundant known gold occurrences from preliminary soil and rock sampling (soil runs to 4.7g/t, over fifty samples > 0.1g/t; rocks run to 30+g/t)
- No modern exploration applied across this very prospective area



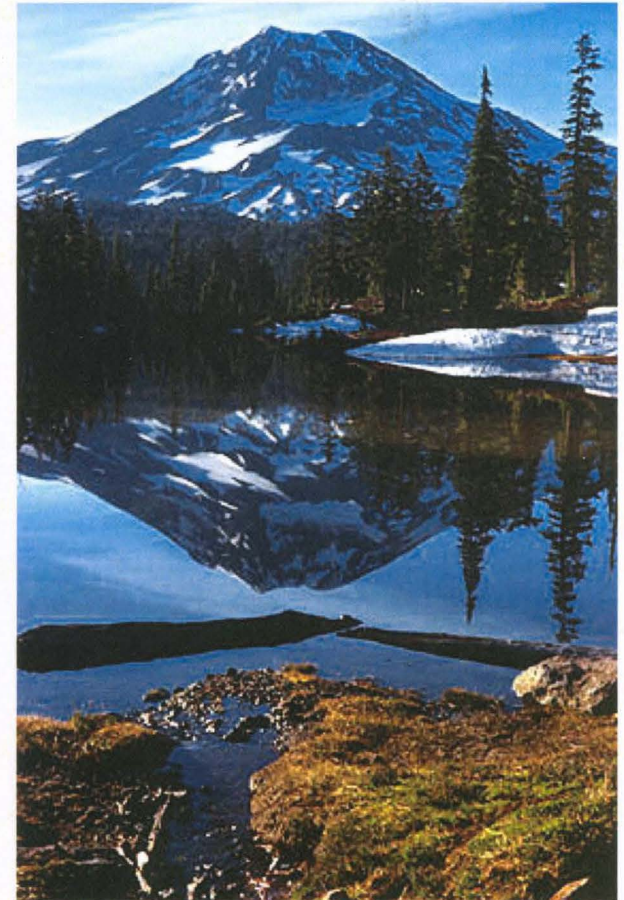
## Overview (continued)

- Assembled multi-faceted geological team to identify best targets through local knowledge, modern techniques, and MagmaChem screening models
- Expanding land package as the regional aggregator and partner
- Technical report (NI 43-101) complete
- Poised to profit from market downturn
  - Negotiating significantly undervalued strategic mining portfolio that can revitalize mining in this area



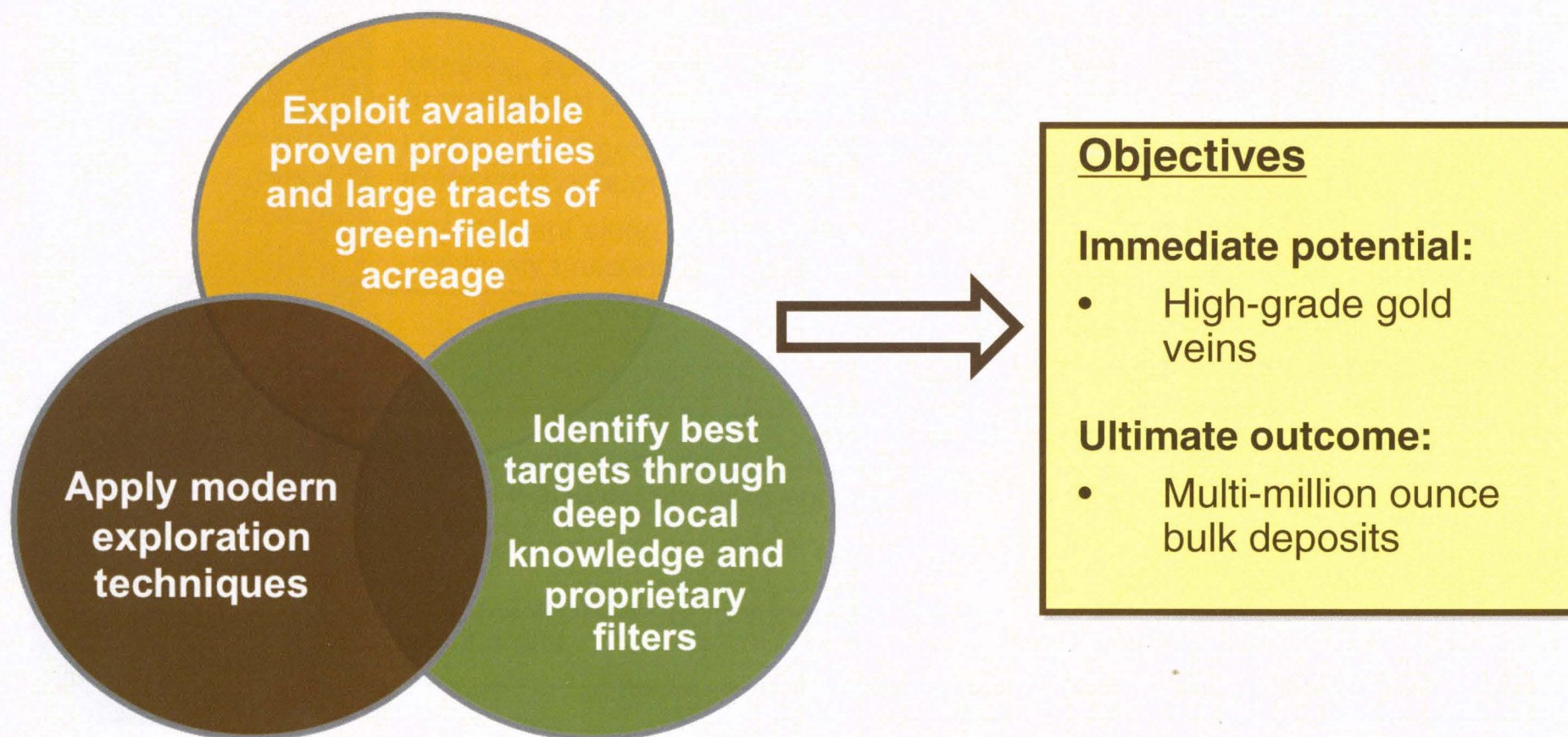
## Why Oregon?

- Proven gold-rich Alaska-Baja Cordilleran belt
- Overlooked and under-developed
- Ongoing mining since 1890s
- Financial crisis has created many Oregon opportunities which likely will not be available for long
- Dedicated Oregon Team and strong support of local leaders to advance exceptional mining opportunities



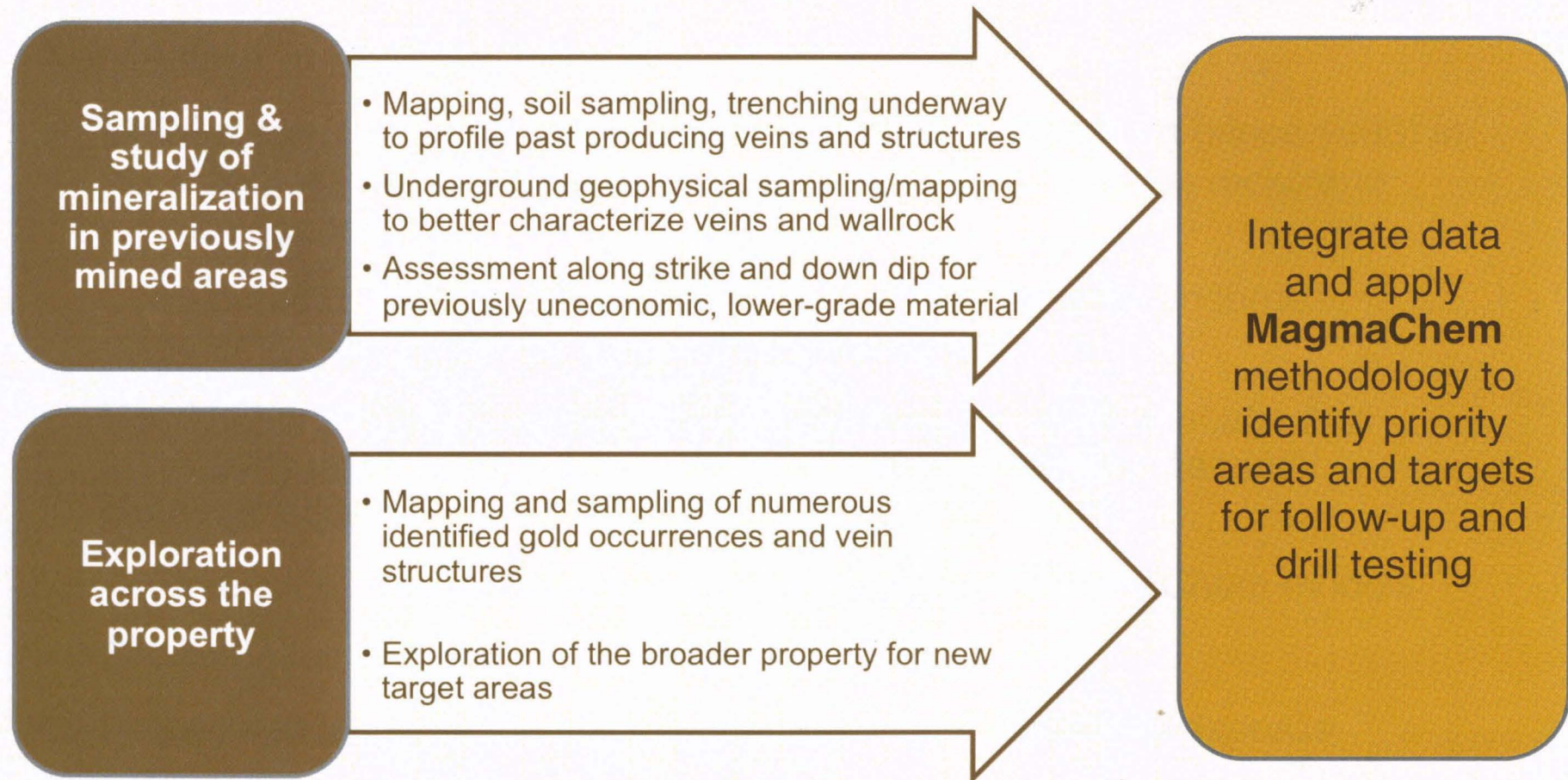


## Aggressive Growth Plan





## Exploration Approach





# Proprietary Exploration Approach

## Application of MagmaChem

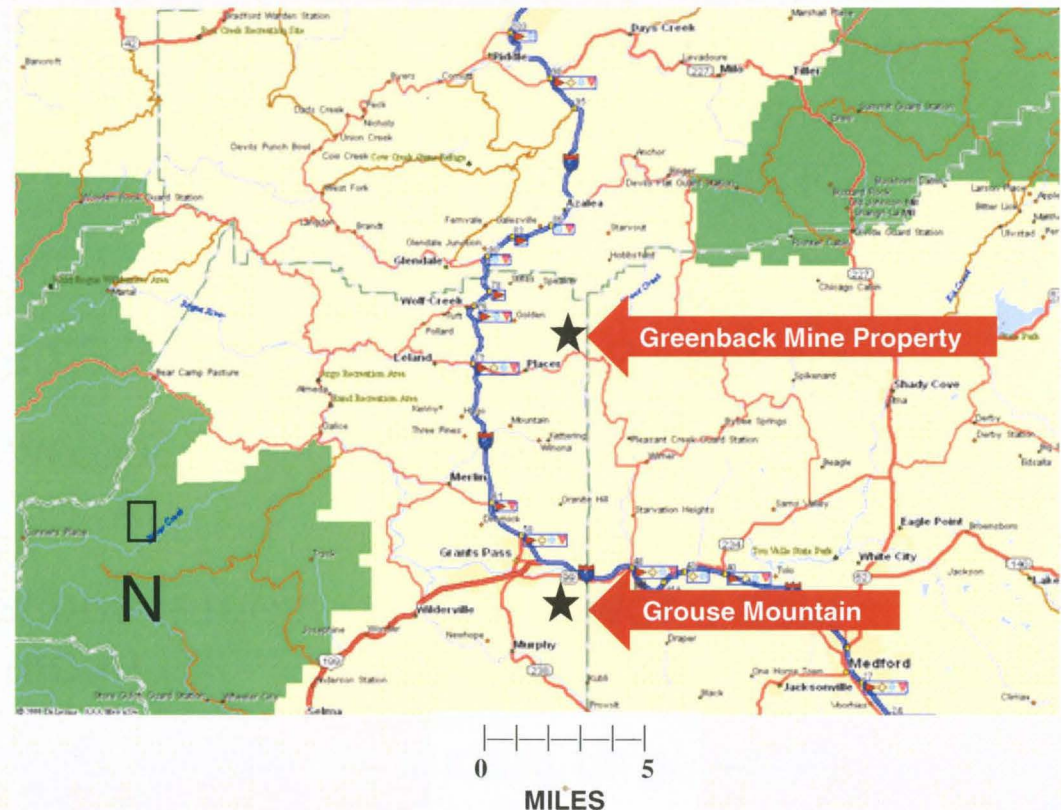
- Major resource companies invested more than \$100 million (since 1983) in the MagmaChem chemical classification system for igneous rocks and mineral deposits
- Contributed to the discovery of 18 major mineral deposits on three continents (see Appendix A for select discoveries)
- Used to screen our Greenback area properties for grade/tonnage and mineability track records based on local and regional geochemical characteristics
  - Integrates geological data into well-developed MagmaChem models
- Allows better discrimination of targets for drilling
- Potential to increase the discovery probability of significant deposits



## Land Base

- Greenback Property
  - 100% ownership
  - Over 1,000 acres (approx. 1/3 private lands) with additional contiguous acres pending
  - Includes past producing **Greenback Mine, Jim Blaine Mine and Martha Mine/Saint Peters Group**
- Grouse Mountain
  - 100% ownership
  - Over 360 acres
  - Proximal to Greenback
  - Excellent road access

### Josephine County, Oregon





## Greenback Model

- *Area rich with high-grade gold veins offering excellent potential to host multi-million-ounce, possibly bulk-mineable deposits as vein swarms, stockworks, and/or disseminated wallrock mineralization*
- Similar deposits within the belt:
  - Bralorne (B.C.) produced 3.7 m oz Au – avg. 0.27 opt Au
  - Kensington (Alaska) developed by Coeur d'Alene – 1.35 m oz Au reserves, avg. 0.31 opt Au
- Vein-type deposits remain second largest source of world gold production ( $\frac{1}{4}$  of *Canada's* output)
- Situated where Cordillera intersects with significant large-scale structural zone that hosts >100 m oz Au across Colorado-Utah-Nevada



## Greenback Property

### Greenback Mine

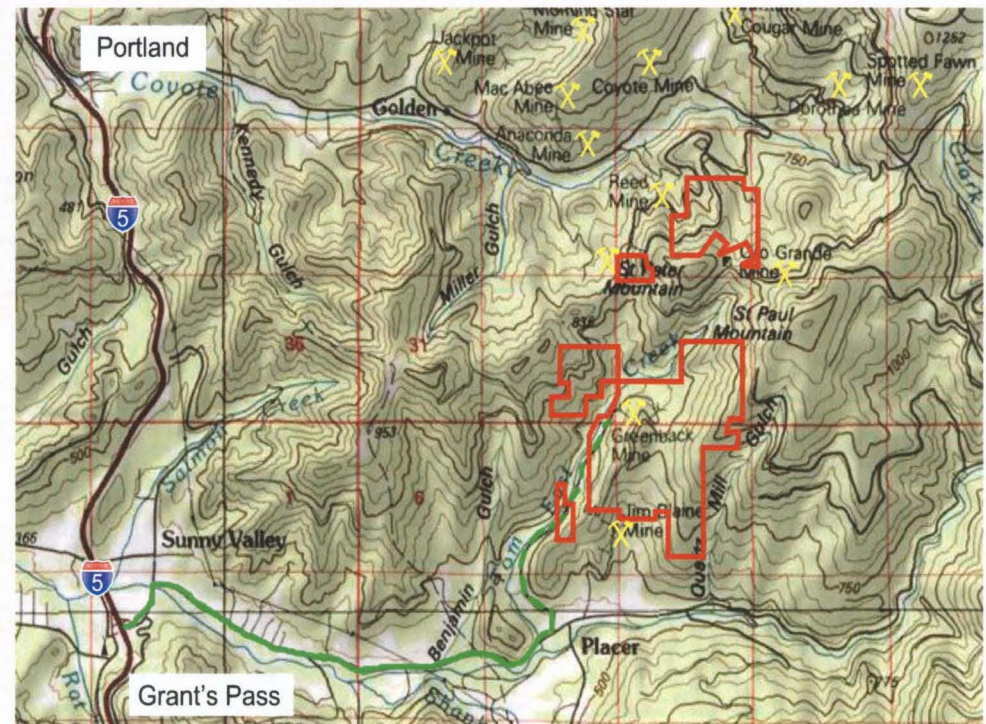
- Historically largest producer (175,000+ oz gold)
- Series of sub-parallel quartz veins
- Historical est. 92,500 tons with 63,645 oz Au, suggesting avg. grade 0.68 oz Au per ton
- 43-101 samples run to 41 g/t and mean of 19 g/t

### Martha Mine / St. Peters Group

- High-grade vein deposit w/ additional tonnage potential; possibility of large bulk-mineable pyritic gold deposit in footwall of veins
- Adjacent Cambior 1993 “reserve” est. of 200,000 tons grading 0.46 oz Au per ton

### Jim Blaine Mine

- Part of the Greenback Mineral System with additional high-grade vein deposit potential
- Has large bulk-mineable pyritic Au potential in the footwall of its veins

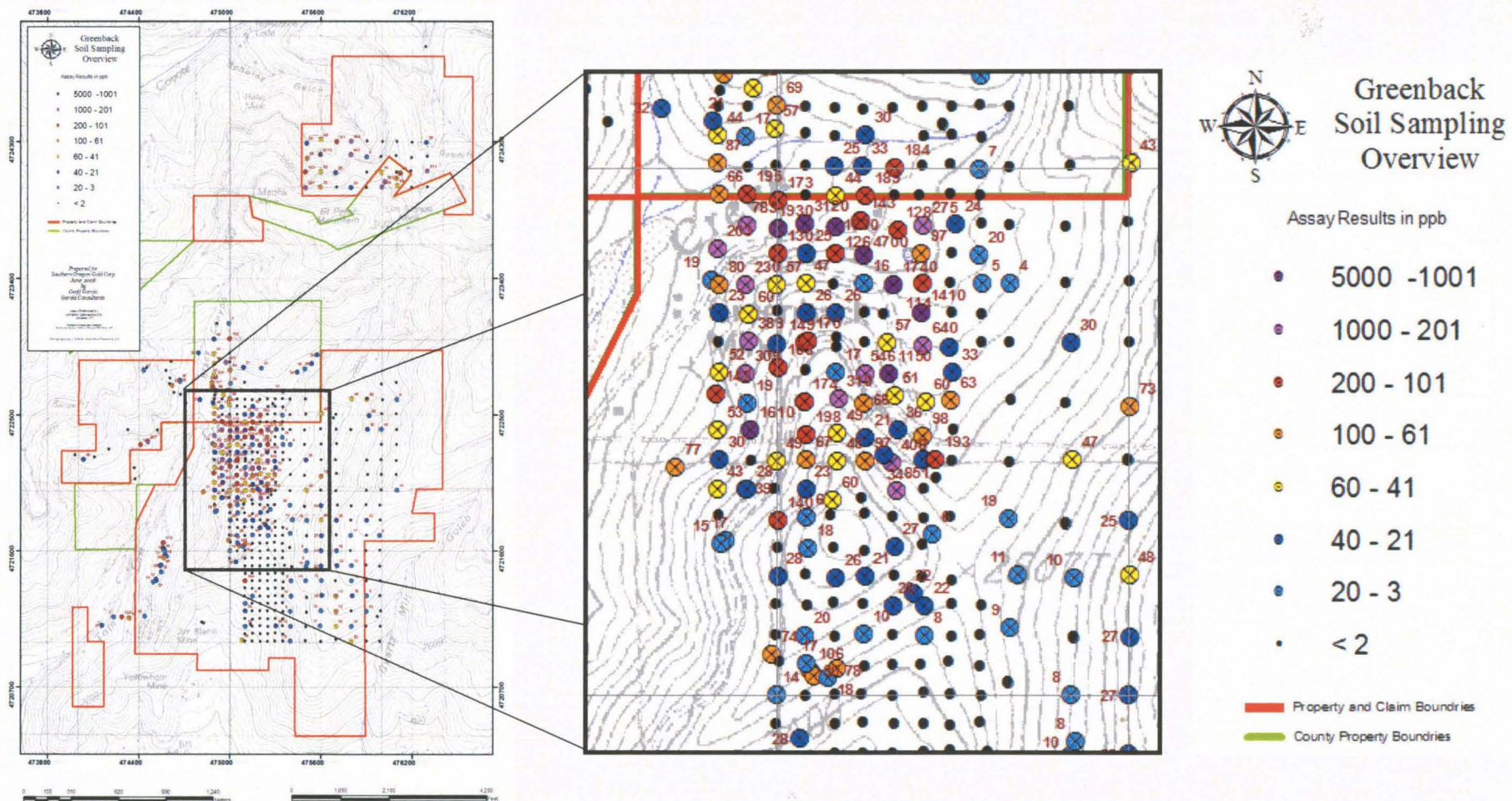








## Greenback Property: Preliminary Soil Sample Results




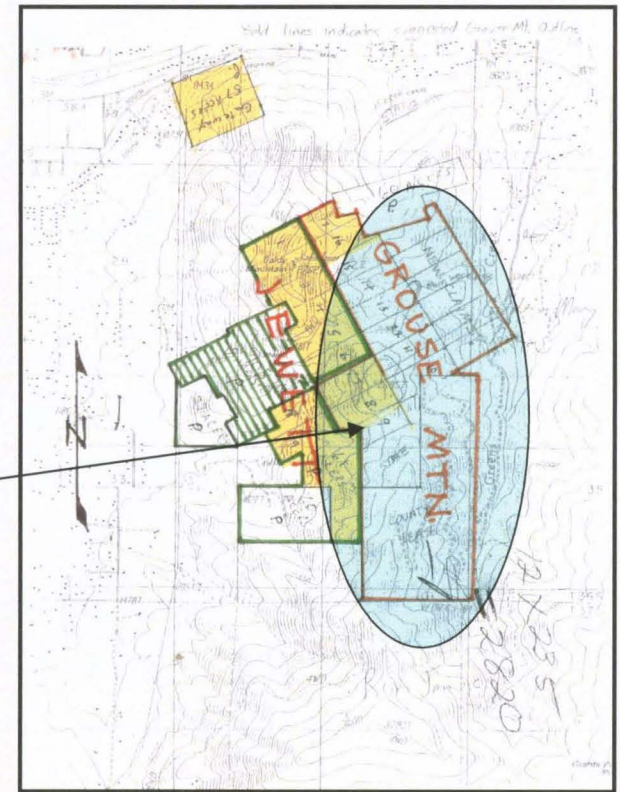


Geological characteristics	KENSINGTON DEPOSIT	SOUTHERN OREGON'S GREENBACK PROPERTY
Type of mineralization – mesothermal gold-quartz veins	<input type="checkbox"/>	<input type="checkbox"/>
Associated with major crustal break	<input type="checkbox"/>	<input type="checkbox"/>
Age of deposit	Phanerozoic	Phanerozoic
Nature of gold occurrence	Within multiple quartz-carbonate-pyrite vein swarms and discrete quartz-pyrite veins	Within multiple quartz-carbonate-pyrite vein swarms and discrete quartz-pyrite veins
Vein emplacement is post-middle-Jurassic	<input type="checkbox"/>	<input type="checkbox"/>
Lacks pronounced zoning	<input type="checkbox"/>	<input type="checkbox"/>
Depth of mineralized veins	Very large vertical extent that exceeds 2,500 feet	At least 1,000 feet
Host rock	Cretaceous-aged Jualin Diorite	Cretaceous-aged diorite and Jurassic-aged metabasalt.
Host rocks usually greenschist metamorphic grade	<input type="checkbox"/>	<input type="checkbox"/>
Size of deposit	4.4 million tons @ 0.31	<b>To be discovered</b>
Contained ounces of gold	1.35 million <sup>opt</sup> ounces	<b>To be discovered</b>



# Grouse Mountain

- Hosted in highly-productive diorite porphyry
  - Large stockwork/disseminated bulk-mineable Au potential
  - High-grade Au vein potential
  - Located proximal to Greenback
  - Limited sampling: 17 over 0.1 g/t and ran to 23 g/t
- 





## Why Gold?

- **Gold gained** 5.4% in 2008 - outperforming every major equity index in the world (Dow Jones, S&P 500, NASDAQ, TSX)
- **Significantly outperformed** major commodities in 2008
  - Oil (-55%), Silver (-23%), and Copper (-54%)
- **Historically safe** investment during economic instability (with special cachet)
  - Excellent hedge against inflation
- **Demand increasing**, supply declining, exploration slowed
  - Gold production lagging as a result of economic downturn
- **Major gold companies moving up** following price increases in the commodity
  - Value will be found in lagging, undervalued junior gold companies

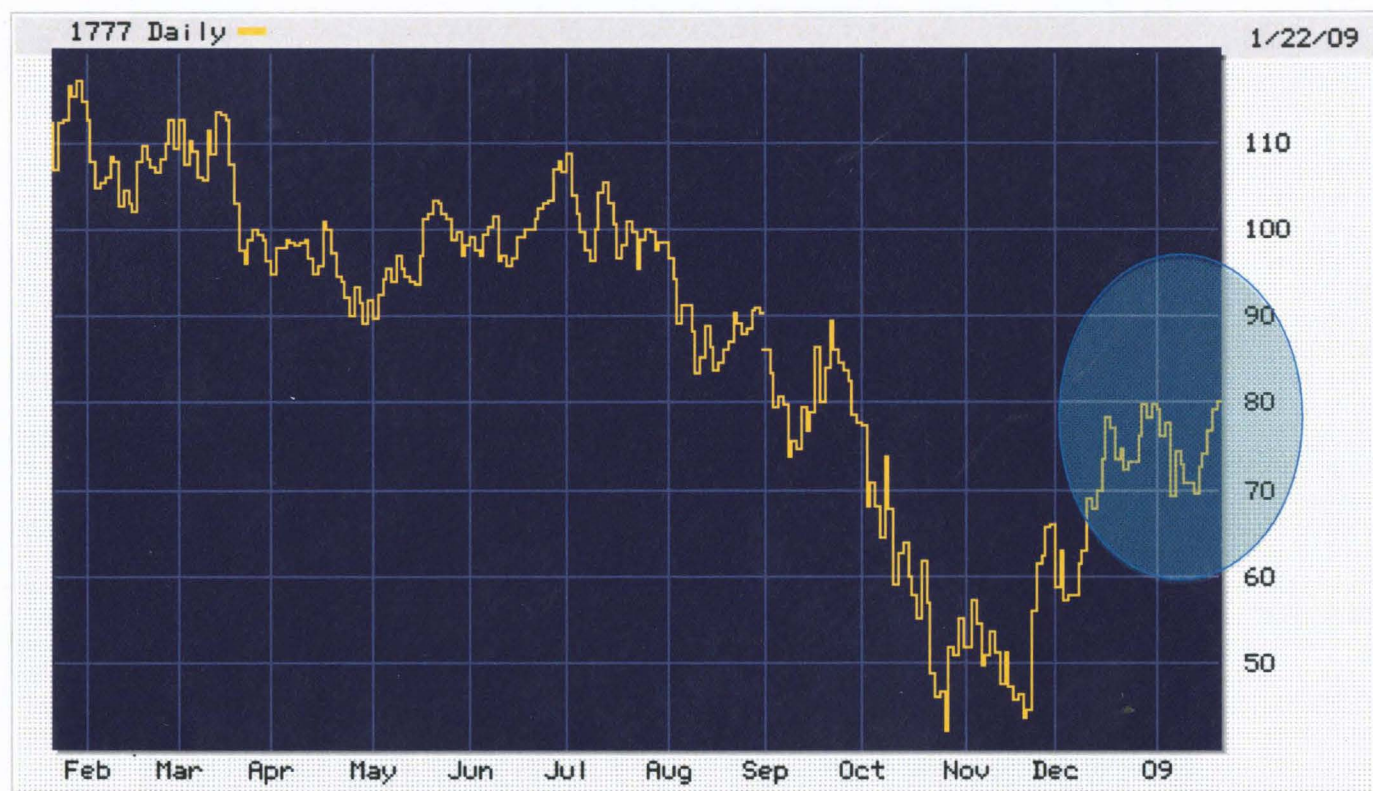
Sources: [www.goldworld.com](http://www.goldworld.com), [www.safehaven.com/article-12167.htm](http://www.safehaven.com/article-12167.htm)



## Why Gold?

### Dow Jones US Gold Mining Index(1 yr)

1-year Daily Chart of the Dow Jones U.S. DJ US Gold Mining Index Index<sup>SM</sup>



© BigCharts.com



## Why Gold?

The Junior (**red**) versus the Major (**blue**) Markets (1 Year)

**S&P/TSX Composite** | Chart

8,843.380 -77.020 -0.86% Vol: 23,448,998 Last Trade: Jan 19, 2009 10:50:45 EST





## Acquisition Portfolio

**First Gold Property** – Advanced discussions with vendor to acquire late-development property: Resource 924,000 indicated oz and 61,000 inferred (under-explored multiple gold anomalies)

- Technical study had total costs of ~US\$325 per oz and annual production of 77,426 oz

**Second Gold Property** – Advanced discussions with vendor to acquire development project

- Undergone considerable exploration and a feasibility-study-level evaluation
- Environmental baselines and monitoring directed by leading engineering consultants
- Resource 1.7 million oz measured and indicated and 1.0 million oz of gold inferred

**Other Gold Properties (North West)** – More than \$10 million of JV and acquisition opportunities

- Lumber groups with hundreds of thousands of acres of exciting unexplored land
- Smaller scale mining properties with no modern exploration
- Mine infrastructure such as mills potentially available below replacement cost

At this time, SOGC has only had preliminary discussions with regard to these potential acquisitions. There can be no certainty that these discussions will lead to the completion of a formal agreement. Even if any formal agreements are entered into by SOGC with regard to any such transaction, it is quite likely that the completion of such a transaction will require SOGC to raise significant financing, which SOGC may be unable to complete due to market conditions or otherwise.



## Key Management and Board

- **Enrique Lopez de Mesa, President Parent Company** – Senior financial professional with 20 years capital market experience.  
*Alpaca Resources, Kingsway, Veraz, Petrolympic, Protea, PWC, BZW*
- **Geoff Garcia, President Operating Subsidiary** – U.C. Berkeley trained geologist 30+ years local and international experience.  
*Kennecott Copper, American Smelting and Refining, Newmont, Nova Gold*
- **Stanley B. Keith, Technical Advisor and Director** – Geologist responsible for discovery of 18 mineral deposits on 3 continents.  
*MagmaChem Exploration Inc.*
- **Frank Ricciuti, Director** – Former investment banker and natural resource executive.  
*BP Canada, Merrill Lynch, Scotia McLeod, Elf Aquitaine*
- **Jeremy Goldman, Director** – Corporate and investment banking professional.  
*Foundation Markets, BCE Emergis, TD Bank*



## Key Management and Board

- **Monte M. Swan, COO** – exploration geologist.  
*MagmaChem Associates, Inc., Statoil, Phelps Dodge, Kennecott, BHP, Meridian, Newmont, Cominco*
- **Ernest Cleave, CFO** – financial professional with experience in strategy, financial planning, analysis, governance, regulatory, and compliance.  
*Grandview, Bata, Goldcorp*
- **Paul Sarjeant, P.Geo, Technical Advisor** – Mining and securities executive.  
*Grandview, Alpaca Resources, Wood Gundy, Echo Bay*
- **Michael Hitch, PhD, Director** – UBC professor mining, specialty in community relations/environmental.  
*Golden China, Clarus Securities, Ivanhoe Mines, Anglogold Ashanti, Echo Bay, and Teck Cominco*



## The Company

- Technical Report (NI 43-101) complete
- Secure BLM land around the Greenback
- Historical data compilation and digitizing of old maps and data has commenced
- Trenching, soil and outcrop GeoChem over Greenback vein system – over 800 samples analyzed

## Future

- **Expand existing projects** – Expand and develop holdings in our areas of interest, refine our geological knowledge, forge partnerships
- **New North American gold properties** – Secure, complete advance drilling, and complete bankable feasibility study, then bring into production
- **Going public** – Meet all requirements, test markets, communicate message, prepare documentation



## Offering

<b>Issue:</b>	Units of one Common Share and ½ Common Share Purchase Warrant (the “Units”) offered by Private Placement. Each full Warrant entitles the Warrant holder to purchase one Common Share of the Company for \$0.35 for a period of 24 months from the Closing of the Offering.
<b>Issue Price:</b>	C\$0.20 per Unit
<b>Issue Size:</b>	Maximum: \$1,000,000
<b>Closing Date:</b>	On or about March 15th, 2009 or such other date as may be mutually agreed to by the Company and the Agent
<b>Selling Agent:</b>	<b>Outside of Canada, the Company is not employing a selling agent and marketing this offering itself</b> (within Canada, Foundation Markets Inc. is the exclusive agent)

## Use of Proceeds

Greenback Property Exploration (Phase 1):	\$0.4 m
Evaluate Acquisition Portfolio	0.3 m
Working Capital	0.3 m
<b>Total</b>	<b>\$1.0 m</b>



## Investment Rationale

- Strategic land position assembled within the proven Alaska-Baja gold-rich Cordilleran belt of western North America
- 175,000+ oz gold production in early 1900s from high grade veins
- Abundant known gold occurrences from preliminary soil and rock sampling (soil runs to 4.7g/t, over fifty samples > 0.1g/t; rocks run to 30+g/t)
- No modern exploration applied across this very prospective area



## Investment Rationale (continued)

- Assembled multi-faceted geological team to identify best targets through local knowledge, modern techniques, and MagmaChem screening models
- Expanding land package as the regional aggregator and partner
- Technical report (NI 43-101) complete
- Poised to profit from market downturn
  - Negotiating significantly undervalued strategic mining portfolio that can revitalize mining in this area



Thank You



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## Appendix A - MagmaChem Exploration History

### Select Gold and Copper Discoveries 2000-2007

La Paz, Baja Mexico	2007	>1.0 Million oz Au
Lookout Mtn, NV	2007	0.9 Million oz Au
Rio Figueroa, Chile	2005	100's Million lb Cu
Chuquicamata, Chile	2004	4.0 Billion lb Cu
Ren, NV	2003	1.3 Million oz Au
Storm-DeeForty Niner, NV	2003	1.0 Million oz Au
Ntotorosa, Ghana	2000	2.0 Million oz Au



## Appendix A - MagmaChem Exploration History

### Select Gold and Copper Discoveries 1992-1998

SE Ajo, AZ	1998	2.0 Billion lb Cu
Espanola, Chile	1997	8.0 Billion lb Cu
South Alcaparrosa, Chile	1996	60.0 Million lb Cu
Pascua, Chile	1995	26.0 Million oz Au
Tyrone, NM	1994	2.4 Billion lb Cu
South Meikle, NV	1992	2.0 Million oz Au
Vinasale Mtn AK	1992	0.7 Million oz Au