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MAR 21 1991

TD File  
TDK  
Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Mr. Nate Brewer  
Lac Minerals USA Inc.  
1395 Greg St., Suite 107  
Sparks, NV 89431

March 21, 1991

Nate:

Here is our amended quote. These are the highlights:

1. You will note \$3.75 prep is to 20 lb. (instead of 10) and overweight is reduced to .20/lb over 20 lb.
2. A Lac Rosebud Prep, which takes all of a 10 lb. sample to the -50 to -60 range; or all of a larger sample to -10 mesh and then 1/2 to the -50 to -60 range is proposed at \$5.25.
3. A 1000 gm. screen metallic quote is added and the price on the 250 gm standard screen metallics is lowered.
4. We have not changed the analytical quote, but we do have a little wiggling room. If you would like to use us, but find we are not competitive with another acceptable lab, YOU TELL US the price range we need to meet and we will re-quote within this range for this project. With the amount of re-runs we wind up doing and reporting on Rosebud, we expect our margins per our quote are fairly thin, but if there is a "gas war" we will put our price in with the rest. We would rather have work than be hoofing it.
5. Rosebud is close to the boundary of our Zone A and Zone B for sample pickup. For purposes of charges, we declare it in Zone A. This means over 100 samples are free.

Cordially,

Ken Bright  
Senior Geochemist

60102





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625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Mr. Nate Brewer  
Lac Minerals USA Inc.  
1395 Greg St., Suite 107  
Sparks, NV 89431

March 21, 1991

Re: Rosebud Project Analytical Quote

Dear Nate:

Further to your request, please accept this letter as a quote for analytical services on your 1991 Rosebud samples. I understand that you will be generating ~5,000 drill samples ~55 miles out of Lovelock in 1991. Each sample is expected to be wet and weigh ~15 lbs. Two thirds of the drilling will be R.C. commencing with one rig ~April 2, and a core rig will be added ~April 15 for the remaining third. Each rig will produce ~80 samples per day on a 10/4 schedule.

#### **I. Sample Preparation**

##### Standard Sample Preparation:

Crushing to -10 mesh, splitting 250g (<20 lbs).....\$ 2.00  
Pulverizing 250g to -150 mesh.....\$ 1.75  
Over 20 lbs.....add.\$ .20/lb

##### Preparation Surcharges:

Drying surcharge (if too wet to crush, per sample).....-waived-  
-or-  
Excessive wetness surcharge (if slop).....\$ 1.50

##### Lac Rosebud Custom Prep

Crush entire sample (up to 20 lb.) to -10 mesh  
Split out 7-10 lbs. and reduce this split to  
the -50 to -60 mesh range. Further split to  
250-300g and produce 90% -150 mesh.....\$ 5.25

##### Additions to Lac Rosebud Prep Scheme

A. Screen Metalics Assay (per attachment 1)  
- (screen above standard pulp at -150 mesh) AU.....\$18.00  
AU,AG.....\$22.00  
B. Cut out approximately 1000g of reject (-10 or -60 above)  
and reduce to -100 mesh  
- (screen 1000g pulp/-100 mesh) AU.....\$19.50  
AU,AG.....\$22.50

Rejects will be stored 60 days and pulps up to one year free of charges.





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Building 1, Unit A  
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## II. Analyses

### Au/Ag Analyses:

### Lower Det. Limit

Au.....30g geoch.(Fire Assay/AAS).....5.0 ppb

Ag....(geoch) Hcl/HNO3 Extr.- AAS.....0.2 ppm

**Both Together \$ 7.20\*\***

Au/Ag....1 A.T. Fire Assay.....0.002/0.02 opt

**Both Together \$ 8.45\*\***

Au/Ag....1 A.T. Fire Assay (grav.)....0.002/0.02 opt

**Both Together \$ 9.05\*\***

Au\*.....1 A.T. Fire Assay (grav.)...0.002 opt....\$ 7.75

\* 1 assay ton fire assay gravimetric gold determinations (in OPT) will be run on all sample initially reporting > 10 ppm from the 30g geochem determination. Our normal upper detection limit for geochem gold determinations is 10 ppm, and for silver is 50 ppm, but we can lower the gold upper limit if you specify. There is no upper limit for assay gold or silver determinations.

\*\* See note #4, cover letter of March 21, 1991.

If coarse gold should present problems with erratic results, we can again take several measures as outlined in Attachment #1.

## III. Discounting

The prices listed in this quotation are inclusive of volume and seasonal project-specific discounting. This discounting will be effective April 1, continuing through December 31, 1991 for the Rosebud Project.

## IV. Sample Pickups

We can provide on-site sample pickups for this project with our stakeside truck, approximately once every five days for the first 2/3 of the job (r.c. drill cuttings) and upon request for the core samples. We have recently instituted a sample pickup rate schedule in order to be more equitable and consistent with our shipping charges. Please see the attachment #2 for details.





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#### V. Turnaround Time

In general, we can provide the following turnaround times based on our 1990 experience:

Au: 7-8 days (or better).....90% of time

Au: <10 days.....10% of time

In any case we will provide 10 day or better Au/Ag turnaround time 100% of the time. **We can also provide occasional rushes in 2-4 days upon request at no extra charge.**

#### VI. Data Retrieval/Transmission

Bondar-Clegg's "Access Information System" is a secure, Bondar-Clegg Designed, communications system that allows our clientele to retrieve data using a wide variety of file structures, check the completion status of analytical work in progress, merge and sort files, and perform on-line statistics.

The above functions are available at no cost to the user, other than long distance charges associated with accessing the nearest Data Pac Communication Node, and/or any statistical services performed by Bondar-Clegg staff on a contract basis. One of our computer specialists will contact you to arrange access codes, etc. if this quote is accepted.

We can also FAX results to your office(s) or motel as specified as soon as analyses are complete if this is more convenient to you.

We will continue to back up our analyses on your samples with a dependable and reputable level of personal service and quality. If any item of this bid can be adjusted to better suit your needs, or if you should have any further questions, we will make every effort to address them. We look forward to continuing business with you.

Sincerely,

Erik J. Rorem  
Manager, Client Services





Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
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### Attachment #1 - Coarse Gold Remedies

As we have observed a significant degree of erratic results on samples received thus far from this project, we can provide the following information to you to help quantify this coarse gold problem as has been done to date:

- a) **Indications on the reports as to which samples exhibit erratic results.**
- b) **Reporting of all rerun data produced as a result of quality control checks.** This will give some indication of the variability being observed on select samples.
- c) **Reporting of all B-C internal standards, blanks, and blind duplicates.** The standards, blanks, and blind duplicates data are included in each report as extra pages following the sample data pages. The standard and blanks data (accepted values, observed values, and means and standard deviations) will enable you to "keep an eye" on the quality of our determinations. The blind duplicate data will enable you to track the overall reliability (observed variances) of a project. At the present time, no distinction is made on the reports between prep and pulp duplicates. However, this feature will soon be added. In the meantime, if such a distinction is required, we can manually distinguish which duplicates are from prep and which are from pulps.

For further discussion on how these controls are used by B-C and how you can use the information to your benefit, please refer to the handouts given you earlier entitled "Quality Control and Data Acceptance Criteria at Bondar-Clegg," and "Bondar-Clegg Preparation Duplicates Insertion."

In addition to providing the preceding information, we can also arrange with you to perform:

a) Standard Metallics Sieve Analyses:

This technique is applicable to samples where coarse gold may present a sub-sampling problem. We can analyze both the total metallics and a 1 A.T. -150 mesh fraction, resulting in an analytical value representative of the entire test sample (routinely a 250g sub-sample). Results will be reported for both fractions and their weighted average.

Metallic Sieving for Au.....\$18.00  
Metallic Sieving for Au, Ag.....\$22.00

- b) Custom metallics sieve analyses,
- c) Custom sample preparation schemes.





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## Attachment #2 - Sample Pickup Rate Schedule

# Samples	Pickup Zone					
	A	B	C	D	E	F
<100	\$ 50	\$150	\$250	\$350	\$450	\$550
100-199	0	100	\$200	300	400	500
200-299	0	50	150	250	350	450
300-399	0	0	100	200	300	400
400-499	0	0	50	150	250	350
500-599	0	0	0	100	200	300
600-699	0	0	0	50	150	250
700-799	0	0	0	0	100	200
800-899	0	0	0	0	50	150
900+	0	0	0	0	0	100

Zone	Roundtrip
	Miles *
A	<200
B	200-399
C	400-599
D	600-799
E	800-999
F	1000+

\* Highway miles from Sparks to sample pickup point and return.

Examples:	City	Roundtrip Miles	Zone
	Winnemucca	340	B
	Ely	650	D
	Las Vegas	890	E
	Lovelock	200	A
	Mojave, CA	910	E
	Eureka	484	C
	Kingman, AZ	1088	F
	Lone Pine, CA	526	C
	Jordan Valley	460	C



to File

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Sincerely,

Erik J. Rorem  
Manager, Client Services



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600-699	0	0	0	50	150	250
700-799	0	0	0	0	100	200
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900+	0	0	0	0	0	100

<u>Zone</u>	<u>Roundtrip Miles *</u>
A	<200
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C	400-599
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F	1000+

\* Highway miles from Sparks to sample pickup point and return.

Examples:	<u>City</u>	<u>Roundtrip Miles</u>	<u>Zone</u>
	Winnemucca	340	B
	Ely	650	D
	Las Vegas	890	E
	Lovelock	200	A
	Mojave, CA	910	E
	Eureka	484	C
	Kingman, AZ	1088	F
	Lone Pine, CA	526	C
	Jordan Valley	460	C



To File  
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## Procedures and Flows

### Sample Preparation:

#### **Drill Cuttings and Rocks**

- 1) If drying is necessary, at your direction, we can either slow dry samples at 130°F, or can quick dry samples at up to 300°F in our quick dry oven.
- 2) All rock and drill samples will be reduced to - 10 mesh using Jaw and Cone crushers\*.
- 3) A 250 g statistically representative split of the - 10 mesh material will be obtained using a Jones Riffle Splitter.
- 4) The 250 g sub-sample will then be pulverized to - 150 mesh using a ring and puck pulverizer\*.
- 5) The - 150 mesh material will be homogenized, bagged, labelled and submitted to the lab for analysis.

#### **Soils and Stream Sediments**

- 1) If drying is necessary, at your direction, we can either slow dry samples at 130°F, or can quick dry samples at up to 300°F in our quick dry oven.
- 2) Samples are disaggregated to break up any "fines" clumps.
- 3) As standard procedure, all soils and stream sediments are sieved in their entirety to -80 mesh. If >250g of -80 material is produced, a riffle split is taken to reduce the sample. Other sieve sizes are available upon request.
- 4) The sample is bagged, labelled and submitted to the lab for analysis.

\* All sample preparation equipment is cleaned between all samples with air and brushing. In cases where sample is visibly sticking to crushing/grinding surfaces after brushing and airing, barren rock or silica sand will be run through the circuit to flush the system, followed again by brushing and air.





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Fire Assay Gold Analysis:

- 1) Prepared sample (10g, 30g, or 1 A.T.) is weighed into a crucible.
- 2) Each sample is then blended with flux material (each sample custom fluxed and a lead collection fire assay is performed.
- 3) Cupellation is then performed on the resultant "lead button" to produce a dore bead.
- 4) The dore bead is then sent to the laboratory for acid dissolution.
- 5) The final determination on this solution is then taken using Atomic Absorption Spectroscopy.
- 6) Samples with initial determinations reporting  $\sim >0.2$  OPT gold are resubmitted for fire assay using a gravimetric finish on gold. This methodology provides greater control over both the low and high levels of gold, and facilitates more efficient processing.

For a more in-depth discussion of quality control measures instituted in sample preparation and gold assays, please refer to the description of Bondar-Clegg quality control enclosed with this letter.



JD. Fd

60102  
Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Mr. Tim Kuhl  
Lac Minerals USA Inc.  
1395 Greg St., Suite 107  
Sparks, NV 89431

April 22, 1991

Re: Rosebud Project Analytical Details

Dear Tim:

I enjoyed meeting you Friday at your office. Further to our conversation, I thought it would be prudent to outline the various items we discussed as listed on the attached pages.

If any questions should arise during the course of your project, the following key Bondar-Clegg Reno Staff will be glad to help you:

No longer  
there → Bill Vernberg, Branch Manager  
Cindy Howald, Production Coordinator  
Doug Harrison, Sample Preparation Supervisor  
Rick Overton, Production Manager

I look forward to a smooth and successful business relationship with you. If I can ever be of any assistance, please don't hesitate to call.

Sincerely,

Erik J. Rorem  
Manager, Client Services

cc: Nate Brewer, Lac Minerals  
Chuck Windham, Bond Gold  
Ken Bright, Bondar-Clegg Senior Geochemist  
Bill Vernberg, Branch Manager Bondar-Clegg Reno  
George Cartwright, Branch Manager Bondar-Clegg Vancouver





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- Enclosed, please find the following information:

- a) a roster of our sample preparation staff.
- b) a detailed description of preparation and analytical procedures.
- c) Manual entitled "Quality Control & Data Acceptance Criteria."
- d) An explanation and example of how duplicates information can be used by clientele.
- e) An example of QC data reporting. All internal quality control data (standards, blanks, and replicates) for each report are automatically reported with the submitted sample data.
- f) A copy of the quotation given to Nate Brewer

*you already  
have this later.  
Thus copies not  
included herein*

- We can expect to receive 700-800 samples per 10 day period, with the first pickup to be Sunday April 21. If results are encouraging, this rate could double.
- You will provide us with a key for your Lovelock storage facility within the next couple weeks to enable us to pick up core samples from that facility once core drilling commences in mid May.
- Occasional rushes (2-4 days turnaround) could be requested, particularly during the first week.
- We will prepare samples according to our standard rock preparation procedures as listed in the enclosed description, unless instructed to do otherwise.
- At the crushing/splitting benches, 1 in 10 coarse rejects will be set aside to be delivered to another lab for external checking. This other lab is yet to be specified.
- We will store coarse reject material for up to 60 days at no charge. After 60 days we can either return samples to your office, discard them, or store them for a nominal fee.
- Pulps will be stored for 30-45 days, at which time they will be delivered by us to your office.
- We will analyze all samples for 1 A.T. Fire Assay Au/Ag for \$8.45 per my bid to Nate Brewer. Samples for metallic sieve analyses will be specified by you after the first pass analyses. These met sieves may be on individual samples or on composite intervals.



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- We have received 100 pulp standards from Chuck Windham of Bond Gold in Denver. **These standards will be used on all Lac Minerals or Bond Gold orders for Au analyses received by Bondar-Clegg Reno starting April 22.** One of these standards will be inserted into each charge of 24 samples that goes into the assay furnace, starting with the first standard in the box (BA-1) being inserted into the first furnace charge, the second in the box (BA-2) being inserted into the second furnace charge, and so forth until all standards have been used once. Then we will start over with the first standard and continue the same protocol until all the standard is used. When the standards are exhausted, we will notify Chuck Windham (given at least 5 days lead time) for replenishment.
- At the present time, there is no process in place for monitoring assay results against the known Lac/Bond control standards, though both will be reported on the lab reports. We will leave this monitoring to Lac/Bond. We do however monitor quality on our own via our own in-house controls. This information will be reported to you as well, as explained in the enclosed information.
- Preliminary gold results will be faxed to Lac's Reno office as soon as available.
- Chuck Windham can call 604/985-0681 to arrange for computer modem data access codes with Ted Lee, one of our computer specialists in Vancouver. Access codes are only available through our specialists in Vancouver for security reasons.
- We will send a computer users manual from Reno to Chuck Windham in Denver.
- We will give you a tour of our facilities at your convenience. Just give us a call and we'll be glad to show you through.





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### Bondar-Clegg Sample Preparation Roster

Herein is a listing of our core prep staff and the degree of experience each has. We have total confidence that the combined experience of these conscientious and motivated people enables us to provide the best quality, consistency, and service available.

<u>Employee</u>	<u>Position</u>	<u>Years with B-C</u>	<u>Total Experience</u>
Doug Harrison	Supervisor	4.5	4.5
Roger Beaman	Production	0.5	5.0
Connie Brown	Cuts/shipping	2.0	2.0
John Brown	Lineout	3.5	3.5
Doug Bussman	Crew Lead	3.0	3.0
Cynthia Crutcher	Crew Lead	4.0	4.0
Tim Florez	Lineout/Prod.	3.5	3.5
Alan Foerster	Production	2.0	2.0
Randy Little	Lineout/Prod.	4.0	4.0
Bob Miles	Production	1.0	1.0
Mitch Silva	Pulps/Reject	3.0	3.0
Lonny Colby	Driver	4.0	4.0
Leslie Law	Pulps	2.5	2.5
Total		37.5 yrs	42.0 yrs

Bob T.

1991 Contract for  
Cyrdie w/ Amendment.  
and 1992 Amendment.

TOR



**LAC MINERALS (USA), INC.****CONSULTING AGREEMENT**

THIS CONSULTING AGREEMENT, made and entered into this 14 day of April, 1991 by and between LAC Minerals (USA), Inc. (hereinafter designated "LAC" and Cynthia M. Walck (hereinafter designated "CONSULTANT").

**W I T N E S S E T H :**

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency whereof being hereby acknowledged, it is agreed by and between the parties hereto as follows:

1. LAC hereby agrees to retain the services of Consultant, as an independent contractor, to perform the services hereinafter provided and Consultant hereby accepts said retainer.

2. The services to be rendered by Consultant shall include:

(a) Supervise drilling and exploration activities on Rosebud Project, Pershing County, Nevada.

(b) Consult with representatives of LAC in regard to exploration concepts, regional prospecting techniques and target evaluation methods to assure that LAC's metal exploration program is consistently being carried forward in a prudent and professional manner.

(c) Perform such additional services as may reasonably be requested by Tim Kuhl or other authorized representatives of LAC.

3. The term of this Consulting Agreement shall be for a period of 8½ months commencing April 15, 1991 and terminating December 31, 1991 except that either party shall

have the right to terminate the Agreement at any time after the lapse of thirty (30) days from the date hereof by giving not less than thirty (30) days prior written notice of such termination to the other party.

4. LAC agrees to pay Consultant and Consultant agrees to accept, as compensation for services rendered hereunder, the following:

a) The sum of \$175 per day for each day worked during the term of this Consulting Agreement.

b) An amount equal to Consultant's actual out-of-pocket expenses for airplane fares, hotels, taxis, meals and other travel expenses normally and necessarily incurred in the course of performance of services hereunder while away from the place of business of Consultant at 6768 Honeysuckle Ct.,  
Reno., NV 89506 and telephone tolls incurred by Consultant in connection with performance of services hereunder. LAC shall reimburse Consultant for reproductive services, secretarial services and drafting services rendered for LAC. LAC Minerals shall not reimburse Consultant for costs of office rent, maintenance or other expenses in connection with or incurred at the office or place of residence of Consultant in Reno, NV.

c) The sum of 40 cents per mile for the use of the Consultant's personal vehicle.

Amounts payable to Consultant hereunder shall be paid monthly following the end of each calendar month within ten (10) days following receipt by LAC from Consultant of a statement setting forth amounts due to Consultant for the preceding calendar month and accompanied by paid receipts or other documentation evidencing the right of Consultant to receive amounts payable pursuant to Section 4(b) and 4(c) hereof.

5. Consultant shall report directly to and shall take instructions and directions as to services to be rendered from Tim Kuhl and such other authorized representatives of



LAC Minerals as LAC shall hereafter designate to Consultant in writing.

6. It is understood and agreed that Consultant shall, for all purposes hereof, be deemed to be an independent contractor and under no circumstances shall he be considered an employee or agent of LAC, nor shall he be entitled to or eligible to participate in any benefits or privileges given or extended by LAC to its employees.

7. Consultant agrees that all information and confidential documents developed or obtained by Consultant in connection with his services hereunder shall be the property of LAC Minerals. Consultant shall keep confidential all such information and confidential documents and conversations and discussions with Consultant in connection with his services, and Consultant will not disclose the same to any third person either during or subsequent to the term of this Consulting Agreement without the prior written consent of LAC. Consultant further agrees to return to Company at termination or completion of the term of this Consulting Agreement, any memoranda, documentation, or other items furnished to or developed or prepared by Consultant in connection with services rendered by Consultant hereunder.

8. Consultant agrees that he will preserve and maintain all books and records of Consultant relating to services rendered and amounts payable hereunder for a period of not less than two (2) years following the date of termination of this Consulting Agreement. Consultant agrees that LAC shall have the right at all reasonable times, for a period of two (2) years following the date of termination of this Consulting Agreement, to examine, copy, and audit said books and records, or any portion thereof.

9. Consultant shall not have the right to assign or delegate this Consulting Agreement, or any services to be rendered by Consultant hereunder, without the prior written consent of LAC.

10. Consultant agrees that he will comply with all state, federal and local laws, rules and regulations applicable to services rendered by Consultant hereunder.

11. Consultant agrees that at all times during which Consultant is engaged in service hereunder he will purchase and maintain public liability and property damage insurance covering Consultant and any vehicle utilized by Consultant in performance of services hereunder, which insurance shall have a minimum liability of not less than:

PERSONAL INJURY

Each Person \$250,000

Each Occurrence \$500,000

PROPERTY DAMAGE

Aggregate Liability \$250,000

12. This Consulting Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Nevada.

13. Notices, correspondence, invoices and other correspondence shall be given to LAC Minerals (USA), Inc. at P.O. Box 21390, Reno, Nevada 89515.

Notices, correspondence, reimbursements and other correspondence shall be given to Consultant at:

6768 Honeysuckle Drive., Reno, NV.

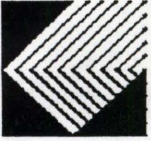
COMPANY:

BY: Timothy O. Kuhl  
Timothy O. Kuhl  
Project Manager

CONSULTANT:

Cynthia M. Walck  
488-66-9940  
Social Security or Federal  
I.D. Number





# LAC MINERALS (USA), INC.

## AMENDMENT TO CONSULTING AGREEMENT DATED APRIL 14, 1991

The Consulting Agreement between Cynthia M. Walck and LAC Minerals (U.S.) Inc., dated April 14, 1991 is amended as follows:

Section 4. a) The sum of \$200 per day for each day worked during the term of this Consulting Agreement.

This amendment is effective June 3, 1991.

COMPANY:

By:

Timothy O. Kuhl  
Timothy O. Kuhl  
Project Manager

CONSULTANT:

Cynthia M. Walck  
Cynthia M. Walck

488-66-9940  
Social Security or Federal I.D.  
Number



LAC

1395 GREG STREET, SUITE 107  
SPARKS, NEVADA 89431  
P.O. BOX 21390  
RENO, NEVADA 89515  
TELEPHONE (702) 356-8058  
FAX (702) 356-2727

LAC MINERALS (USA), INC.

December 5, 1991

Ms. Cynthia M. Walck  
6769 Honeysuckle Court  
Reno, NV 89506

Dear Cyndie,

We are pleased to offer you an extension on your contract for services as a consulting geologist. The position will focus on exploration of the Rosebud property. The contract will be for a period of one year, effective from January 1, 1992 through December 31, 1992. Payment for services rendered will be at a rate of \$200.00 per day worked with a minimum of 21 days per month. LAC will also reimburse you for ordinary field expenses,

Please let me know if these terms are acceptable to you.

*TOT  
CMW*  
*An extension of Consulting agreement dated April 14, 1991*  
Sincerely,

Timothy O. Kuhl  
Project Manager

MAR 12 1991

15000 W. 6TH AVE., SUITE 300  
GOLDEN, COLORADO 80401  
PHONE: (303) 277-1687

5301 LONGLEY LANE  
BUILDING E, SUITE 178  
RENO, NEVADA 89511

# BARRINGER LABORATORIES INC.

Aina

Do we  
need to

File?

March 11, 1991

Nate Brewer  
LAC Minerals, Inc.  
1395 Greg Street  
Suite 107  
Sparks, Nv. 89431

Dear Nate:

As confirmation to our recent conversation at your office, I have listed those areas of interest and constructed the following discount policy. Barringer Laboratories will extend a 25% blanket discount for all work submitted by LAC Minerals, Inc.

Prices will be as follows:

<u>Sample Preparation</u>	<u>25%</u>	<u>List</u>
0-10 pounds	\$2.63	\$3.50
11-15 pounds	\$3.19	\$4.25
16-20 pounds	\$3.75	\$5.00
Over 20 pounds/additional	.23/lb	.30/lb

Samples requiring over 5 hours drying prior to crushing will receive a drying charge of \$1.00 up to 15 Pounds. Samples over 15 pounds will be charged \$1.50, less the appropriate discount.

<u>Analyses</u>	<u>25%</u>	<u>List</u>
Au - Fire Assay 1 AT/AA Finish .001 opt		
Ag - Aqua Regia digestion/AA finish .1 ppm/opt	\$7.50	\$10.00

10.69





## BARRINGER LABORATORIES INC.

15000 W. 6TH AVE., SUITE 300  
GOLDEN, COLORADO 80401  
PHONE: (303) 277-1687

5301 LONGLEY LANE  
BUILDING E, SUITE 178  
RENO, NEVADA 89511

Barringer Laboratories also offers a wide array of multi-element packages which may be combined with gold analysis at reduced prices.

<u>Packages by Atomic Absorption</u>	<u>25%</u>	<u>List</u>
Pathfinder 7 (Ag, As, Sb, Hg, Cu, Pb, Zn)	\$9.56	\$12.75
Pathfinder 4 (Ag, As, Sb, Hg)	\$7.31	\$ 9.75
Base Metal (Cu, Pb, Zn)	\$3.19	\$ 4.25
* Au Fire Assay 1AT/AA Finish may be added to any of the above packages for:	\$4.69	\$ 6.25

### Turnaround Time

Turnaround time shall not exceed 10 days with standard service of 5-7 days for gold determination. Barringer Laboratories also offers a priority rush service for fire assay at no extra charge. Up to 15 percent may be designated as priority and analyzed in 48-72 hours. However, we do ask that requests are only made when necessary. This system has been in effect for more than three years with favorable results.

### Sample Transportation

Barringer Laboratories will provide for convenient on site sample pick-up from your project and warehouse locations. However, we do request a 250 sample minimum and reasonable accessibility. No additional charges will apply to this service.



## BARRINGER LABORATORIES INC.

15000 W. 6TH AVE., SUITE 300  
GOLDEN, COLORADO 80401  
PHONE: (303) 277-1687

5301 LONGLEY LANE  
BUILDING E, SUITE 178  
RENO, NEVADA 89511

### Data Transfer

Computer data transfer is offered 24 hours a day and compatible with virtually all systems. Facsimile service is also offered, if requested. No additional charges will apply to these services.

Barringer Laboratories has prepared this proposal to provide LAC Minerals, Inc. the lowest possible price while maintaining the highest quality analytical services. We appreciate this opportunity and are looking forward to working with you. If you have any questions or comments with respect to any of our services, please contact me at (702) 358-1158.

Sincerely,

David Williams  
Sales Representative



# BARRINGER LABORATORIES INC.

15000 W. 6TH AVE., SUITE 300  
GOLDEN, COLORADO 80401  
PHONE: (303) 277-1687

1455 DEMING WAY, SUITE 15  
SPARKS, NEVADA 89431  
PHONE: (702) 358-1158

Nate Brewer  
LAC Minerals, Inc.  
1395 Greg St.  
Suite 107  
Sparks, NV. 89431

## Sample Preparation

<u>List</u>	<u>20%</u>
0-5 Pounds	\$3.50
5-15 Pounds	\$4.25
Over 15 Pounds Additional	\$0.30/lb

Samples requiring drying prior to crushing will receive a drying charge of \$1.00 up to 15 pounds and \$0.10 per pound thereafter, less the appropriate discount.

## Analysis

<u>List</u>	<u>20%</u>
Au - Fire Assay 1 AT	
AA Finish .001 oz/ton	
Ag - Aqua Regia Digestion	
AA Finish .1 ppm - oz/ton	\$10.00

Example - 15 pound wet sample would cost

\$12.20



## SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY

12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL.: (303) 424-7718

MAR 8 1991

March 6, 1991

Mr. Nate Brewer  
Senior Geologist  
Lac Minerals (USA), Inc.  
P.O. Box 21390  
Reno, Nevada 89515

Dear Nate:

Thank you for giving Skyline Labs the opportunity to bid on the analytical work you described to me last Friday. From our discussion the following is our understanding of your project.

The drilling project is located 50 miles from Lovelock, Nevada and is expected to begin about the end of March.

Approximately 5000 samples will be generated, two thirds by RC, and one third by core drilling.

RC samples will weigh about 15-20 lbs.  
Core samples will weigh about 10-15 lbs.

Analyses required: Au and Ag by fire assay 1 A.T. with AA finish.  
Au values >0.15 oz/ton will be rerun by fire assay with a gravimetric finish.

Turnaround is expected to be about 7 calendar days and not more than 10 days after samples are received at a Skyline facility.

Samples are to be picked up by Skyline at the drill site.

Computer access and FAX capability are required.

Pulps and rejects are to be returned.

### DESCRIPTION OF SERVICES

#### Sample Pickup

Drill samples will be picked up at no charge by Skyline personnel at locations designated by Lac. Pickup frequency could vary with the necessity to obtain faster turnaround in certain cases, but as a rule each pickup is expected to consist of 200+ samples. Pulps and rejects will be returned to the Lac office in Reno at no charge.

### Sample Routing

Samples will be prepared in Skyline's Sparks facility. Analytical work will be done in Wheat Ridge, Colorado.

### Sample Preparation

Industry investigations suggest that many erratic results in analysis of gold are derived in part from inadequate sample preparation. To insure well-prepared samples, Skyline uses the following procedure:

1) The entire sample is dried and reduced to minus 10 mesh by multi-stage crushing.

2) A minimum 500 gram split is obtained using a riffle splitter.

3) The 500 gram split is pulverized using "Big Bowls" in a Labtechnics of Australia rotary mill. The "Big Bowls" have been demonstrated to produce a more homogeneous pulp than alternative pulverizing devices.

4) Sample prep equipment is cleaned thoroughly between samples. Any residue in pulverizer bowls is scoured out with quartz sand between samples.

Skyline's sample prep facility in Sparks, Nevada, is managed by James R. Smitherman, an exploration geologist with ten years of practical field experience. You're welcome to visit this facility at any time as well as the labs in Wheat Ridge or Tucson.

### Quality control

Ten percent of each sample lot is repeated; blanks and standard samples are run with each rack. Blanks that fail and standards that do not check within 5 percent are rerun with ten percent of the samples in the batch. Selected anomalous samples are also repeated. Repeats and standards can be reported if desired. Gold values obtained by fire assay with AA finish that are >0.15 oz/ton are repeated by fire assay, gravimetric, at no charge up to ten percent of the batch.

### Check Assays

Should you consider check assays necessary, Skyline Labs will be pleased to arrange for the shipment of selected rejects or pulps to the check lab of your choice.



### Turnaround Time and Reporting

Results of analysis will be available in approximately 7 calendar days but not more than 10 days after samples are received at a Skyline Labs facility. Results can be obtained by computer transfer and/or by FAX. A hard copy will be mailed to designated Lac recipients upon completion of each group of samples.

### Prices

PROCEDURE	PRICE PER SAMPLE
Sample Preparation	
RC drill samples 15-20 lbs.	\$5.25
Core drill samples 10-15 lbs.	\$4.25
Drying moist samples	No Charge
Drying wet fluid clayey materials	\$0.20/lb
Au, Fire Assay, 1 A.T., AA Finish (5 ppb detection limit)	\$5.50
Ag, pyrosulfate fusion/AA (200 ppb detection limit) This method will give an accurate value for Ag at low levels. If Ag values are >0.5 oz/ton Ag values can be obtained by fire assay with gravimetric finish.	\$2.50

Any additional analyses on this project will be performed at competitive prices. Skyline offers numerous other analytical services as described in the enclosed catalog.

Skyline's laboratories are owner-managed by geochemists and staffed by mineral industry professionals, some with more than 20 years experience in this company.

During the past 23 years, Skyline has developed a reputation in the industry for quality work, and the company is making an extra effort now to provide prompt turnaround and competitive pricing.

Skyline has facilities in the following locations:

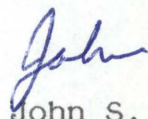
Sparks, Nevada  
Wheat Ridge, Colorado  
Tucson, Arizona  
Hermosillo, Mexico

Prep Lab  
Full Service Mineral Lab  
Full Service Mineral Lab  
Prep Lab

The staff at any of our facilities will be pleased to work with you.

We appreciate the opportunity to make this bid and look forward to working with you. If you have any questions, please call me at the letterhead telephone number.

Sincerely,  
SKYLINE LABS, INC.



John S. Hansen  
Marketing Representative

Enclosure





# Chemex Labs Inc.

*Analytical Chemists • Geochemists • Assayers*

994 Glendale Avenue  
Suite #7  
Sparks, Nevada 89431  
Phone (702) 356-5395  
Fax (702) 355-0179

## PROPOSAL FOR GEOCHEMICAL AND ASSAY SERVICES

Offered by CHEMEX LABS

for

LAC MINERALS COMPANY COMPANY  
attn.: NATE BREWER

March 8, 1991

This proposal was written in response to a request made by NATE BREWER of **LAC MINERALS COMPANY** for a quotation on assaying of approximately 5,000 samples for the Rosebud Project near Lovelock, NV.

### 1. Proposed Methodology

Chemex understands Lac Minerals requested a bid for analytical services on your Rosebud Project near Lovelock, Nevada. The project will consist of both rotary cuttings as well as diamond drill core. Lac requires sample pickup for the rotary cuttings on site while requesting sample pickup for the diamond drill core at your storage shed in Lovelock. Sample size should be approximately 15 pounds. Lac requires that all material be crushed to 90 percent -10 mesh before splitting. All these samples will be analyzed for gold and silver. For the gold analysis, Lac requires a 1 tonne fire assay with an AA finish with any values over 0.1 ounce per tonne checked by a fire assay with a gravimetric finish.



### **1.1 Sample Preparation**

For the Lac Mineral's Rosebud project, Chemex Labs will institute a custom quality assurance program insuring all drill cuttings meet the 90 percent, -10 mesh crush requirement. The program will consist of the following:

- Random sampling of at least one sample of each 40 samples submitted to Chemex Labs;
- Dry sieving the sample with a 10 mesh screen, and calculating the percentages by weight of the plus and minus fractions;
- If the sample fails to meet the requirement, the material will be re-crushed prior to splitting;
- Reporting of results to Lac minerals along with all analytical results.

Because this requirement goes beyond our standard crushing requirements of 50 percent -10 mesh, there will be an additional surcharge of \$0.30 per sample.

In pulverizing your samples, Chemex uses ring mill pulverization procedures. This results in a pulp which is approximately -150 mesh (better than 90 percent), and which is not subject the 'smearing' and segregation effects found in high pressure friction plate pulverization.

As with the primary crushed material, all pulps are randomly checked for particle size distribution. If any sample fails to meet our 90 percent -150 mesh criteria, the entire batch is re-pulverized.

Between any two sample batches, we pulverize granite to clean all surfaces of the crushing equipment. Between each sample the equipment is thoroughly cleaned using brushes and compressed air.

#### **Pulp samples**

Please note that all pulps received at Chemex are subject to our standard quality control testing procedures. If we receive pulps which do not pass our internal ninety percent -150 mesh particle size requirement, we will notify you and will consult with you as to whether to run the samples on an 'as is' basis, or do further pulverization.





### 1.2 Gold Analysis

Chemex Labs uses a wide variety of procedures for the determination of gold in geological material. This allows us to customize the analytical procedures for each unique geological environment.

All standard procedures do, however, have "Fire Assay" in common. This allows us to provide you with quantitative results for any sample type. We offer many choices in terms of sample size to be fused (from 10 to 150 grams) and analytical finish (gravimetric, AA, NAA and ICP). We will gladly advise you on the best possible combination of sample size and analytical finish for your particular project.

For this project, Chemex recommends the initial analyses of the drill cuttings utilizing a 30 gram fire assay with an AA finish, Chemex code 877. For the overlimits, that is, for gold values greater than 0.1 opt, Chemex recommends the 1 assay tonne, fire assay with a gravimetric finish, Chemex code 996. All values will be reported in ounces per tonne (opt).

### 1.3 Standard Geochem Packages

Chemex also offers a variety of multi-element trace level geochem packages. As we have done in the past for many of our customers, we would be pleased to design a custom package for your needs.

## 2. Sample pickup and Logistical Support

Chemex maintains a network of sample preparation facilities. You can ship your samples to any of these locations, or take advantage of our sample pickup service. Chemex will provide you with **NO CHARGE** sample pickup for 250 or more samples within a 250 mile (500 miles round trip) of any of our sample preparation facilities. If there are fewer than 250 samples surcharges will apply as follows:



- \* between 200 and 249 samples                      \$ 50.00 surcharge
- \* between 150 and 199 samples                     \$100.00 surcharge
- \* between 100 and 149 samples                    \$200.00 surcharge
- \* between 1     and    99 samples                   \$300.00 surcharge.

For milage in excess of 500 miles, there is a nominal charge of \$0.50 per mile.

### 3. Turn-around time

At Chemex our philosophy is to build an infrastructure which will provide the best possible turn-around for all our clients. We measure turn-around from the time the samples are received in any of our sample receiving offices. Because of the large geographic dispersion of these sample receiving offices (from Nevada to Alaska to Newfoundland), we do not attempt to offer a routine 48 hour turn-around service. What we will do is to provide **a seven day turn-around** on gold and base metal analysis for 85 percent or more of samples submitted to any of our laboratory locations in reasonable (less than 3000 per week) quantities. The remaining 15 percent would be completed in less than ten days. This insures the quality of all assay results.

For this service, Chemex can provide a maximum 4 day turnaround for gold analysis. A surcharge of 50 percent applies to all sample preparation and analytical costs if you receive your results within the rush time frame.

### 4. Quality control procedures

The Quality Assurance program at Chemex is extensive and can be divided into three main components-

- (i)            quality control procedures for sample preparation
- (ii)          quality control procedures for sample analysis
- (iii)        quality assessment; data review and statistical analysis

Quality control procedures for sample preparation have been





Quality control procedures for sample preparation have been derived for two purposes: first, to ensure that the prepared material is representative and meets fineness specifications and second, to ensure that cross contamination between samples does not occur.

Classification of samples occurs immediately when samples enter the laboratory. Trained personnel will sort trace, ore grade and concentrate materials and route them through the sample preparation area via separate batch streams. A list of workorders is maintained at each crushing, sieving and grinding station so that the order of processing all samples will be known for investigative purposes. Equipment is color coded and numbered so that, for example, equipment used to prepare concentrates is never used for exploration samples. Waste rock is used to clean out crushers between workorders and after anomalous samples. All grinding equipment can impart specific trace elements into a sample so Chemex offers a variety of grinding media -chrome steel, zirconia rings, tungsten carbide rings, ceramic ball mills- so as to avoid contamination of a critical element.

The Chemex specification for crushed material is that >50% must pass a 10 mesh screen, for your project Chemex will make sure that 90 percent of the material will pass through a 10 mesh screen; the Chemex specification for ring grinding is that 90% must pass through a 150 mesh screen; the specification for pulverizing is that 100% must pass through a 150 mesh screen. Any pulp materials submitted to Chemex for analysis are tested to make sure that these specifications are met.

Quality control procedures for sample analysis include the analysis of blanks, standards and duplicates. Fully 10% of all samples analyzed are QC samples. On a standard worksheet of 40 real samples, there are four QC samples analyzed - 2 standards, 1 duplicate, and 1 blank. Most standards in use at Chemex are secondary reference materials prepared in bulk and cross-calibrated with primary reference materials from internationally recognized sources such as the USGS, CANMET, NBS and the South African Bureau of Standards. In addition to the routine QC samples, check analyses are frequently performed on anomalous samples to confirm the original analyses.





Wherever analytical data is generated using computer-controlled instrumentation, that data is automatically transferred to our mainframe computer ensuring that no data transcription errors occur. Where manual data entry is required, the data is first entered by one data entry operator and then confirmed by a second operator. When a manager signs a Certificate of Analysis, any inter-element correlations that exist will be examined to ensure that no order problems have occurred during different analytical batch streams. For clients requesting results by FAX, Chemex offers autoFAXing with direct downloading from our mainframe computer, thus providing a 100% guarantee that FAXing errors will not occur.

All QC data are automatically captured, sorted and retained in the Chemex database. Standards for each analytical code can be plotted in a number of different ways; for example, in a control chart (i.e. the standard value is plotted as a function of time); or in a histogram (i.e. the number of reported measurements is plotted as a function of concentration). Duplicates can be plotted in an X-Y fashion to visually assess the degree of correlation or the precision as a function of concentration. Additional statistical requirements can easily be handled by Chemex staff. Complete QC reports can be generated for any project for a fee.

A full time QA technician monitors sample preparation performance by sampling and testing samples prepared at all Chemex branch offices. The technician also monitors analytical performance by tracking control charts and preparing reference materials. This process provides a second, independent check on data quality over and above that routinely provided by departmental managers.

Chemex uses a 1500 lb. ball mill for preparation of bulk standards. These standards are typically circulated to all our analytical branches, as well as exterior laboratories, in the form of a round robin exchange, so that we may constantly monitor our own performance. For a nominal fee, a client may have standards prepared for their own QA programs. Such standards are valuable for an independent evaluation of any commercial laboratory.





At Chemex all senior technical managers participate in monthly meetings held to enhance quality assurance throughout the company. This cooperative effort is a useful forum for addressing technical problems, exchanging information and ensuring interdepartmental standardization. This key group also provides overall direction to the quality assurance program by establishing goals and objectives, setting priorities and proposing research studies. In this way the quality assurance program remains dynamic and innovative, thus providing all clients with a considerable degree of confidence in their data.

#### **5. Reject and pulp storage**

All pulp and reject for this project will be kept for a period of six months, after which we would fax you a list of currently 'expired' material. This pulp and reject disposal form allows you to indicate if we should move the pulps and/or reject into permanent storage (charges will apply); discard, or ship back to a location of your choice. Our default procedure (when we do not receive instructions back from our clients) is that we discard the reject and move the pulps into permanent storage.

If we are doing sample pickups for you, and the return address for pulps and/or reject is in the same area as the pickup point, we will handle the return as part of the sample pickup procedure at no charge. Otherwise we would ship pulps and/or reject only on a C.O.D. basis.

Our pulps are stored in heavy duty 'tin top' bags which are clearly labelled with the sample number; batch number; date received and sample preparation procedure. The bags are stored in cardboard containers which are weather proofed with plastic prior to shipping. The outside of each box is also marked with batch and sample number identifiers.



## 6. Distribution and retrieval of analytical results.

No matter which way you may decide to receive your data, officially certified hard copy originals of your "Certificates of Analysis" are always provided. In addition to this you may choose to have your results faxed to your office or you may want to take advantage of our **NO CHARGE** electronic data retrieval services.

Chemex pioneered the use of client database systems for direct access to your data. This database system is centrally maintained for all our laboratories. For Chemex this means that we can monitor the progress and status of your samples immediately from any of our locations. For you it means access to all your data, no matter where they were submitted or analyzed at Chemex from a single computer access account.

Our system allows you 24 hour, 7 day a week access using local telephone numbers in most cities. The system, which we call GEOTRIEVE, lets you monitor the status of the batches of samples that you submitted to any of our sample receiving points. You can identify each batch using a unique project name and/or batch number combination. Our system will show you when and where the samples were received. You can verify the analytical procedures which have been coded for each sample, and obtain a status report on any preliminary analytical data which may become available.

Analytical results can be transferred to any other computer system using "client defined" formats. Transfers can be automated to a high degree and include a choice of error free transfer protocols.

## 7. Price Schedule

The **LAC MINERALS COMPANY** Price Schedule is shown below. These prices would be firm to December 31, 1991. In addition to this **LAC MINERALS COMPANY** would be entitled to a **15** percent discount off any discountable analytical procedure described in our 1991 Fee Schedule, which will be published by April of 1991.





	List Price	15 % Discount Price
<b>SAMPLE PREPARATION</b>		
Crush 1 to 10 pounds of geologic material to 90% -10 mesh	2.25	<sup>1</sup> 1.91
Crush 11 to 20 pounds of geologic materials to 90% -10mesh	4.00	<sup>1</sup> 3.40
Crush 21 to 30 pounds geologic material to 90% -10 mesh	5.75	<sup>1</sup> 4.89
Drying of excessively wet rotary drill cuttings 11 to 20 pounds	2.00	<sup>2</sup> 1.70
Drying of excessively wet rotary drill cuttings 21 to 30 pounds	2.75	<sup>2</sup> 2.34
Pulverize (Ring)	1.65	1.40
<b>ANALYTICAL CHARGES</b>		
Gold - 30 gram Fire Assay with AA finish to 0.0005 oz/t	7.75	6.59
Gold-1 AT Gravimetric Finish to 0.002 oz/t	9.25	7.86
Silver 1 gram Aqua Regia digestion 0.2 ppm to 100 ppm	2.50 <i>+50¢</i>	2.13

*ore grade*

<sup>1</sup> A surcharge of \$0.30 per sample will be added to the discount price for the 90 percent, -10 mesh quality assurance program.

<sup>2</sup> Drying charges apply for material received in plastic bags, spread on trays, and dried in excess of 12 hours.



**8. Terms and conditions.**

Chemex will provide you with a detailed invoice for each batch of samples submitted for analysis. These invoices will always be accompanied by copies of the certificates of analysis. All invoices issued are summarized on monthly statements which will also show any credits to your account. Our terms are net 30 days from our invoice date.

If you have any further questions with regards to any of the services that we offer, please call me at (702) 356-5395. We are looking forward to working with you 1991.

Prepared for **LAC MINERALS COMPANY**  
Reno, Nevada  
March 8, 1991

James R. Yeager  
Managing Director  
Chemex Labs, Inc.



# SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY

12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL: (303) 424-7718

## TELECOPY COVER SHEET

DATE 3-6-91

NUMBER OF PAGES TO FOLLOW 4

TO Nate Brewer

FROM John Hansen - Skyline Labs

COMMENTS: Nate - Please let me know if you  
have any questions or need additional  
prices on other analyses. The original  
with complete catalog is in the mail. John

SENDING TO TELECOPY NO. (702) 356-2727

TRANSMITTING FROM FAX NO. (303) 425-5417

CONFIRMING TELEPHONE NO. (303) 424-7718

Prep + Au-Ag = \$13.25

## SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY

12090 WEST 50TH PLACE • WHEAT RIDGE, COLORADO 80033 • TEL.: (303) 424-7718

March 6, 1991

Mr. Nate Brewer  
Senior Geologist  
Lac Minerals (USA), Inc.  
P.O. Box 21390  
Reno, Nevada 89515

Dear Nate:

Thank you for giving Skyline Labs the opportunity to bid on the analytical work you described to me last Friday. From our discussion the following is our understanding of your project.

The drilling project is located 50 miles from Lovelock, Nevada and is expected to begin about the end of March.

Approximately 5000 samples will be generated, two thirds by RC, and one third by core drilling.

RC samples will weigh about 15-20 lbs.  
Core samples will weigh about 10-15 lbs.

Analyses required: Au and Ag by fire assay 1 A.T. with AA finish.  
Au values >0.15 oz/ton will be rerun by fire assay with a gravimetric finish.

Turnaround is expected to be about 7 calendar days and not more than 10 days after samples are received at a Skyline facility.

Samples are to be picked up by Skyline at the drill site.

Computer access and FAX capability are required.

Pulps and rejects are to be returned.

## DESCRIPTION OF SERVICES

Sample Pickup

Drill samples will be picked up at no charge by Skyline personnel at locations designated by Lac. Pickup frequency could vary with the necessity to obtain faster turnaround in certain cases, but as a rule each pickup is expected to consist of 200+ samples. Pulps and rejects will be returned to the Lac office in Reno at no charge.



-2-

### Sample Routing

Samples will be prepared in Skyline's Sparks facility. Analytical work will be done in Wheat Ridge, Colorado.

### Sample Preparation

Industry investigations suggest that many erratic results in analysis of gold are derived in part from inadequate sample preparation. To insure well-prepared samples, Skyline uses the following procedure:

1) The entire sample is dried and reduced to minus 10 mesh by multi-stage crushing.

2) A minimum 500 gram split is obtained using a riffle splitter.

3) The 500 gram split is pulverized using "Big Bowls" in a Labtechnics of Australia rotary mill. The "Big Bowls" have been demonstrated to produce a more homogeneous pulp than alternative pulverizing devices.

4) Sample prep equipment is cleaned thoroughly between samples. Any residue in pulverizer bowls is scoured out with quartz sand between samples.

Skyline's sample prep facility in Sparks, Nevada, is managed by James R. Smitherman, an exploration geologist with ten years of practical field experience. You're welcome to visit this facility at any time as well as the labs in Wheat Ridge or Tucson.

### Quality control

Ten percent of each sample lot is repeated; blanks and standard samples are run with each rack. Blanks that fail and standards that do not check within 5 percent are rerun with ten percent of the samples in the batch. Selected anomalous samples are also repeated. Repeats and standards can be reported if desired. Gold values obtained by fire assay with AA finish that are  $>0.15$  oz/ton are repeated by fire assay, gravimetric, at no charge up to ten percent of the batch.

### Check Assays

Should you consider check assays necessary, Skyline Labs will be pleased to arrange for the shipment of selected rejects or pulps to the check lab of your choice.

SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY

-3-

Turnaround Time and Reporting

Results of analysis will be available in approximately 7 calendar days but not more than 10 days after samples are received at a Skyline Labs facility. Results can be obtained by computer transfer and/or by FAX. A hard copy will be mailed to designated Lac recipients upon completion of each group of samples.

Prices

## PROCEDURE

## PRICE PER SAMPLE

## Sample Preparation

RC drill samples 15-20 lbs.	\$5.25
--------------------------------	--------

Core drill samples 10-15 lbs.	\$4.25
----------------------------------	--------

Drying moist samples	No Charge
----------------------	-----------

Drying wet fluid clayey materials	\$0.20/lb
-----------------------------------	-----------

Au, Fire Assay, 1 A.T., AA Finish (5 ppb detection limit)	\$5.50
--	--------

Ag, pyrosulfate fusion/AA (200 ppb detection limit)	\$2.50
--	--------

This method will give an accurate value for Ag at low levels.

If Ag values are >0.5 oz/ton

Ag values can be obtained by fire assay with gravimetric finish.

Any additional analyses on this project will be performed at competitive prices. Skyline offers numerous other analytical services as described in the enclosed catalog.

Skyline's laboratories are owner-managed by geochemists and staffed by mineral industry professionals, some with more than 20 years experience in this company.

During the past 23 years, Skyline has developed a reputation in the industry for quality work, and the company is making an extra effort now to provide prompt turnaround and competitive pricing.

SKYLINE LABS, INC.

SPECIALISTS IN EXPLORATION GEOCHEMISTRY



Skyline has facilities in the following locations:

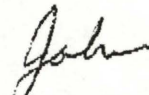
Sparks, Nevada  
Wheat Ridge, Colorado  
Tucson, Arizona  
Hermosillo, Mexico

Prep Lab  
Full Service Mineral Lab  
Full Service Mineral Lab  
Prep Lab

The staff at any of our facilities will be pleased to work with you.

We appreciate the opportunity to make this bid and look forward to working with you. If you have any questions, please call me at the letterhead telephone number.

Sincerely,  
SKYLINE LABS, INC.



John S. Hansen  
Marketing Representative

Enclosure



MAR 18 1991

Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Mr. Nate Brewer  
Lac Minerals USA Inc.  
1395 Greg St., Suite 107  
Sparks, NV 89431

March 15, 1991

Re: Rosebud Project Analytical Quote

Dear Nate:

Further to your request, please accept this letter as a quote for analytical services on your 1991 Rosebud samples. I understand that you will be generating ~5,000 drill samples ~55 miles out of Lovelock in 1991. Each sample is expected to be wet and weigh ~15 lbs. Two thirds of the drilling will be R.C. commencing with one rig ~April 2, and a core rig will be added ~April 15 for the remaining third. Each rig will produce ~80 samples per day on a 10/4 schedule.

#### **I. Sample Preparation**

##### Standard Sample Preparation:

	Crushing to -10 mesh, splitting 250g (<10 lbs).....	\$ 2.00
or	Crushing to -10 mesh, splitting 250g (10-20 lbs).....	\$ 3.75
or	Crushing to -10 mesh, splitting 250g (20-30 lbs).....	\$ 5.50
or	Crushing to -10 mesh, splitting 250g (>30 lbs)...per lb	\$ 0.30
	-and-	
	Pulverizing 250g to -150 mesh.....	\$ 1.75

##### Preparation Surcharges:

Drying surcharge (if too wet to crush, per sample).....	-waived-
-or-	
Excessive wetness surcharge (if slop).....	\$ 1.50

Other sample preparation schemes custom designed for your particular needs are available. Please inquire if more information desired.

If drying is necessary, at your direction, we can either slow dry samples at 130 F, or can quick dry samples at 800 F.

Coarse rejects can be returned when analyses are complete, or can be stored for up to 60 days at no charge. Pulps can either be returned after analysis or stored for up to 1 year at no charge.





Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

## II. Analyses

### Au/Ag Analyses:

### Lower Det. Limit

Au.....30g geoch.(Fire Assay/AAS).....5.0 ppb

Ag....(geoch) Hcl/HNO3 Extr.- AAS.....0.2 ppm

**Both Together \$ 7.20**

Au/Ag.....1 A.T. Fire Assay.....0.002/0.02 opt

**Both Together \$ 8.45**

Au/Ag.....1 A.T. Fire Assay (grav.).....0.002/0.02 opt

**Both Together \$ 9.05**

Au\*.....1 A.T. Fire Assay (grav.).....0.002 opt.....\$ 7.75

\* 1 assay ton fire assay gravimetric gold determinations (in OPT) will be run on all sample initially reporting > 10 ppm from the 30g geochem determination. Our normal upper detection limit for geochem gold determinations is 10 ppm, and for silver is 50 ppm, but we can lower the gold upper limit if you specify. There is no upper limit for assay gold or silver determinations.

If coarse gold should present problems with erratic results, we can again take several measures as outlined in Attachment #1.

## III. Discounting

The prices listed in this quotation are inclusive of volume and seasonal project-specific discounting. This discounting will be effective April 1, continuing through December 31, 1991 for the Rosebud Project.

## IV. Sample Pickups

We can provide on-site sample pickups for this project with our stakeside truck, approximately once every five days for the first 2/3 of the job (r.c. drill cuttings) and upon request for the core samples. We have recently instituted a sample pickup rate schedule in order to be more equitable and consistent with our shipping charges. Please see the attachment #2 for details.



Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

#### V. Turnaround Time

In general, we can provide the following turnaround times based on our 1990 experience:

Au: 7-8 days (or better).....90% of time  
Au: <10 days.....10% of time

In any case we will provide 10 day or better Au/Ag turnaround time 100% of the time. **We can also provide occasional rushes in 2-4 days upon request at no extra charge.**

#### VI. Data Retrieval/Transmission

Bondar-Clegg's "Access Information System" is a secure, Bondar-Clegg Designed, communications system that allows our clientele to retrieve data using a wide variety of file structures, check the completion status of analytical work in progress, merge and sort files, and perform on-line statistics.

The above functions are available at no cost to the user, other than long distance charges associated with accessing the nearest Data Pac Communication Node, and/or any statistical services performed by Bondar-Clegg staff on a contract basis. One of our computer specialists will contact you to arrange access codes, etc. if this quote is accepted.

We can also FAX results to your office(s) or motel as specified as soon as analyses are complete if this is more convenient to you.

We will continue to back up our analyses on your samples with a dependable and reputable level of personal service and quality. If any item of this bid can be adjusted to better suit your needs, or if you should have any further questions, we will make every effort to address them. We look forward to continuing business with you.

Sincerely,

Erik J. Rorem  
Manager, Client Services

cc: Ken Bright, Senior Geochemist  
Bill Yernberg, Branch Manager - Reno  
George Cartwright, Branch Manager - Vancouver





Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

### Attachment #1 - Coarse Gold Remedies

As we have observed a significant degree of erratic results on samples received thus far from this project, we can provide the following information to you to help quantify this coarse gold problem as has been done to date:

- a) **Indications on the reports as to which samples exhibit erratic results.**
- b) **Reporting of all rerun data produced as a result of quality control checks.** This will give some indication of the variability being observed on select samples.
- c) **Reporting of all B-C internal standards, blanks, and blind duplicates.** The standards, blanks, and blind duplicates data are included in each report as extra pages following the sample data pages. The standard and blanks data (accepted values, observed values, and means and standard deviations) will enable you to "keep an eye" on the quality of our determinations. The blind duplicate data will enable you to track the overall reliability (observed variances) of a project. At the present time, no distinction is made on the reports between prep and pulp duplicates. However, this feature will soon be added. In the meantime, if such a distinction is required, we can manually distinguish which duplicates are from prep and which are from pulps.

For further discussion on how these controls are used by B-C and how you can use the information to your benefit, please refer to the handouts given you earlier entitled "Quality Control and Data Acceptance Criteria at Bondar-Clegg," and "Bondar-Clegg Preparation Duplicates Insertion."

In addition to providing the preceding information, we can also arrange with you to perform:

a) Standard Metallics Sieve Analyses:

This technique is applicable to samples where coarse gold may present a sub-sampling problem. We can analyze both the total metallics and a 1 A.T. -150 mesh fraction, resulting in an analytical value representative of the entire test sample (routinely a 250g sub-sample). Results will be reported for both fractions and their weighted average.

Metallic Sieving for Au.....\$18.80

Metallic Sieving for Au, Ag.....\$24.80

- b) Custom metallics sieve analyses,
- c) Custom sample preparation schemes.



Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

## Attachment #2 - Sample Pickup Rate Schedule

# Samples	Pickup Zone					
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
<100	\$ 50	\$150	\$250	\$350	\$450	\$550
100-199	0	100	\$200	300	400	500
200-299	0	50	150	250	350	450
300-399	0	0	100	200	300	400
400-499	0	0	50	150	250	350
500-599	0	0	0	100	200	300
600-699	0	0	0	50	150	250
700-799	0	0	0	0	100	200
800-899	0	0	0	0	50	150
900+	0	0	0	0	0	100

<u>Zone</u>	<u>Roundtrip Miles *</u>
A	<200
B	200-399
C	400-599
D	600-799
E	800-999
F	1000+

\* Highway miles from Sparks to sample pickup point and return.

Examples:	<u>City</u>	<u>Roundtrip Miles</u>	<u>Zone</u>
	Winnemucca	340	B
	Ely	650	D
	Las Vegas	890	E
	Lovelock	200	A
	Mojave, CA	910	E
	Eureka	484	C
	Kingman, AZ	1088	F
	Lone Pine, CA	526	C
	Jordan Valley	460	C





Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Free Plc

BONDAR-CLEGG, INC. - RENO

FACSIMILE TRANSMISSION

NUMBER OF PAGES: 5 PLUS COVER SHEET

DATE: 3/15/91

TO: Nate Brewer  
Lac Minerals  
Sparks, NV

FAX NUMBER: 356-2727

FROM: Eric Rorem

REMARKS: Rosebud Analytical Quote

If there is any problem with this transmission, please phone the Sparks, Nevada office at 702/359-9330.

Our fax number is 702/359-9386.

\*\*HELPFUL HINT: Please program your company name into your fax machine.



Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

Mr. Nate Brewer  
Lac Minerals USA Inc.  
1395 Greg St., Suite 107  
Sparks, NV 89431

March 15, 1991

Re: Rosebud Project Analytical Quote

Dear Nate:

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or Crushing to -10 mesh, splitting 250g (>30 lbs)...per lb	\$ 0.30
-and-	
Pulverizing 250g to -150 mesh.....	\$ 1.75

*(Handwritten red circle around the first three items, and a red line with '\$50' next to the last item.)*

##### Preparation Surcharges:

Drying surcharge (if too wet to crush, per sample).....-waived-  
-or-  
Excessive wetness surcharge (if slop).....\$ 1.50

Other sample preparation schemes custom designed for your particular needs are available. Please inquire if more information desired.

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Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

*You test us the  
range we need to  
offer & we will  
accommodate it*

*Len Burth  
ppm 20-*

## II. Analyses

### Au/Ag Analyses:

Lower Det. Limit

Au.....30g geochem.(Fire Assay/AAS).....5.0 ppb

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*FA/AA  
w/  
grav  
7.2*

*\$13.95  
↓  
\$12.20*



Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

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We will continue to back up our analyses on your samples with a dependable and reputable level of personal service and quality. If any item of this bid can be adjusted to better suit your needs, or if you should have any further questions, we will make every effort to address them. We look forward to continuing business with you.

Sincerely,

Erik J. Rorem  
Manager, Client Services

cc: Ken Bright, Senior Geochemist  
Bill Yernberg, Branch Manager - Reno  
George Cartwright, Branch Manager - Vancouver





Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

#### Attachment #1 - Coarse Gold Remedies

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- a) Indications on the reports as to which samples exhibit erratic results.
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Metallic Sieving for Au.....\$18.80  
Metallic Sieving for Au, Ag.....\$24.80

- b) Custom metallics sieve analyses,
- c) Custom sample preparation schemes.



Bondar-Clegg, Inc.  
625 Spice Island Dr.  
Building 1, Unit A  
Sparks, Nevada 89431  
702 (359-9330)

## Attachment #2 - Sample Pickup Rate Schedule

Pickup Zone						
# Samples	A	B	C	D	E	F
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200-299	0	50	150	250	350	450
300-399	0	0	100	200	300	400
400-499	0	0	50	150	250	350
500-599	0	0	0	100	200	300
600-699	0	0	0	50	150	250
700-799	0	0	0	0	100	200
800-899	0	0	0	0	50	150
900+	0	0	0	0	0	100

Zone	Roundtrip Miles *
A	<200
B	200-399
C	400-599
D	600-799
E	800-999
F	1000+

\* Highway miles from Sparks to sample pickup point and return.

Examples:	City	Roundtrip Miles	Zone
	Winnemucca	340	B
	Ely	650	D
	Las Vegas	890	E
	Lovelock	200	A
	Mojave, CA	910	E
	Eureka	484	C
	Kingman, AZ	1088	F
	Lone Pine, CA	526	C
	Jordan Valley	460	C

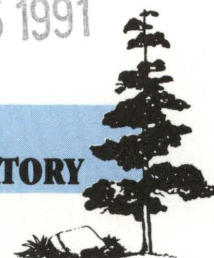




MAR 15 1991

**S H A S T A**  
**ANALYTICAL GEOCHEMISTRY LABORATORY**

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

March 11, 1991

Mr. Nate Brewer  
Lac Minerals U.S.A., Inc.  
P.O. Box 21390  
Reno, NV 89515

Dear Nate,

Thanks for the time to visit with me Friday. I've enclosed an updated price proposal reflecting both gravimetric finish and AA finish for gold and silver for your upcoming drilling program. Please disregard the proposal dated February 27, 1991.

Based on the revised scope of work, these are the charges per wet, 18 pound sample received at the drilling site:

	Gravimetric Finish	AA Finish
Sample Prep	\$3.40	\$3.40
Fire Assay		
Au	\$5.50	\$5.65
Ag	0.75	0.75
	-----	-----
Total Sample Prep, Au & Ag	\$9.65	\$9.80

If you would like to evaluate SAGL's analytical precision, send me some check samples and they will be run free of charge. I look forward to hearing from you.

Sincerely,

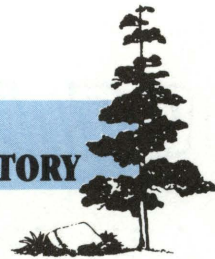
Chuck Whipple

CRW:dsb



**S H A S T A**  
**ANALYTICAL GEOCHEMISTRY LABORATORY**

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

March 11, 1991

Mr. Nate Brewer  
Lac Minerals U.S.A., Inc.  
P.O. Box 21390  
Reno, NV 89515

Subject: Price Proposal for Geochemical Services

Dear Nate,

This price proposal is for services to be performed by Shasta Analytical Geochemistry Laboratory of Redding, California (hereinafter referred to as "SAGL") for Lac Minerals U.S.A., Inc. (hereinafter referred to "Lac"). The proposed conditions for services performed, and the respective prices are as stated below:

1.0 PLACE AND TERM OF WORK

SAGL will perform all services, from sample preparation to analytical geochemistry work in Redding, California for an indefinite period commencing March 1, 1991. However, the prices and their period of validity stated herein remain in effect from March 1, 1991 through December 31, 1991 unless changed by mutual agreement.

2.0 SCOPE OF SERVICES AND CHARGES

Sample Preparation Performed

Samples will be dried, crushed to -10 mesh and split to 250 grams. The split will be plate or ring and puck pulverized to -100 mesh particle size.

There will be no additional charge for excessively wet samples.



### Analytical Work

The following specifications will be used:

Element	Detection Limit	Method
Au	5 ppb	AA analysis of 1 AT fire assay bead.
Ag	0.1 ppm	Atomic Absorption

Au analysis will be performed by firing a one (1) assay ton sample, digesting the resultant bead in aqua regia, and finally determining ppb with an atomic absorption instrument.

A fire assay check will be performed on any Au result greater than 2 PPM. This check will have a gravimetric finish and will be reported along with the original Au result.

Ag analyses will be performed by digesting a three (3) gram sample in aqua regia and analyzing it by atomic absorption.

### Fire Assay Work

Element	Detection Limit	Method
Au	0.002 Oz/Ton	1AT fire, gravimetric finish.
Ag	0.100 Oz/Ton	1AT fire, gravimetric finish.

### Turn-Around Time

"Turn-around" is the time from sample receipt at the pick-up point to when results are reported through a computer-telephone link up and/or facsimile transmission. Turn-around will be 5 to 8 days on Au and Ag results.

There will be no charge for facsimile transmission.

### Sample Pickup

SAGL will be responsible for, and pay any costs associated with, sample shipment to Redding, California, and subsequent return of coarse rejects and pulps to the project site. The scheduling for sample/reject/pulp transportation will be at the discretion of Lac.

### Prices

Prices are quoted on a per-sample basis.



Sample Preparation

Sample Drying: \$0.04/lb

Sample Preparation:

<18 lbs	\$2.68
>18 lbs *	0.18/lb
*(add to line above)	

Fire Assay, 1AT	Gravimetric finish	AA Finish
Au	\$5.50	\$5.65
Ag	0.75	0.75

### 3.0 CHANGES IN SCOPE, TERMS AND/OR CONDITIONS

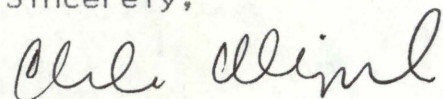
The prices quoted above reflect the aforementioned conditions and scope of work. Any changes in the conditions and or scope of work may require a change in performance price.

#### **Additional Work**

All additional work is welcome and can be negotiated on an element-by element basis. Otherwise, the price charged will be that stated in the SAGL fee schedule.

I appreciate your consideration in SAGL for this proposal's work performance and hope that we can be of service to you. If you have any questions or instructions please call.

Sincerely,



Chuck Whipple





**S H A S T A**  
**ANALYTICAL GEOCHEMISTRY LABORATORY**

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

February 27, 1991

Mr. Nate Brewer  
Lac Minerals U.S.A., Inc.  
1475 Greg Street  
Sparks, NV 89431

Subject: Price Proposal for Geochemical Services

Dear Nate,

This price proposal is for services to be performed by Shasta Analytical Geochemistry Laboratory of Redding, California (hereinafter referred to as "SAGL") for Lac Minerals U.S.A., Inc. (hereinafter referred to "Lac"). The proposed conditions for services performed, and the respective prices are as stated below:

1.0 PLACE AND TERM OF WORK

SAGL will perform all services, from sample preparation to analytical geochemistry work in Redding, California for an indefinite period commencing March 1, 1991. However, the prices and their period of validity stated herein remain in effect from March 1, 1991 through December 31, 1991 unless changed by mutual agreement.

2.0 SCOPE OF SERVICES AND CHARGES

Sample Preparation Performed

Samples will be dried, crushed to -10 mesh and split to 250 grams. The split will be plate or ring and puck pulverized to -100 mesh particle size.

There will be no additional charge for excessively wet samples.

## Analytical Work

The following specifications will be used:

Element	Detection Limit	Method
Au	5 ppb	AA analysis of 1 AT fire assay bead.
Ag	0.1 ppm	Atomic Absorption

Au analysis will be performed by firing a one (1) assay ton sample, digesting the resultant bead in aqua regia, and finally determining ppb with an atomic absorption instrument.

Ag analyses will be performed by digesting a three (3) gram sample in aqua regia and analyzing it by atomic absorption.

## Fire Assay Work

Element	Detection Limit	Method
Au	0.002 Oz/Ton	1AT fire, gravimetric finish.
<i>Ag</i>	<i>0.1 Oz/Ton</i>	<i>"</i> <i>2L</i>

A fire assay check will be performed on any Au result greater than 2 PPM. This check will have a gravimetric finish and will be reported along with the original Au result.

## Turn-Around Time

"Turn-around" is the time from sample receipt at the pick-up point to when results are reported through a computer-telephone link up and/or facsimile transmission. Turn-around will be 5 to 8 days on Au results, 5 to 10 on Ag.

There will be no charge for facsimile transmission.

## Sample Pickup

SAGL will be responsible for, and pay any costs associated with, sample shipment to Redding, California, and subsequent return of coarse rejects and pulps to the project site. The scheduling for sample/reject/pulp transportation will be at the discretion of Lac.

## Prices

Prices are quoted on a per-sample basis.

## Sample Preparation

Sample Drying: \$0.04/lb



Sample Preparation:

<18 lbs	\$2.68
>18 lbs *	0.18/lb
*(add to line above)	

Fire Assay/AA Finish, Au:  
1AT

\$5.65  
*.75*

Atomic Absorption: *Ag*  
Ag

~~\$1.95~~

3.0 CHANGES IN SCOPE, TERMS AND/OR CONDITIONS

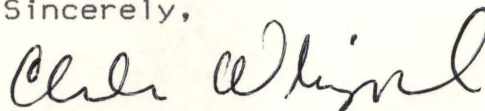
The prices quoted above reflect the aforementioned conditions and scope of work. Any changes in the conditions and or scope of work may require a change in performance price.

**Additional Work**

All additional work is welcome and can be negotiated on an element-by element basis. Otherwise, the price charged will be that stated in the SAGL fee schedule.

I appreciate your consideration in SAGL for this proposal's work performance and hope that we can be of service to you. If you have any questions or instructions please call.

Sincerely,



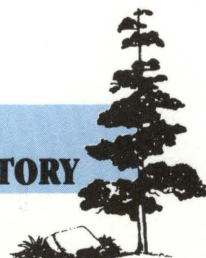
Chuck Whipple



MAR 4 1991

**S H A S T A**  
**ANALYTICAL GEOCHEMISTRY LABORATORY**

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

February 27, 1991

Mr. Nate Brewer  
Lac Minerals U.S.A., Inc.  
1475 Greg Street  
Sparks, NV 89431

Dear Nate,

Thanks for the time to talk with me on the phone today. I've enclosed a price proposal, client reference list and a Bulletin Board System user's guide for your perusal. The prices quoted will pay for the following performance on each sample for year 1991:

- Pick up at the drilling site according to your schedule.
- High speed, low temp (60 c) sample drying.
- Both mechanical and air cleaning of every sample crusher/pulverizer between each sample.
- The entire sample is crushed to -10 mesh. This is performed by roll crushing each sample after crushing which allows the split to better represent the entire sample.
- Each sample pulp is evaluated for mesh size by no fewer than two departments.
- Two gold-barren samples are run through each crusher before any low detection sample run and are analyzed for Au. Therefore, contamination of the entire lab -- from sample drying, crushing, fire assaying, digesting, to analysis, is evaluated before job commencement.
- Automatic resplit and refire of any sample of <1 ppm Au when preceded by a sample of >5 ppm on low detection work. This lab policy is a safeguard against cross contamination of samples once work is in progress.
- Pulps are rolled 40 repetitions before subsampling.
- Only high-litharge fluxes are used to allow the highest gold recovery and reproducibility.
- During fusion, every sample is evaluated for the appropriateness of the flux formula utilized. If unsatisfactory, the sample is reassayed with a custom flux suitable for that particular sample.
- Furnaces are mechanically cleaned every 24 hours.
- A 30 gram charge is fused.
- Custom computer software is coupled with AA instrumentation to generate results that are not affected by instrument drift or the limitations of the AA microprocessor.
- Maximum 8 day turnaround for Au results.



3 gram sample size for geochemical work.

Pulps and rejects are returned according to your schedule.

This is the summary of charges per wet, 18 pound sample picked up at the project site:

Sample Prep  
Fire Assay, AA Finish, Au

\$3.40

\$5.65

-----

Total SP and Au

\$9.05

FA , Grav

Geochemical Elements

Ag

~~\$1.95~~

-----

Total

\$11.00

=====

Grav on Ag

9.05

.75

#9.80

We would love to be of service to you. If you have any questions or instructions, please call.

Sincerely,

*Chuck Whipple*

Chuck Whipple

CRW:dsb

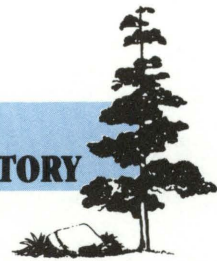
(Enclosures: as indicated)



# SHASTA

## ANALYTICAL GEOCHEMISTRY LABORATORY

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

### Client References

Neil Gardis  
G & S Mining  
5151 Morena Place, Suite B  
San Diego, CA 92110  
619)275-5772

Steve Karolyi  
Kennecott Exploration  
P.O. Box 1288  
Nevada City, NV 95959  
916)265-4576

Robin Hendrickson  
Santa Fe Pacific Mining, Inc.  
250 S. Rock Blvd., Suite 100  
Reno, NV 89502  
702)329-8215

Jim Schreiber  
Dragon's Gold, Inc.  
261 E. Barnett Rd.  
Medford, OR 97502  
503)776-7777

Mark Johnson  
Minnova, U.S.A., Inc.  
740 Freeport, Suite 101  
Sparks, NV 89431  
702)359-1116

Elinor Mann  
Glamis Gold  
P.O. Box 361  
Copperopolis, CA 95228  
209)785-3121

Bruce Castle  
Mineral Resource Development  
Bayshore Corporate Center  
1710 S. Amphlett Blvd., Suite 302  
San Mateo, CA 94402  
415)349-2100

Randy Moore  
Cambior U.S.A., Inc.  
230 S. Rock Blvd.  
Reno, NV 89502  
702)786-5189

Dave Carpenter  
Meridian Gold Co.  
P.O. Box 190  
Copperopolis, CA 95228  
209)785-3222

Dave Brown  
Balatar Exploration  
4500 Mira Loma Dr., #98  
Reno, NV 89502  
702)827-6044

DSB: 2/90

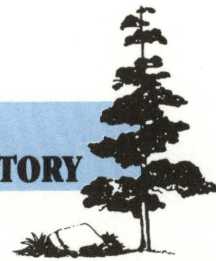




# SHASTA

## ANALYTICAL GEOCHEMISTRY LABORATORY

1240 Redwood Blvd., Redding, California 96003



Chuck Whipple - Owner/Mgr.

### SHASTA ANALYTICAL GEOCHEMISTRY LABORATORY

#### BULLETIN BOARD SYSTEM

S.A.G.L.'s bulletin board system allows users to manipulate data files and communicate with other users. Upon request, accounts will be set up by S.A.G.L.; a user may log onto the system prior to registration, but will have no access to file or message areas. Register to use S.A.G.L.'s BBS by calling (916)244-4441 (voice) or 244-4443 (computer) and leaving a message for Bonnie Lampley. For registration, we need the following information:

- First name
- Last name
- Company name
- Password
- Voice phone number
- Number of lines on computer terminal

After registration, users have access to two file areas - General Mail and a personal file area.

Upon calling the BBS, the user is asked for their first name, last name, and a password. If you misspell your name or password, the system says it is "not found", and asks if it is spelled correctly; re-enter it if necessary - you have three tries. If you are calling for the first time, and are not registered, when the "not found" message appears, reply "Y" at the "spelled correctly?" prompt; you will then be logged on (with only limited access).

The BBS has three menus - MAIN, MESSAGE, and FILES. The Message and File Menus are called from the Main Menu. After logging on, the Main Menu appears first. Brief explanations of the menu choices for the three menus follow.

## MAIN MENU

- F - Takes you to the Files Menu.
- M - Takes you to the Message Menu.
- C - For leaving private messages for the SYSOP, Bonnie Lampley.
- P - Pages the SYSOP by beeping at SAGL terminal. Paging hours are from 8 - 5 weekdays.
- Y - Displays your settings, and allows you to modify them.
- ? - Gives detailed explanations of all menu choices (even some that you don't see on your menu).
- H - Allows you to set the "help level"; there are three levels, Novice, Regular, and Expert. They differ in the amount of menu that will be displayed. We recommend leaving it at Novice.
- G - Allows you to log-off the BBS.

## MAIN MENU:

[M].....Go to Message Menu	[F].....Go to Files Menu
[P].....Page the Sysop	[C]....Comments to the Sysop
[Y].....Your Settings	[?].....Command Help
[H].....Help Level	[G].....Goodbye & Log-Off

You have been on for 1 minutes, with 59 remaining for this call.

MAIN MENU [M F P C Y ? H G]:

Your Name, Redding, CA  
Phone:916-244-4441 Age:1990Node:1

Baud:Local  
Sec:20

Page Bell Kybd  
Since:07-90 Time Left:59



## FILES MENU

H, ?, M, G - Same as for Main Menu.

Q - Takes you to the Main Menu.

L - Lists files in the available areas (General Mail and your personal folder). The areas, or folders, are designated by letters - General Mail is always "A", your personal area by another letter. After choosing L, type ? to see what areas are available to you. Follow prompts for opening folders and listing files.

I - Gives information on a single file.

T - Allows you to search for a file name using text strings.

R - Allows you to read an ASCII text file, on screen.

D - Allows you to download files from the SAGL system to yours. You must choose a File Transfer Protocol (FTP) before downloading (you're prompted for this). If an FTP doesn't work, try the ASCII protocol. It usually works with any system, although it performs no error checking. Follow prompts for chosen FTP.

U - Allows you to upload files from your system to SAGL. Procedures are similar to downloading.

N - Lists "new" files that have not been downloaded since your last download session.

S - Gives information on amounts, time, etc. of down/uploads.

F - Describes various File Transfer Protocols.

### FILE MENU:

[L].....List available files	[I]....Information on a file
[T].....Text Search	[D].....Download a File(s)
[U].....Upload File(s)	[R].....Read a TEXT file
[S].....Stats on Up/Downloads	[N].....New Files since [N]
[F].....File Transfer Info	[H].....Help Level
[?].....Command Help	[M].....Go to Message Menu
[Q].....Quit to Main Menu	[G].....Goodbye & Log Off

You have been on for 2 minutes, with 57 remaining for this call.

FILE MENU [L I T D U R S N F H ? M Q G]:

## MESSAGE MENU

H, ?, M, G, Q - Same as for Files Menu.

S - Allows you to select the folder for reading or leaving messages. As in the Files section, you have access to only two areas - General Mail and your personal folder.

R - Allows you to read messages. Messages are numbered, and are chosen by their number for reading.

T - Allows you to search for text within messages.

V - Provides a list of messages indicating who they are from, when they were left, their number, etc.

E - Allows you to enter a message. It is better to leave messages for SAGL personnel by choosing option C from the Main Menu (Comments to the SYSOP).

D - Allows you to delete a message.

C - Allows you to check for private messages (left only for you).

### MESSAGE MENU:

[R].....Read Messages	[E].....Enter a Message
[T].....Text Search	[V].....View (scan) Messages
[D].....Delete a Message	[C].....Check Personal Mail
[S].....Select your Folder	[H].....Help Level
[?].....Command Help	[F].....Go to Files Menu
[Q].....Quit to Main Menu	[G].....Goodbye & Log-Off

You have been on for 2 minutes, with 58 remaining for this call.

Folders Open: A

MESSAGE MENU [R E T V D C S H ? F Q G]: