

Executive Summary for Gold Hill

- Gold Hill consists of 6 major patented claims that were consolidated together in 117 acres with fee simple ownership.
- The strike at Gold Hill was even covered by the San Francisco Chronicle. After the deposits were discovered in 1874, a British company took ore by burro down the Mexican hat wash, where Desert Mountain is today, to the Town of Cave Creek, then to Prescott by wagon, San Francisco by rail, and to England by ship for smelting.
- The mine has never been worked on a large scale commercially. It was going to be in 1890 but there was a global depression and the mining company cancelled their plans. (sound familiar?)
- Sage Gold of Toronto spent several years starting in 2007, drilling almost 2 miles of test cores and they agreed with earlier studies by a company called Pro Met, that there are about 380,000 tons of proven, possible and probable ore at an average of .27 troy ounces of gold per ton. If gold were \$ 1,000 an ounce, each ton would be worth \$ 270 minus extraction costs, which could amount to \$ 50 a ton or more. Gold, of course, is at near record prices right now.
- While land owned by the luxury golf and resort community of Desert Mountain surrounds Gold Hill, there is a perpetual access agreement filed with Maricopa County. First part of the access is on a US Forest Service Road.
- How big a mine can this be? The Apex Rule says you can follow the ore veins wherever they go, even under someone else's land. Based, however, on the current ore projections, Gold Hill is an excellent candidate for a small to medium-sized mining operation. It would never rival huge mining operations, such as Hecla Mining's two underground mines in Idaho, that chew through a million tons of ore a year.
- Basic permitting needed to start, according to the Arizona Dept. of Mineral Resources, should be easy and quick to get, but as you move up the milling process, for example using Flotation Mills and requiring chemicals such as cyanide, the degree of difficulty for permitting goes up. The former geologist for Sage Gold, who knows the property well, believes in the project and feels you can make money on it today. Sage tried to exercise an option to purchase 50% of Gold Hill but could not come to terms with the owners, who then decided to put it on the market.
- Gold Hill would ideally be hard rock mining, with the ore concentrated on-site and transported for smelting.
- The video tour on youtube.com provides an excellent overview of the property. It can be accessed at: <http://www.youtube.com/watch?v=B6d7oTSj2tA> Links to other documents are below.
- In addition to mining potential, this land is zoned R-43, for homes on one-acre, by the City of Scottsdale. As an interesting point, after a mine is played out, there are a number of other uses for them around the country such as archival storage, security installations, underground or partially-underground Green housing, radon treatments, solar and wind farms, parks and preserves.