

Morgan Hill Limestone Property  
Elko County, NV

Addendum to Steve Sutherland August 2008

Keith Cox  
Contract Geologist  
September 2008

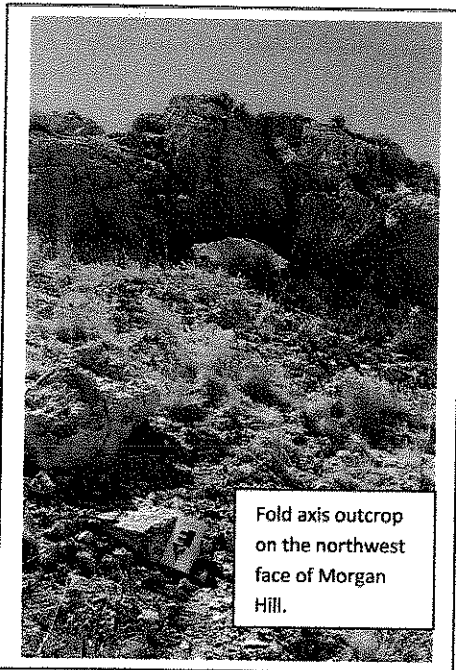
Introduction

This report contains information to be added to that provided by Steve Sutherland's August 2008 report. The extent of the north east trending package of Paleozoic sediments including the favorable massive limestone (mls) has been mapped. An additional 17 rock samples were collected from several different lithologies bringing the project total to 49.

Geologic Mapping

Geologic mapping was continued to the north east at a scale of 1"=500' (1:6000) during the time period 9-1-2008 to 9-8-2008.

Devonian Devil's Gate Limestone



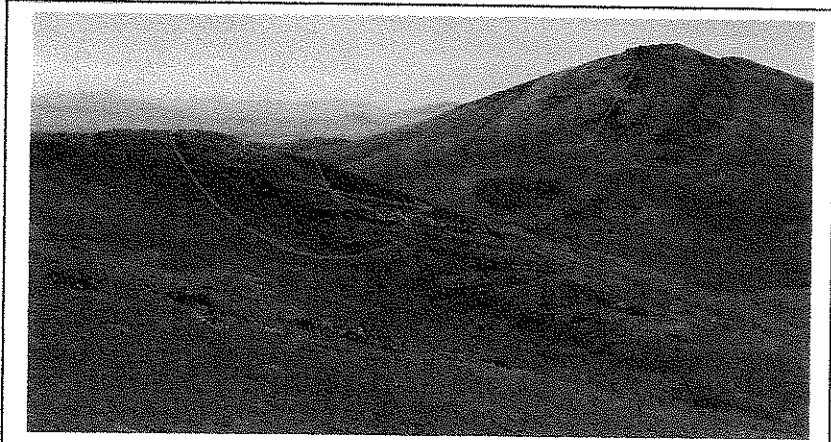
In the area of Morgan Hill and the northern half of section 16 the Devil's Gate Limestone (Dd) changes its general strike from NE to ENE and dips under the Tripon Pass and Chainman Shale Formations to the north. The Eastern limit of the Devil's Gate and Nevada Formations is marked by a north south fault/fold combination which changes the strike to NNW forming a dip slope along the NE face of Morgan Hill. The cts and pls units are represented overlying Dd to the north east of this structure. The south eastern unconformity contact which dips approximately 45 degrees to the SE does not appear to be effected by the north south fault which bounds the Devil's Gate. The Devil's Gate Limestone and Tripon Pass Formations are folded along a NNE axis. The low amplitude folds are perpendicular to slicken lines in the jasperoid which caps the spur ridge to the north of Morgan Hill. The hinges of the anticlines can be seen in outcrop along the northwest face and along the ridge south west of Morgan Hill.

Permian Gerster-Phosphoria and Mississippian Chainman Shale/Diamond Peak Formations

The Permian Gerster-Phosphoria Formation (Pgp) forms the north east striking ridge to the south east of Morgan Hill and the Chainman Shale/Diamond Peak Formation form the wash in between. In this location the formations are folded into a large anticline. A cherty limestone which has less chert and is rattier looking than that of the Tripon Pass Formation forms the

center of the anticline. Bellow chls is a bioclastic limestone which does most of the work in holding up the ridge.

In between Morgan hill and the wash of Mc/Mdp there is a northeast trending wedge of dolomite and limestone. This could belong to either the Nevada Formation or a lower member of the Mississippian package depending on the location of the unconformity. This mystery limestone extends half way into section 15 to the east and is probably the limestone in the south east corner of section 16.



Taken from aprox. UTM 631600 4550150 looking south west. Showing fold axis within the Pgp in fault scarp and probable fold axis across the drainage.

### Geochemical Sampling

Seventeen additional Rock samples were taken bringing the project total to 49.

Samples were taken using the method described by Sutherland August, 2008.

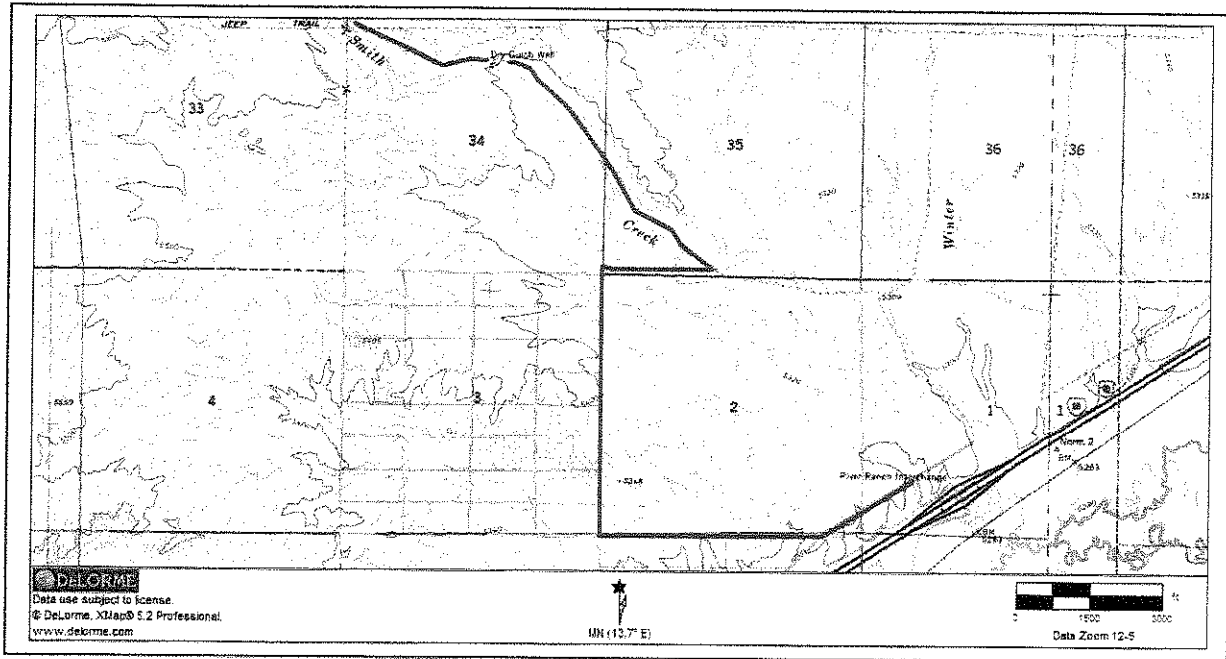
### Additional Rock Sample locations and descriptions

Sample No.	East UTM	North UTM	Rock Type	Formation	Calcite %	FeOx %
MHRX-133	631553	4550516	Dolomite	Pgp	5-10%	0
MHRX-134	631759	4550655	Dolomite	Pgp	5-10%	0
MHRX-135	631716	4550757	mls	Dd/Dn	3-5%	1% Hem
MHRX-136	631396	4550479	mls	Dd/Dn	3-5%	tr. Hem
MHRX-137	631351	4550531	mls	Dd/Dn	5-10%	tr. Hem
MHRX-138	631284	4550559	mls	Dd/Dn	5-10%	0
MHRX-139	631365	4551118	mls	Dd/Dn	1%	tr. Hem
MHRX-140	631420	4550863	mls	Dd/Dn	1-3%	tr. Hem
MHRX-141	631318	4550802	mls	Dd/Dn	tr.	tr. Hem
MHRX-142	631399	4550722	mls	Dd/Dn	3-5%	0
MHRX-143	631488	4550693	mls	Dd/Dn	3-5%	0
MHRX-144	631080	4550877	mls	Dd/Dn	3-5%	tr. Hem
MHRX-145	631393	4551546	mls	Dd/Dn	5-10%	1% Hem
MHRX-146	631276	4549748	bio ls, chert	Pgp	3-5%	tr. Lim
MHRX-147	631616	4549989	bio ls	Pgp	5-10%	5% Lim
MHRX-148	632628	4550375	mls	Pgp	5-10%	3-5% Lim

### Drill Rig Access

The section line road between sections 33 and 34 has two steep portions and a steep bend coupled with a dip as it goes through Smith Creek. These obstacles may be unmanageable for a truck mounted drill rig. If the River Ranch Exit is used a different route should be taken to avoid these obstacles. Go north on the section line road between sections 2 and 3 and then

east on the section line road between 2 and 35. This allows access to the road up Smith creek past the dry gulch well and then continues on with Sutherlands original directions. All of the sharp turns in this route provide enough room to swing wide and make the turns.

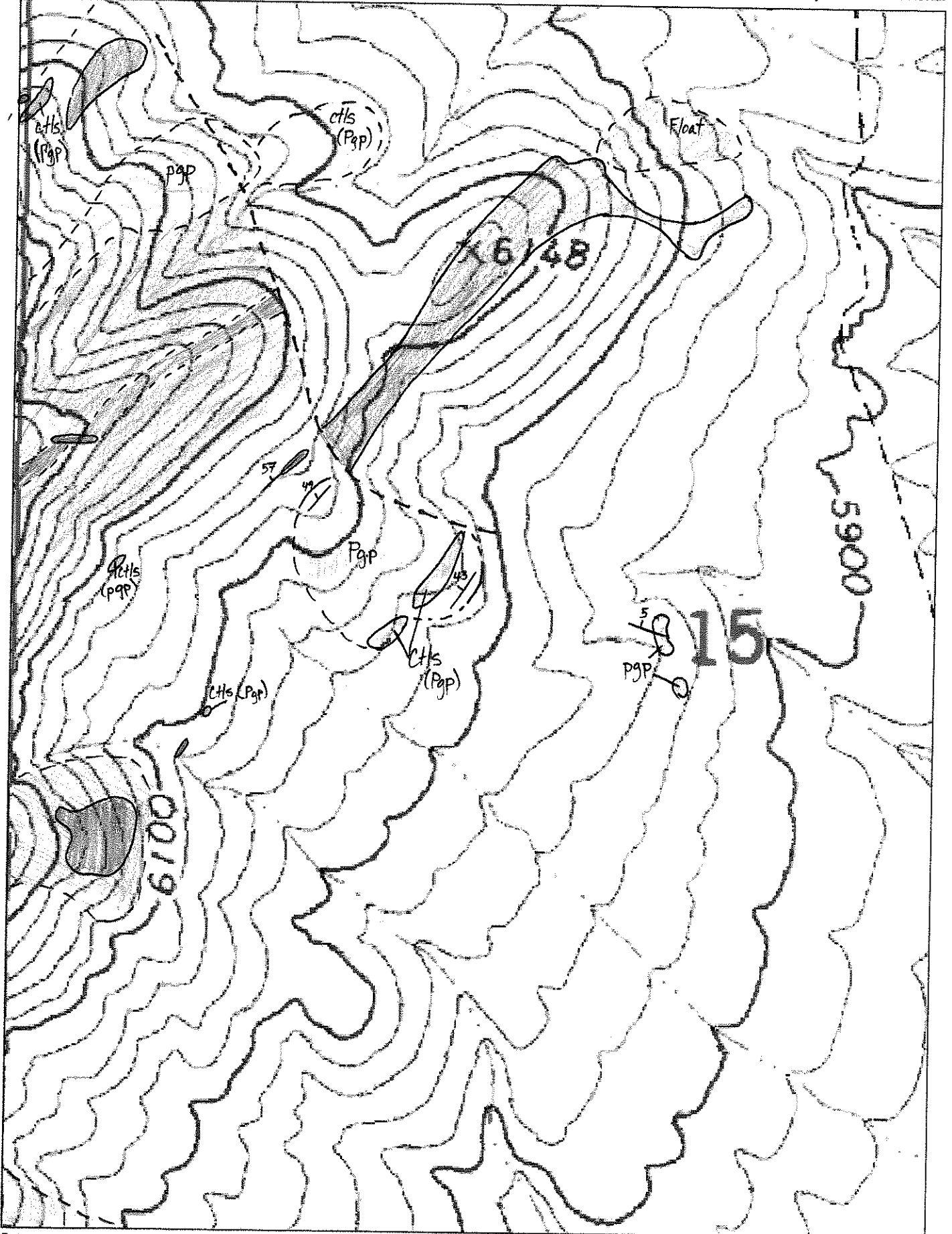


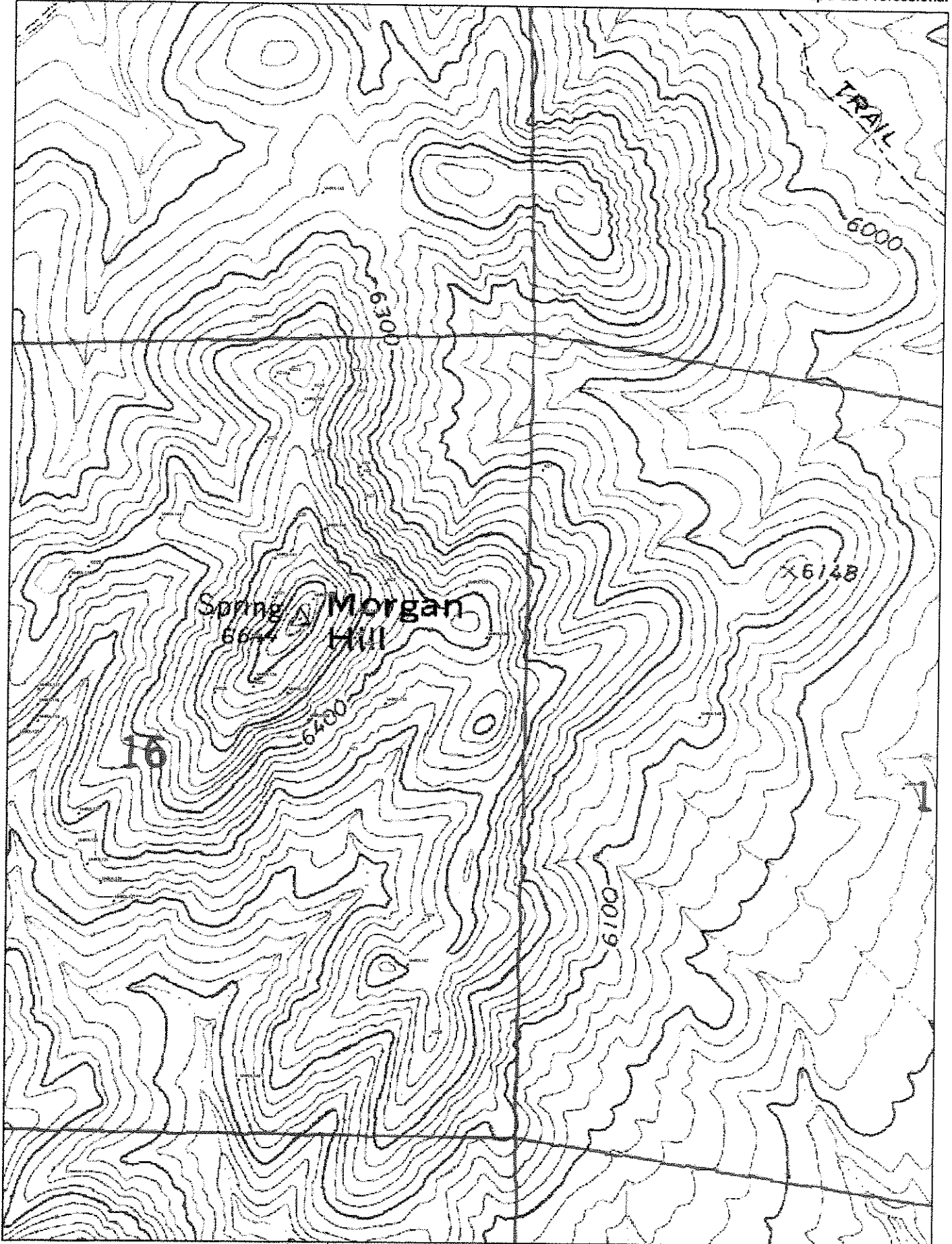
Included Information

1"=500' geologic mapping sheets (2 sheets, Section 16, Portion Section 15)

1:10,400 sample location data point map

Field note copies



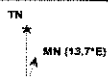


Data use subject to license.

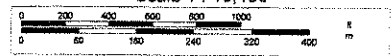
© DeLorme, XMap® 5.2 Professional.

www.delorme.com

*Sample location,  
Data Point Map.*



Scale 1 : 10,400



1" = 866.7 ft

Data Zoom 15-2

- MHRX-124 630929 4550214  
 light gray limestone from 15' below  
 last in the lower upper set.  
 beds 1-6" massive. SD 020/45 W  
 calcite 3-5% hem tract
- MHRX-125 630952 4550175  
 massive 1' thick bed with in thick  
 massive zone. 100"? down section  
 from last on ridge former. Fine grain  
 calcite 3-5% hem trace. Fine grain  
 SD 027/52 W
- MHRX-126 630981 4550137  
 massive fine grained 100"? down section  
 from last 10-15' bed calcite 5%  
 hem - 1% SD - 044/58 NW
- MHRX-127 631010 4550102  
 massive fine grained mid way down  
 150' cohesive unit beds 20"? bottom  
 of section? hem 1% calcite 3%  
 SD 038/64 NW

- Note on hill ESE of Morgan Hill in  
 gite or perpendicular to low angle fault  
 plane. SD 298/9° NE w/ a rake  
 of 25° to the NW on possible direction  
 of movement.
- Last sample was MHRX-132
- MHRX-133 light gray Dolomite w/  
 10% matrix supported 1-3mm fossil  
 lath (calcareous) chert present in out-  
 crop. Trace on the whole. Hem  
 fine dolomite calcite 5-10% in  
 fossils SD = 230/vert.  
 133 - UTM → 631553 4550516
- MHRX-134 gray Dolomite w/ slight  
 pink tinge 5-10% calcite. Trace of hem  
 SD = 245/vert. out crop is locally  
 weakly hornfelsed, calcite veined, cont.  
 fine chert.  
 134 UTM → 631759 4550655
- MHRX-135 cherty limestone w/ 15-50% chert  
 all jumbled up no constant strike  
 dip of bedding exists at all seems  
 to be folded w/ axis  $\delta = 120^\circ$   $\rho = 2.5^\circ$ ?  
 no real evidence for this.  
 not like other cherty limestone

Morgan Hill  
Silver Reserve

Date 9-2-8

MHRX-135 dark gray limestone w/ 3-5% calcite veins and 1/4 hem massive out crop. SD? 080/37 S 10-15' thick bed? 631716 4550757

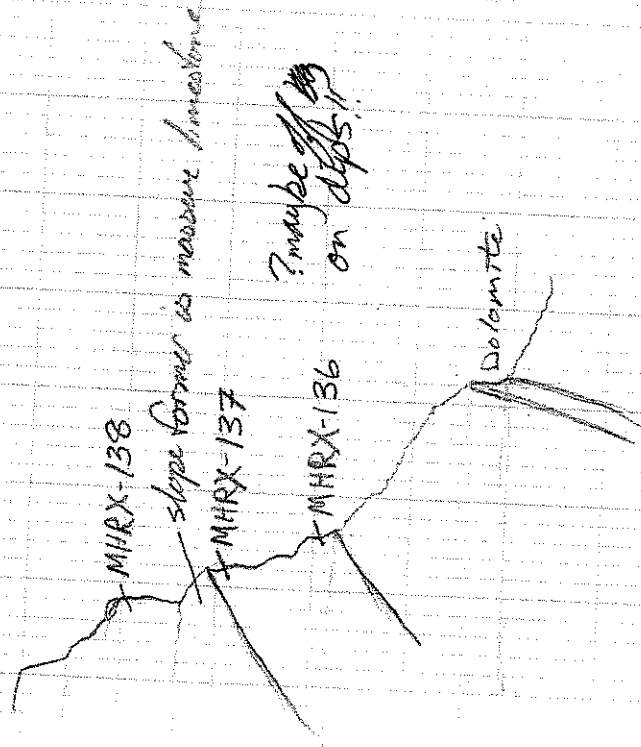
MHRX-136 631396 4550479 dark gray micritic limestone w/ 3-5% calcite vein trace hem. from 25' thick massive bed. SD 060/32? N

MHRX-137 631351 4550531

SD = 058/64 NW dark gray very fine xline limestone w/ 5-10% calcite veins trace hem towards top of same weather resistant set as last 100' up section, 1-5' thick beds. just below 1st slope former.

MHRX-138 631284 4550559 light to gray 5-10% calcite vein, hem 2-5' beds probably somewhat enriched by leaching. SD=088/29 N

Schematic of Morgan Hill section



156/61 E } almost the same  
185/vert } bed  
005/80 W }  
040/72 SE e end of OC

24 Location Morgan Hill Date 9-3-8  
 Project / Client Silver Reserve

- KL6 cherty limestone contorted and messed up fabric over all SD=159/68 SW
- KL7 touch of cherty limestone general fabric (but this thing is all Fed up) 015°/vert
- KL8 laminated calcareous shale w/ mod hem staining SD 065/62 NN
- S KL9 cherty limestone. SD. 020/70 E
- S KL10 limestone SD=050/32 N
- S KL11 Jasperoid w/ many slicken lines from faulting runs roughly // w/ out dip usually near vert w/ near vert slicken lines
- S \*KL12 contact between cherty limestone to the NW and jasperoid fault to the SE. SD on CL → 019/56 SE
- SE KL13\* other side of CL dipping other way! SD= 044/54 NW slicken lines along chert beds raking 25 to the NW

Location Morgan Hill Date 9-3-8  
 Project / Client Silver Reserve

- KL14 ch-L SD → 047/28 NN
- KL15 limestone and cherty limestone contact SD in CL → 026/54 NW
- KL16 limestone SD → 136/21 NE contact w/ slope former.
- KL17 LMSTN SD → 043/24 NN
- MURX 139 631365 4551118  
 21/21 N light gray micritic limestone thick beds trace calcite trace hem
- KL18 cherty limestone SD = 017/76 E  
 N end
- KL19 CHL SD = 004/61 E  
 CHL SD = 001/54 E
- MURX 140 631420 4550863  
 SD = 171/64° E dark gray w/ sandy x-line ground. 1/3 calcite trace hem all jumbled up  
 trace hem? thick beds?
- MURX 141 631318 4550802 103%° N  
 fine x-line limestone 3' thick bed trace calcite trace hem
- KL21 CHL SD = 009/52 E

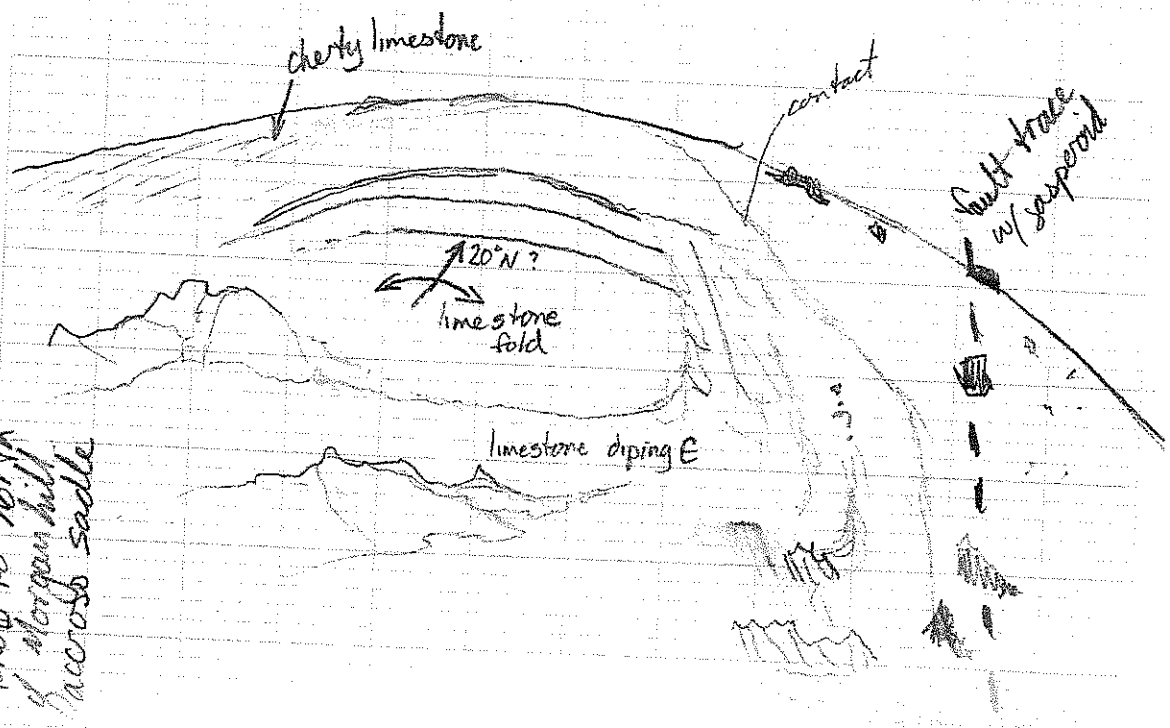
Location Morgan hill  
Project / Client Silver Reserve  
Date 9-3-8

MHRX-142 631399 4550722  
SD 056/38 gray very fine lime limestone  
3-5% calcite  $\phi$  hem 10' thick bed  
top of Morgan hill

MHRX-143 631488 4550693  
SD=154/61 NE taken along fault trace  
1-3' beds 3-5% calcite  $\phi$  hem.  
gray limestone

KC22 (photo) looking at Morgan hill (3)  
KC23 contact between limestone and cherty limestone (brecciated) SD=171/44 N  
KC24 fault rock to West SD=170/54E  
and is folded more around to the NE with  
as it moves away (indicating left lateral)  
just to the south the rock is  
SD=087/32°N  
fault SD?=055/vert

Location Morgan hill  
Project / Client Silver Reserve  
Date 9-3-8  
From 631374 4550970 looking 015° or so  
prob to north  
of Morgan hill  
across saddle



Location: Morgan Hill  
Project / Client: Silver Reserve  
Date: 9.4.8

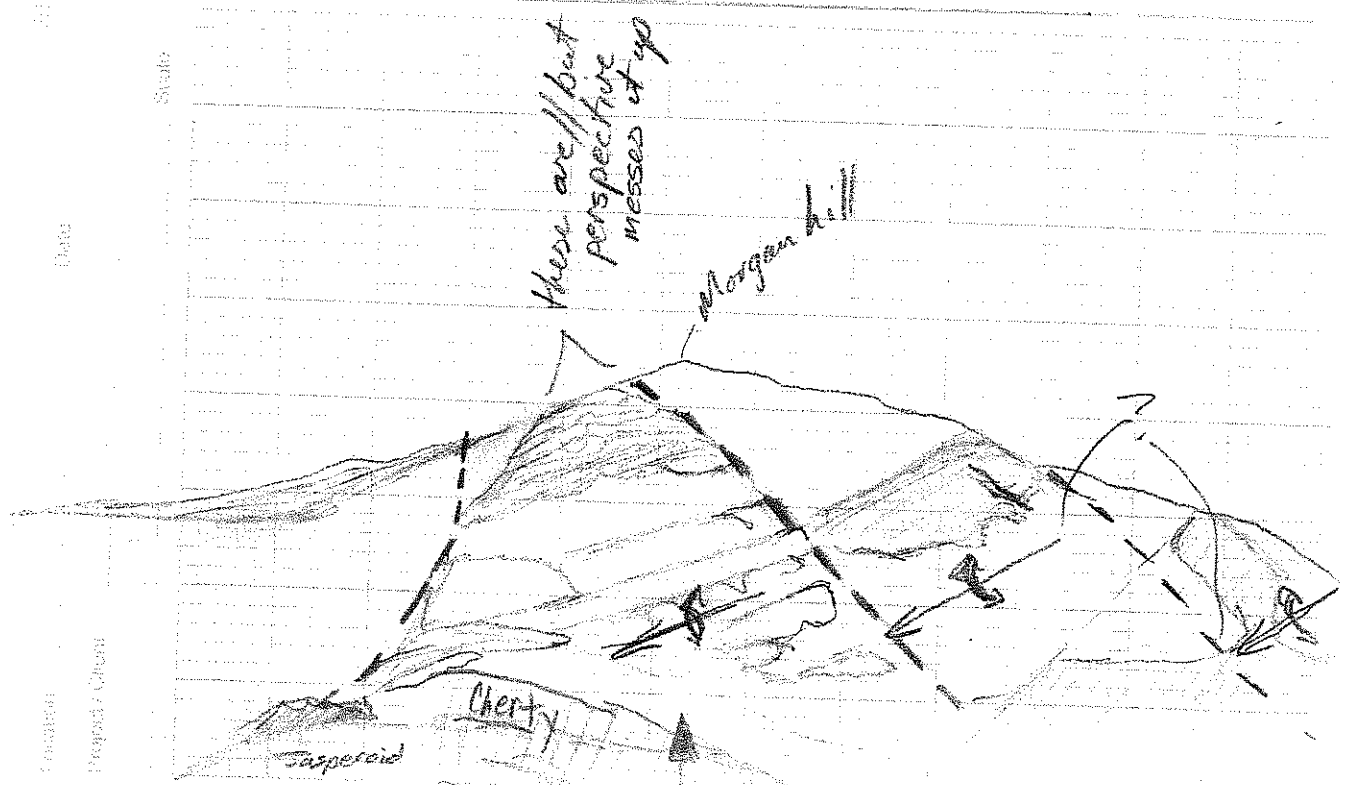
MHRX-144 631080 4550877  
gray fine grained limestone 3-5' calcite  
fossiliferous 6" thick bed I can't tell  
strike and dip. maybe dip slope?

KC25 fault SD 162/14 NE slicken lines  
striking 46° S see pic.

MHRX-145 631393 4551546  
gray micritic limestone 5-10' calcite  
1/2' thin (trace) massive thick bedded  
no available SD probably dip slope

KC26 on crest same eroded out  
fold as pictured further  
down. bearing 180 like the  
last one.

MHRX-146 631276 454 9748 SD=025/47SE  
gray/brown gray / dark gray limestone some  
in matrix supported by shaped  
fossiliferous units have chert nodules  
and are sort of ratty looking 2-10'  
beds. 3-5 calcite trace limestone

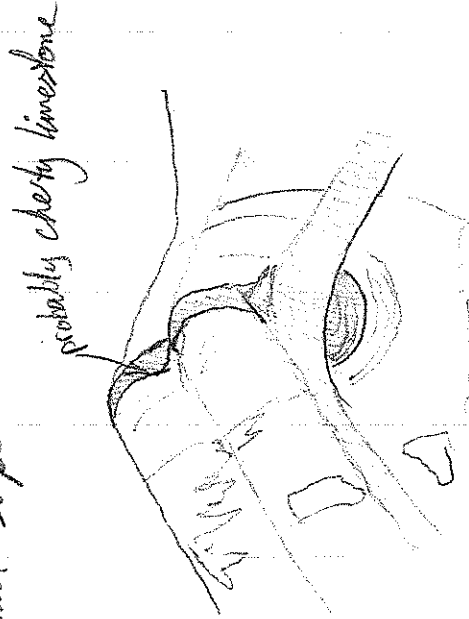


Location: Morgan Hill  
Project / Client: Silver Reserve

Date: 9-78

MHRX-147 621616 4549989 SD=035/54 SE  
Dark gray - gray brown limestone (smells  
like dolomite) w/ minor fossiliferous  
5-10 calcite 5-10 limonite sand size  
particles. 5' beds.

KC 28 photo looking 035 at syncline on  
hill slope

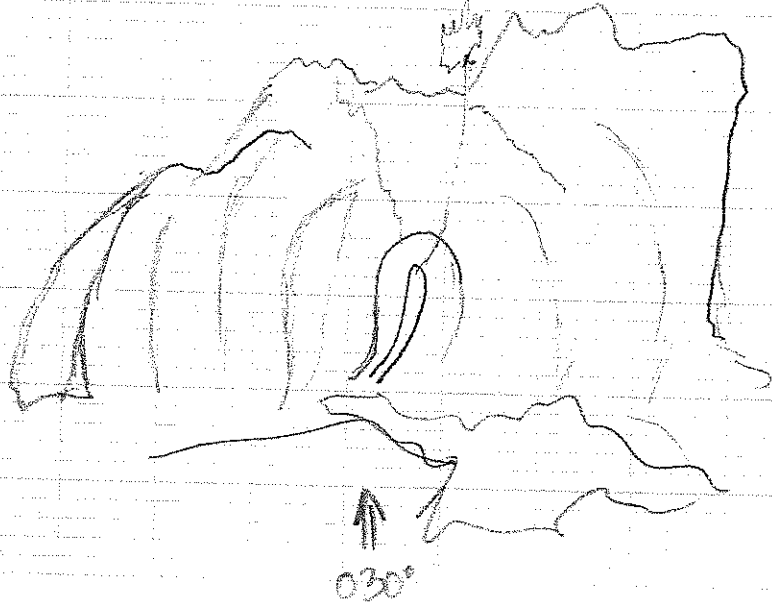


KC29 photo of fold in fault scarp



Location: KC 27 Morgan Hill  
Project / Client: Silver Reserve

Date: 9-6-8



MHRX-148 632628 4550375  
gray limestone 3-5 limonite 5-10 calcite  
roughly SD=105/5 NE?

KC 30 contact darker to the SE  
31 same  
32 same

Morgan Hill  
Silver Reserve

9-7-8

MHRX-149 632203 4550506 5D-050/45MM  
gray limestone w/ quite a bit of chert  
in here too (not bed up) 5' thick bed  
1-3% calcite trace lamonite.

Bend in Road for creek  
632144 4545967

MHDS1 629546 4548595  
as far to the NE as is possible  
dig out making road

MHDS2 629401 4548483  
on ridge/saddle where road tops  
ridge 90° turn.  
maybe 15' lower in section than  
last.

MHDS3 629257 4548380  
on ridge No road to get here but  
it is do-able approx. same part of  
section as last but shallower D  
do to fault to SW.

can be moved back NE 1-2 km -  
dred bed of worried about hitting  
fault.

MHDS4 628538 4548109  
possibly higher in the section than  
last? accessible from road w/  
no vegetation and gentle slope  
soft ground though might  
need a little blade work  
for pad.

MHDS5 629773 4548906  
accessed from road 13° hill climb  
no vegetation shorter grass may  
be steeper. open flat saddle.