

KMT - 29

MINUTES

DIRECTORS' MEETING - JANUARY 29, 1956

Mt. Diablo Quicksilver Co., Ltd.

A meeting of the directors of the Mt. Diablo Quicksilver Co., Ltd. was held at its office on the mine property near Clayton, California on January 29, 1956.

Present: V. Blomberg, P. W. Cox, A. E. Moni, G. L. Henry, Dorothy Lanning and Harold Blomberg.

(NS) 2 The minutes of the previous directors' meeting of January 22, 1956, were read and approved.

V. Blomberg reported that he had several inquiries from prospective operators interested in taking over the Cordero Mining Co. lease. Among them were Black Mammoth Consolidated Mining Corporation, Horsethief Canyon Uranium, Inc., and Nevada-Sheelite, Inc.

A letter from Francis H. Frederick, mining geologist, dated January 25, 1956, recommending Black Mammoth, was read to the board. V. Blomberg reported that, among all of the prospects, the Black Mammoth company appeared to be the most desirable at the present time, that company having had the most experience in quicksilver mining and having the recommendation of the Cordero Mining Company.

After discussion, it was moved by G. L. Henry, seconded by Dorothy Lanning, that V. Blomberg be empowered to meet with the authorized personnel of Black Mammoth Consolidated Mining Co. and to approve an assignment of the Cordero Mining Co. lease, subject to the following considerations:

- (1) That we obtain a current financial statement of the company and that the facts shown on such statement are satisfactory.
- (2) That we determine the intentions as to future operations by the company and determine, if possible, their plans as to amounts of money available for the Mt. Diablo operation.
- (3) That a new lease agreement be drawn, along the same lines as that now held with Cordero Mining Company, but with the following suggested amendments:
 - (a) Minimum royalty of \$300 per month.
 - (b) Minimum of 120 shifts to be worked per month.
 - (c) In the event lessee abandons the property, a 30 day notice be given with 60 additional days during which to remove their property, and that such property be retained by our company after that date.

Motion unanimously approved.

The Secretary submitted the following payments by check for board approval:

1/24/56	- Dist. Director of Internal Revenue	\$54.00
	- Dept of Employment	2.25
29	- P. W. Cox, director fee	25.00
	- A. E. Moni, director fee	25.00
	- G. L. Henry, director fee	25.00
	- Dorothy Lanning, director fee	25.00
	- Harold Blomberg, expenses	9.02

P. W. Cox, moved, seconded by A. E. Moni, that the above payments be approved. Motion unanimously approved.

P. W. Cox moved, seconded by A. E. Moni, that this meeting be closed. Motion unanimously approved.

H. Blomberg
Secretary