

KMT - 31

MINUTES
DIRECTORS' MEETING
Mt. Diablo Quicksilver Co., Ltd.
February 24, 1957

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 February 24, 1957, at 1:00 p.m.

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

The minutes of the directors' meeting held on April 28, 1956, were read and approved.

The Secretary reported that advertisements regarding the sale of the mine and property were placed in two leading mining journals, and that the company had received many responses to these appeals, all of which have been answered.

The Secretary read a letter from A. R. McBirney, representative of Cia. Minera La India, dated January 25, 1957, which letter expressed interest in the purchase of the mine properties for a price of \$50,000.00. This company is operating mines in Nabanagua and is a subsidiary of Noranda Mines, Ltd. of Toronto. This letter requested a period of thirty days during which to examine the property, with provision for an additional thirty days in return for a payment of \$1,000.00; this amount to be applied to the purchase price if the sale goes through, and to be forfeited if the option to buy is not exercised.

The Secretary reported that we had extended an option to the above interests by letter dated January 27, 1957. Thirty day option started on January 28, 1957; and further, the privilege of an additional thirty days was granted, in return for payment of \$1,000.00, which payment is to be made on or before February 27, 1957. It was understood that the payment of \$1,000.00 for such extension will be forfeited if the option is not exercised, and will be applied to the purchase price if the sale goes through.

General discussion followed regarding plans to be made in the event that a sale of the mine property goes through. The Secretary reported that our prospective buyer had indicated that if his company decides to purchase the property, they would also want to consider the acquisition of the corporation itself, if possible. The Secretary read correspondence between Stoddard Incorporating Co. and this company regarding this subject.

Letter from United States Department of the Interior Defense Minerals Exploration Administration, dated February 11, 1957, was read. This letter advised that a mutual termination agreement has been executed between the Government and Messrs. Jonas and Johnson, and also notified us that the Government does not intend to issue a certification of discovery or development which would create a lien against this property.

Letter from Regional Water Pollution Control Board, dated January 24, 1957, was read. This letter concerned an inspection of the mine property on January 17, 1957, and included a full report of such inspection. Our letter dated February 16th in answer to the report was read to the board.

The Chairman reported that a trial between Mt. Diablo Quicksilver Co., Ltd. and Alfred Schwartz, et al had been held in Martinez, California on January 9, 10 and 11th. Findings of fact and conclusions of law as prepared by Charles L. Hemmings, Attorney for our company, were reviewed for the board. Decree and judgment was held in favor of Mt. Diablo Quicksilver Co., Ltd. and title to road right of way was quieted. It was noted that the upper road can be used for all purposes except for the hauling of gravel or rock, which exception was effected by defendant David C. Wise our adjoining neighbor. The Secretary reported that statement from Charles L. Hemmings, attorney at law, for services in the total amount of \$303.75, had been received and paid.

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The Secretary read a copy of the company's financial statements for the year 1956. Net profit for the year amounted to \$99.24. The Secretary reported he had filed a claim for refund of federal corporation income tax of \$42.53. Copies of the financial statements are filed in this minute book.

The Secretary reported that the property taxes for the fiscal year 1956-1957 for the company amounted to \$817.75, and that the first installment of \$408.88 had been paid.

Discussion followed regarding plans for the annual stockholders' meeting, which is usually held during April of each year. P. W. Cox moved, seconded by Dorothy Lanning, that the stockholders' be notified of a meeting to be held on the mine property on April 28, 1957, at 1:00 p.m., for the purpose of electing directors for the ensuing year, for the purpose of discussing the possible sale of the company's property, and to act upon any other business as may properly come before such meeting; but that definite plans regarding any sale be deferred pending determinations by our present prospective buyer. Motion unanimously approved.

The Secretary submitted the following payments by check, since the directors' meeting of 3/25/56, for approval:

4/17/56	- Dept of Employment	\$ 2.25
	- Director of Int Revenue	54.00
	- Palo Alto Printing	29.87
4/21	- Harold Blomberg, salary - net	19.25
	- Vic Blomberg, salary - net	38.50
	- Harold Blomberg, expenses	10.23
5/5	- P. G. & E.	68.90
6/2	- Stoddard Incorporating Co.	6.00
6	- Harold Blomberg, salary - net	38.50
6	- Vic Blomberg, salary - net	77.00
6	- P. G. & E.	68.90
6	- Harold Blomberg, expenses	16.03
7/5	- P. G. & E.	68.00
8	- Director Int. Revenue	54.00
8	- Dept of Employment	2.25
8/1	- Calif. Mining Journal - advert.	13.50
1	- Stoddard Incorporating Co.	50.00
1	- Harold Blomberg, salary, net.	19.25
1	- Vic Blomberg, salary, net	38.50
12	- Harold Blomberg, salary, net	19.25
12	- Vic Blomberg, salary, net	38.50
31	- Concord Electric Shop, repairs	19.50
9/7	- P. G. & E.	136.00
7	- McGraw Hill Pub Co., advert.	27.05
7	- Calif Mining Journal, advert.	13.50
8	- Marsh & McLennan, insurance	143.20
14	- Harold Blomberg, expenses	16.48
14	- Harold Blomberg, salary, net	24.25
14	- Vic Blomberg, salary, net	48.50
26	- Marsh & McLennan, insurance	825.45
10/9	- P. G. & E.	68.00
9	- Calif Mining Journal, advert.	13.50
9	- McGraw Hill Pub Co., advert.	27.05
30	- Dir of Internal Revenue	39.00
30	- Dept of Employment	2.25
30	- Marsh & McLennan, insurance	45.00
30	- Harold Blomberg, salary, net	24.25
30	- Vic Blomberg, salary, net	48.50
11/8	- P. G. & E.	68.00
8	- Calif Mining Journal, advert.	13.50
15	- Concord Mercantile, repairs	29.38
15	- Harold Blomberg, salary, net	24.25
15	- Vic Blomberg, salary, net.	48.50
20	- R. H. Kinney, tax collector	408.88
12/10	- Harold Blomberg, salary, net	24.25
10	- Vic Blomberg, salary, net.	48.50
10	- Stoddard Incorporating Co.	50.00