Besides owning the Leontina Group outright and a working bond on the Revenue Group of Mines, a description of which is given in the booklet of the Leontina Development Company, dated Sept. 1st, the Company has taken an option, under a working bond, on the Powers Gulch Mining properties, situated 16 miles from Globe, Ariz.

This option embraces a group of 28 claims, including 10 fractional claims. It is a great acquisition to the Company's assets and enhances the value of the stock of the Leontina Development Company, as the stock covers all assets and options acquired from time to time, there being no subsidiary companies under the LAWSON SYSTEM of mining. We submit to our investors a report by E. T. Farish, M. E., now of Los Angeles, Calif., on the Powers Gulch Mining properties. Mr. Farish is a Mining Engineer of National reputation.

We submit a report also from Geo. R. McFall, of Kansas City, Mo., a practical mining man, and one from E. R. Crawford, a pioneer mining and business man of Globe, Ariz., all of which speak wonders for the Powers Gulch Mines.

REPORT BY T. E. FARISH, M. E.

The Powers Gulch Copper property consists of twenty-five claims, seven of which are fractional claims and eighteen full claims, about four hundred and thirty acres situated on Powers Gulch in Gila and Pinal Counties, Arizona, about sixteen miles southwest of Globe, the County seat of Gila County. There is a good road to within two miles of the property. It is in the great copper belt of Arizona, which extends territory from Jerome (the United Verde), in the North through Globe and Bisbee to Cananea and Nacosari in Sonora, Mexico, along which is found some of the greatest copper mines in the Western Hemisphere.

The Gibson Mine, which is now yielding a profit of sixty thousand dollars per month from ore shipments to the Old Dominion, is about three miles to the south. The Arizona National Copper Mine owned by a Pennsylvania company is about south about two miles, the Mitchell Mining Company is about one mile east, both valuable mines, while other groups as the Five Points, Pinto and Globe, Globe Standard and others, all showing good ore, adjoin this property. There has been little work done on the property in the way of development, but being in a district that has been thoroughly proven and having the geological requirements for mines in that district, I believe it is the making of a very valuable property.

The formation is diabase and granite and running northeast and southwest through the property as shown on the map, is a large vein of quartz matrix from thirty to fifty feet wide on the surface, which I think is the mother vein of this immediate locality and from which radiates smaller veins in all directions. There are several of these in this ground. The principal vein runs through this ground a distance of nearly three thousand feet into an adjacent ground of Hubbell and Martin. Its average width on the surface is eight feet, growing wider as it nears its junction with the main or mother ledge, (see map).

On this ledge on the Hubbell ground a tunnel has been run in on the vein at a depth below the surface of about seventy feet, in which a vein of rich borenite ore is found and several feet of concentrating ore. The borenite will run from 26% to 30% copper and the concentrating 3%.
The bornite ore is not at present an average of more than one foot wide, but it will undoubtedly increase in quantity as depth is attained. About six hundred feet from this tunnel on the Attraction claim a shaft has been sunk on this vein to a depth of forty-two feet. At the bottom it is specular iron with bunches of bornite and chalcopyrite copper ore. In the Quail claim as shown on the map a tunnel has been run in from a ravine sixty feet, about thirty feet below the surface which shows the same mineralization. Anywhere along this vein a shaft sunk to a depth of three hundred feet would open a large and valuable ore body.

In the Gibson Mine the surface mineralization is not more than two feet. They followed a clay gangue (gang) for one hundred and fifty feet without mineral of any kind. At their two hundred foot level the ore body was about one foot wide; at four hundred feet, their present level, the rich ore is five feet wide, besides from five to twenty feet wide of concentrating ore averaging 6% copper. They are shipping from this level seven hundred and fifty tons bornite ore monthly, averaging 22% copper. From surface indications this vein will be a better property than the Gibson, to say nothing of the mother ledge and the other veins that traverse the property.

Anytime into the present shaft two hundred feet deeper, I do not think would cost more than ten thousand dollars, and this would prove the property, for at that depth the rich ore would be in place in sufficient quantity to furnish capital to open and systematically develop the property. The large vein being more exposed on the surface would, I think, be leached to a greater depth, say four or five hundred feet. But that underlying the quartz capping, there is a large and valuable deposit of ore, I do not doubt, for this material forms the matrix of most of the copper deposits of the Globe district. The property is worthy of the attention of capital. It certainly has the earmarks of a big mine. To prove its value but little money or time is required. Three months' work would tell the story.

(SIGNED) E. T. PARISH.

Pasadena, Cal.
July 19, 1907.

REPORT BY GEO. F. MCFALL.

Messrs. Lawson & Co.,
231 Stewart Bldg.,
Kansas City, Mo.

Gentlemen:
I herewith submit to you a report on the Powers Gulch group of copper mines:

The Powers Gulch properties consist of 28 claims, 10 of which are fractional claims and 18 full claims, about 475 acres of ground situated in Powers Gulch, Globe Mining District, Gila and Final Counties, Arizona, about 16 miles southwest of Globe, the County seat of Gila County. There is a good wagon road from Globe to the property. It is located in the greatest copper belt in Arizona, which covers a territory from Jerome (the United Verde), in the north, through Bisbee to Cananea and Naco in Sonora, Mexico, on the south, along which is found some of the greatest copper mines in the Western Hemisphere, elevation about 5,000 above the sea level, with plentiful water for working purposes within 1½ miles from the property, and sufficient timber on the ground for cooking, mining and steam purposes for a number of years.

The Gibson Mine, which is now yielding a profit of $60,000.00 per month from ore shipments to the Old Dominion Smelter, is about three miles southwest.

The National Copper Company Mine, owned by a Pennsylvania Company is south about two miles. The Mitchell Mining Company is about one mile east. Both valuable mines; while other mines, such as Hubbard and Martin, Five Points, Pinto and Globe Standard, and others, all showing good ore, adjoin this property.

The Hubbard
and Martin adjoin the Powers Gulch property on the east, and a steady shipper for two years; the ore runs from 16% to 30% copper, averaging 22%.

There has been but little work done on the Powers Gulch property in the way of development, but being in a district that has been thoroughly proven and having the geological requirements for mines in this district I believe it is the making of a very valuable property.

There is a good wagon road from the Powers Gulch Mine to the Old Dominion Smelter—one of the best in the United States. A railroad now under construction, the Southern Pacific system is building, will be completed within six miles of the property within the near future.

With the expenditure of, say $40,000.00, systematically spent, in the development of this property, will make it from a five to ten million dollar mine. With the shaft in the west end of the Quail claim, to a depth of 600 feet, a cross cut sufficient to cut the formation, there will be shipping ore enough taken out to pay for the price of the property without raising further funds than the $40,000.00 for development.

There are two shafts sunk on this property to the depth of 100 feet, showing shipping ores in the bottom of the shafts. There are some six or seven ledges traversing this property, forming one common junction at the western part of the property where they intersect a very large contact vein, besides a number of other ledges running up the property to the contact vein. (See map).

Being thoroughly acquainted with the Globe Mining District and doing considerable development work myself in that district, I consider it the best copper mining district in the United States or Mexico; and in my judgment, the Powers Gulch property is one among the most promising groups in that entire district, and with six months' development work on this property it will be safe to say that this will be one among the greatest shipping mines in the district. I have had twenty-five years of experience in mining in the Southwest, and take great pleasure in recommending it to any one wishing to make an investment.

Respectfully submitted,

(SIGNED) Geo. P. McFall.

Sept. 3rd, 1908.
3017 Cherry St., Kansas City, Mo.

Messrs Lawson & Co.,


Kansas City, Mo.

My dear Sir:

In reference to inquiries as to the Globe Mining District and the Powers Gulch group of mines, in particular, would say that I have lived in Globe and vicinity for the past thirty seven years and seen its present growth from infancy. I believe Globe to be one of the best mining district in Arizona, and with proper development will be the greatest in the world, and while the Powers Gulch Property is at present in its infancy, I believe with its present showing and proper development in depth, will be a property of great value and rank with the best in the country.

In regard to references as to myself, I refer you to any bank in Globe.

Respectfully,

(SIGNED) E. P. Crawford.
We recommend to our friends and investors an investment in the stock of the Leonina Development Company for several hundred per cent in increase in value within the next two years. We will stake our reputation on this assertion.

Sincerely yours,

LAWSON AND COMPANY., Vendors,
(SIGNED) Merideth E. Lawson, Pres.
231 Scarritt Bldg., Kansas City, Mo.

Please place on file for future reference.

Sept. 8th, 1908.