

EXPLORATION INCORPORATED
OF NEVADA

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January 21, 1985

Dear Friend,

A few of us still believe in the legendary lost gold mine at Kokoweef Caverns. That's why we've regrouped and chartered Explorations Incorporated of Nevada.

The company has two major goals: First, to participate in a number of aspects of mining and exploring for gold, silver and other precious metals; and second, to bring tested ore bodies into commercial production. Our area of concentration is Nevada, California, and Arizona.

And one of our first major projects is a five-phase operation at Kokoweef Caverns.

We realize that many of you have been involved in this venture for many years. That's why we're coming to you now. You have supported us over the years; you understand our goals; you realize the difficulties involved; and you believe in this venture as much as we do.

We want to continue our drilling and exploration projects at Kokoweef, but in a more cost-effective, timely and efficient manner. To date, we have completed making the following changes:

1. Limited the number of investors.
2. Asked all former campsite workers to leave in order to keep expenses down. We are looking for a volunteer camp-sitter, with his/her own income, who can guard the property against vandalism or natural disasters. We will supply the person with shelter and propane fuel; the volunteer must provide their own food and transportation.
3. Renegotiated our rental agreement at Kokoweef down to \$250 per month from the original \$500 per month we were paying.
4. Built a flatbed equipment truck on which all of our needed equipment will be placed and transported to the mine only when each project is started. This equipment truck includes compressors, generators, materials, supplies and propane gas. Prior to start of each project, the equipment truck will be parked at mine entrance, air and electricity connected, then work begins. Equipment truck's arrival will coincide with the arrival of professional miner and work crew; and equipment truck will remain at the mine until the completion of that one project only, or no longer than 30 days. At completion of each project, equipment truck will be returned to the Nevada Operations Office for safe-keeping. This will insure no more lost or stolen tools, equipment and other needed supplies and materials. And since we already own all of the equipment and compressors, we have no major expenses here.

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5. Contracted with a professional miner (Jim Hanhardt of Wallace, Idaho) who will continue the necessary drilling and tunneling to complete our proposed Kokoweef projects. We only need to pay for his travel expenses; he will take shares in Explorations Incorporated of Nevada as payment for his services. His major responsibilities will be to coordinate the five proposed projects and supervise the crews who will work in two shifts, 16 hours a day until each project is completed.

The five proposed projects at Kokoweef are:

1. Tunnel under Schnard's Hole at Big Junction Fault where air is escaping. We're excited about this first project because it is the most obvious and natural location for anyone to have gone down into the mountain. This observation is based on years of scientific investigation and personal experience on the mountain.
2. If Schnard's Hole does not connect, continue tunneling under the Four White Crystal Rooms which lie on the same fault line as Schnard's Hole.

These first two projects will be completed during the same time frame, within a 30-day period. Tentative starting date is Spring 1985.

3. Thoroughly investigate the bottom of Clarke's Hole which is the deepest known fissure in the mountain at 125 feet below track level.
4. Complete long-holing Warmoth Winze which is 120 feet below track level. Will probe up to 165 feet in a horizontal long fan to existing tunnel at end of Winze.

Projects 3 and 4 will be completed at same time within a 30-day period. Tentative start date is Fall 1985.

5. Continue all drilling outside of mountain with drill rig which is under preparation now.

To make these projects a reality and our dream a success takes money. We've already outlined the steps we have taken to curtail expenses, but some materials still cost money such as dynamite, fuses, caps, water, diesel fuel, oil, drilling steel bits and our monthly camp rent must be paid -- on time!

We DESPERATELY need your financial support and propose the following: a subscription fee of \$25 per month due quarterly with each newsletter you receive which updates our current projects and enlightens you on future ventures. This is \$75 a quarter or \$300 per year which is transferred into shares in Explorations Incorporated of Nevada. If you can afford to send more money, the additional fees will also go towards your shares in the company.

Because so many of you were involved in the now-dissolved Legendary Kokoweef Caverns corporation, we want you to know that we WILL HONOR your past shares in that company and will apply them to current shares in Explorations Incorporated of Nevada. All of our funds will be accounted for with open access to the records kept here at the Nevada Operations Office.

And each of you has an open invitation to visit the mine and campsite located in California off of I-15 at your convenience.

With an on-going cash flow, limited investors and minimal expenses, we know we can achieve the maximum amount of work at the mine and uncover what we have all been searching for.

Sincerely,

Larry L. Hahn
President

A large, stylized handwritten signature in black ink, appearing to read "Larry Hahn". The signature is written in a cursive, flowing style with a large initial "L".