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WINTER 1995

Seismic Mapping Scheduled for February

seismic equipment has arrived. We should have it on-2-weeks in first the February, and complete our first the last 2-weeks February, following the training our computerthree of literate crew members so they can work the seismic.

Several known-methods exist for such seismic exploration. One projected method is to grid the mountains around the Kokoweef Cave area in 75-foot squares. We'll accomplish the grid by running a line of 16 sensors 75 feet apart in a straight line up over the mountain and tunnel. The we'll shoot one or more rounds to get the proper amount of force and recording. We'll repeat this step over the entire mountain by moving exactly 75 feet into the next grid and complete another row until we've collected enough preliminary data to thoroughly and accurately analyze what's happening inside the mountain.

In this way, we'll cover every existing cavern and should be able to get an accurate base-line reading. If we can detect the caverns and what's happening on the screen, we can then determine what's going on Those are our goals, at least!

beneath us and detect loction of any new, undiscovered caverns or voids.

Concurrently, we'll continue drilling in the area we found the air flow and heard the internal rock falls. This year we hope to prove that those were indeed rock falls we heard; if so, we'll know that large cavity Dorr described exists.

We're currently at the 500 foot mark, where we drilled the small tunnel that emitted air flow and radon gas. We're drilling to the left to try to break into where we think the continuation of the Kokoweef Cave is located; we'll also be drilling numerous holes in all directions, including verticaly, or upwards, on the assumption that we may have driven our current tunnel underneath what Dorr described in his original affadavit.

We are reasonably confident that the continuation of Kokoweef is over the top of, and to the right of the tunnel, then down. With continuing drilling a program, and the addition of the seismic, we should be able to come up with an answer soon.

Continued Research Proves Dorr's Affadavit Valid

Buck and Oliver Peysert did The Monaghan exist. Murphy Bank in Needles, California, did exist. new discoveries affirming their existence are crucial because these records prove that what Earl Dorr said in his sworn. notarized statement was true and not merely a legend about a "few hardy and exceptionally daring Indians" who managed to go down to this underground river and retrieve its "golden treasurer."

According to an article written by Ray Dorr, Earl's nephew, "The Peysert brothers were Indians who worked on my grandfather's Colordo ranch in the 1890's. They took a liking to their boss's eldest son [Earl] then a hot-tempered young cowboy. When one of the Peysert brothers was killed in the cavern, the survivors were forbidden by tribal law to return to the place of his death"

Another nephew, Willard Dorr Jr., said the Peysert brothers probably told Earl Dorr about their tribal secret in 1906.

In the affadavit of December 1934, Earl Dorr noted that he had known Oliver, Buck and George Peysert "from my boyhood," had "discussed these caves with them repeatedly and thoroughly," and that they had reported to him "in detail their

experience in exploring the caves." Dorr also noted in that same affadavit that "George lost his life in the cave." The three brothers were mining when "George was killed by diving into the river on the floor of the canyon. He struck an unseen rock, which killed him instantly."

According to Earl Dorr, the brothers said they mined the "beach sands of the river a total . of six weeks . . . and . . . recovered more than \$57,000 in gold (at \$20 per ounce): they sent their gold directly to the U.S. Mint and banked the returns in a bank in Needles. California, and another bank in Las Vegas, Nevada." An article by Philip Johnston, interviewed "E. P. Dorr, miner and prospector," reported how the Peysert brothers "entered and explored the big cave. In its remote depths, they found a river margined with black sand that was fabulously rich in gold. Keeping their discovery secret, they . . . mined some \$57,000 in precious metal, which was placed in the Monaghan and Murphy Bank at Needles. . . . About 15 years later, Dorr made inquiry at the Needles bank, and verified the report of the gold having been deposited there." inne

For years we've been trying to confirm the existence of the Peyserts and of the Needles and Las Vegas banks. Although the bank in Las Vegas has not yet been located, our on-going, research has uncovered the Needles' bank.

On page 7 of the June 6, 1908, The Needles Eye newspaper appeared an ad for "New Spring Goods" at "Monaghan & Murphy Co. in Needles, California." Further investigation revealed during the early years of this century, Monaghan Murphy owned a lot of property and businesses in Needles; in fact, the bank the Peysert brothers deposited their money into was located in the back of the Monaghan & Murphy store from 1883 to 1911. This is recorded proof of the validity of Dorr's claims.

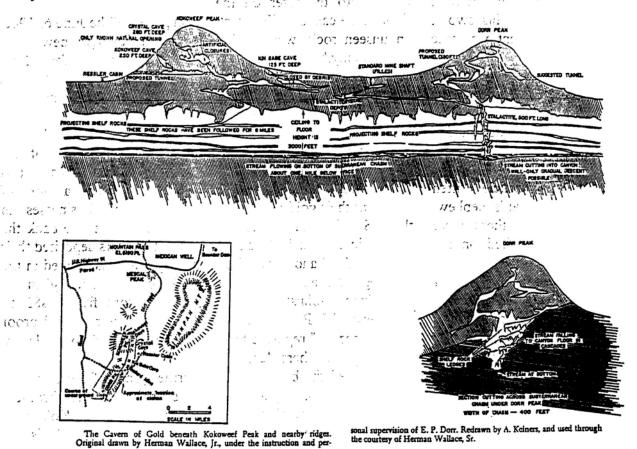
Further proof of the existence of both the Peysert brothers and the legendary Kokoweef caverns ("Kokoweef" is an Indian word meaning "Dripping Water") is NOTICE "LOCATION Quartz Claim" filed by E. P. Dorr and witnessed by Buck and O. L. Peysert on June 17, 1925, in the Pinto Valley, which is just 25 miles east of Kokoweef. A decade later, on Feb. 10, 1936, an E.P. Dorr filed a LOCATION NOTICE -Quartz Claim on land adjacent to our current operations,

traveling directly under our property. In this claim, Dorr describes "massive caves and caverns in which are deposits of iceland and spar. Sulphur, Copper, Lead, Silver and Gold placer sand found on under ground stream which runs on canyon floor 2000 to 3000 feet below the caves."

The discovery of these documents, coupled with the visible fault line in Kokoweef Peak that contains Crystal Cave (through which Dorr claims he entered and eventually found its hidden

treasure), reassures us that we are in the correct area and will find that awesome, yet elusive, River of Gold.

We'll continue to search for both collaborating documents and the pathway down to the River, and keep you informed.



"We cannot do everything at once, but we can do something."

Need An Electric Compressor

We're looking for an electric 500 to 750.

CFM compressor to use in conjunction with our 250 thousand watt generator, preferably a screw or vane type that we can pick up at a very reasonable rate.

This will give us the capability of running the generator, electricity, and air off of one engine rather than off of the two as we do now. In the long run it will save us time and, most importantly, money.

Want to Pay Off the Seismic System

We are more hopeful than ever that we are on the right track. Our continuing research and drilling programs have proven that we are probably in the right area, maybe even closer than we even suspect. Our new seismic equipment was costly, but essential.

We'd like to pay off the approximately \$10,000 we owe on the seismic system, so that the Company can own the system outright. Therefore, the money we receive this time will go directly into paying off the seismic.

But we still have our on-going operating costs to consider: food, supplies, fuel, rent, insurance and the monthly LHD payment. Anything you can do to help, as usual, is genuinely appreciated.

For those of you who await this newsletter, please don't forget us. Send what you can, but please send in something, for we'll all win in the end, when we uncover the River!

Some of you have elected to send in your investment dollars semi-annually or even annually. This is the beginning of a new year, and we want to make 1995 OUR YEAR, so please send in your investment check now. It will be put to good use, as all of your money has been

For example, every year we've had a major problem with our water lines when the temperatures dip to 12 degrees and below -and this happens every November! Our water
lines would freeze. This was a constant
aggravtion besides being expensive to repair
when they broke open. Even when this didn't
happen, it was a nuisance to have to wait till it
warmed up in the afternoons to defrost those
frozen pipes!

So this year, before the lines and ground froze, we spent a month burying the water lines. We drilled them underground, insulated them, and now have free-running water year-round.

We even ran water lines to the main Shack and put in bathrooms. When you come to the picnic in June, you'll have indoor plumping and plenty of running water.

We hope you are making plans to attend this year's Investor's Picnic. It will be held on Sunday, June 4. We've discovered over the past few years that it doesn't matter if we have it on a Saturday or a Sunday, on Father's Day or another day.

It appears that the week after Memorial Day is the most successful time for our Annual Meeting and Family Picnic, so we're going back to our old traditional date: the first Sunday after Memorial Day which this year is June 4. Look for details about the picnic in the next newsletter -- May issue. Till then, have a VERY HAPPY 1995.

THANK YOU FRIENDS AND INVESTORS FOR
YOUR CONTINUED FAITH!