POTTER COUNTY

SILICA PROJECT

June 1, 2011

FOR SALE: US $60 Million

Seller's Broker
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Available after NCNDA signed, and **only** from Seller and above-named Collaborators

Summary of Mine at Mine-PCSP.ProsperSystems.biz

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INTRODUCTION

The Amarillo, Texas silica deposit is located 22 miles Northwest of Amarillo, Texas. Silica reserves in excess of 54,000.000 tons, averaging 96.5% SiO2 are delineated and tested. This deposit represents the U.S.Western most high grade silica sand occurrence. The Millcreek, Oklahoma deposits, located 400 miles east, have provided the closest resource for customers encompassing the entire western U. S. and Mexico.

The site is accessed by 20 miles of paved highway and 4 miles of county maintained unpaved road. The main line of the Burlington Northern RR is contiguous to the western property border. It consists of a one mile passing spur with a short adjacent work spur. Major three phase power is within one mile; natural gas within one half mile; water and telephone is on the property.

Within a 300 mile radius of the deposit, in excess of 1,000,000 tons of container glass, fiberglass, plate glass and foundry sand is consumed. This deposit has a logistical advantage to these consumers over all of the present producers. All successful industrial mineral operations depend on certain criteria, which include the following:

A. Ability to be mined and processed economically.
B. Having near access to key utilities
C. Have a transportation advantage to a large customer base.

The Amarillo Silica deposit possesses all the above criteria.

This deposit has undergone all geological drilling, analytical, mining, metallurgical and market testing to evaluate its economical potential.

Section I

Synopsis

Executive Summary

Deposit Review

Mining

Market Review

Project History

Potter County Silica Project
January 1, 2011

SYNOPSIS

54,000,000 TONS SILICA RESERVES

$9.52 TOTAL PROJECTED COST/TON

$24.58 PROJECTED PRETAX PROFIT/TON

800,000 TONS ANNUAL PRODUCTION

$19,662,400 PROJECTED ANNUAL PRETAX PROFIT

LIFE OF MINE IS 67.5 YEARS
(Based on 800,000 tons/year)

PROJECTED TOTAL PRETAX PROFITS FOR 67.5 YEARS
$1,327,212,000

EXECUTIVE SUMMARY

SUBJECT PROPERTY:

The property is three hundred and twenty three acres (323.14 acres) located in Potter County, Texas. The site is approximately 22 miles north of Amarillo, Texas. It is one of the largest deposits of high-grade silica (average 96.5% to 97.5% SiO2) in the United States.

Reserve Study:

The entire property has been drilled and cored. A reserve study has been done by Lloyd W. Krumrey, Jr, a mining geologist and confirmed by Northwest Resources Co. Independent qualitative and quantitative analyzes by the geology departments of the Colorado School of Mines, University of Texas at El Paso and North Carolina State University have confirmed the quality of the reserves.

Reserve Quantity: Fifty-four million tons (54,000,000) of high-grade silica (96.5%). Sufficient to justify a silica mining operation for 50 to 60 years.

Value: Estimated "in place" value of the reserves is $1,327,212,000 (based on an average sales price of $30 to 38.00/ton with mining and refining cost of $9.52/ton.) In addition the location and its proximity to the adjacent railroad line should have a $5 to $10/ton price differential. The nearest silica site is in Oklahoma, over 400 miles away.

Economics:

Market Demand:

Owen Corning and Krouse Hinds in Amarillo use an estimated 155,000 tons/year. Certainteed and PPG in Wichita Falls, Texas use an estimated 290,000 tons in fiber and plate glass production. Silica is shipped to Monterrey, Mexico, from Oklahoma. Over 800,000 tons should be sold within 300 miles of the property.

DEPOSIT REVIEW

The data generated was re-examined and verified by offset drilling of the original drill sites, and sampled and tested resulting in the verification of all data by numerous companies, including Kentucky Tennessee Clay, Co; Northwestern Resources Co. and Vitro Chemical, Fibers and Mining, S. A. of Monterey, Mexico.

Dr. Philip C Goodell, professor of Economic Geology at the University of Texas, El Paso reviewed all the drill data and geology resulting in a reserve computation of 60,000,000 tons

Deposit Review

Acreage	330 acres.
Proven Reserves	54,000,000 tons.
Average Grade	96.5% SiO2
Overburden	0-4 feet average of soil horizon
Ore Thickness	20 to 80 feet.
Mining Method	Open Pit (silica sandstone contains no Cementation, is extremely friable and Reduces to individual sand grains with minimal attrition.) Ripping with a bulldozer and loading and transport via scrapers.
Processing to 99% +	De-lumping, screening of plus 60 mesh Product (2+%); Hydro-cyclone desliming Minus 200 mesh material (contains bulk of Impurities), attrition scrubbing and desliming to upgrade for multiple products.
Access	Paved highway with four miles of improved County maintained road.
Railroad	Western edge of deposit is bordered by the Main line of the Burlington Northern RR. This Border consists of a one mile passing spur and a short work spur.

continued

Utilities	Water and phone lines on the property. Natural Gas pipeline and three phase power lines within one mile of the property.
Producible Products	99+% SIO2 sized at minus 60 plus 200 mesh At a recovery of 85+%, Various purity will be Suitable for aluminum foundry sand, fiber glass, container and plate glass, and fracking sand.

LLOYD W. KRUMREY, JR.
CONSULTING MINING GEOLOGIST
INDUSTRIAL MINERALS EXPLORATION, EVALUATION, FEASIBILITY
MINE & PLANT DESIGN

1224 HIGHWAY 478
P O BOX 988
ANTHONY, NEW MEXICO 88021

PHONE: 505-882-7451
FAX: 505-589-3431

March 1, 2007

Mr. Ian M. Cardono
3700 Buffalo Speedway
Suite 420
Houston, Texas 77098

Mr. Ian M. Cardono:

The Amarillo Texas Silica Deposit has been evaluated over an extensive period by numerous independent entities. The proven reserves are 54,000,000 million tons averaging 96.5 % SiO_2. This was verified by the initial drilling program established on a North / South grid spacing of 400 foot centers. Each drill hole was sampled and tested as to SiO_2 content, impurities and specific particle sizing.

Detailed metallurgical testing was accomplished under the direction of Theodore T. Biddle, a renown industrial minerals metallurgist, at the Colorado School of Mines Research Institute, University of Georgia and final testing at the US Bureau of Mines Research Institute at The University of Alabama at Tuscoluss, Alabama.

U S Silica, Corporation, Westmoreland Mining, LLC, Vitro SA de Cv., of Monterrey, Mexico and Northwest Mining, Corporation verified the SiO_2 content and reserve calculations.

Northwest Mining Corp., a division of Westmoreland Mining, LLC, randomly re-drilled and sampled this property by nine drill holes and numerous surface trenching. The resultant data confirmed the previous development and reserve studies.

Dr. Philip C. Goodell, economic geology professor at the University of Texas at El Paso, reviewed all the development data. He concluded the silica reserves are 54,000,000 million tons

If you have any further questions, please feel free to contact me.

Respectfully,

Lloyd W. Krumrey, Jr., President, K T Minerals, Inc.

MINING

This deposit can be mined by the simplest open-pit method. The overburden consists of a soil horizon, varying from zero to a maximum of eight feet and would average four. The physical characteristic of the ore zone enables easy ripping with a dozer. There is no cementation of the individual grains. The size distribution of the silica particles provides a propping effect, enabling the formation of pit slopes ranging from 45 to 90 degrees. The entire deposit is extremely friable, thus no blasting is required.

The silica deposit is located at a topographic high striking nearly north south and grades gently west to the Burlington Northern railroad siding. The topographic high contains the greatest thickness of silica averaging close to 80 feet. Weathering has gently eroded the silica thickness to the west topographic high, resulting in and average silica thickness of 20 feet near the rail tracks. All mining can be accomplished without creating a hole below the general horizon. This will facilitate reclamation and local visual impact.

Mining will be accomplished with scrapers and a dozer. Overburden can be removed entirely by scrapers. The mining plan would be to strip the overburden in the northwest portion of the property near the rail tracks. If 20 acres extending from this northwest portion, approximately 135,000 yards of overburden would be removed from the area, exposing 900,000 tons of silica reserves.

Permits

The Texas Natural Resource Conservation Commission (TNRCC) permits the State of Texas natural resources. A mining operation such as this is classified by their regulations in the same classification as a sand and gravel pit. A mining permit is not required; however standard air and water permits would need to be secured because of the washing process used for the sand.

Registration with MSHA will be required. If the pit extends within 200 feet of a public road, a berm must be established sufficient to stop a vehicle from driving into the pit. This requires registration with the Texas Railroad Commission.

Permits for the processing plant are minimal. Water use is not regulated by any agency if not consumed from a public utility. If there is no prior severance of water rights, the water rights are owned and controlled by the surface owner and can be produced and consumed as the owner requires. Water discharge is regulated if chemicals are involved and interfere with other entities. No chemicals are used in this project and discharge would be minimal with maximum reuse of the water from reclamation. When wells are drilled, a log and potential production rate will be registered with the county. Any ponds or reservoirs utilized in the processing are required to be approved by the TNRCC

Air quality permits will be required in conjunction with the dryer system. All gas fired dryers will be required to comply with the local emissions standard of the county it is operated. Potter County has no air quality problems. The dryer will have to conform to the normal exhaust of particulate elements produced by modern dryers. Dryer manufacturer certification of compliance is the only requirement

Potter County Silica Project
Market Review
June 1, 2011

Silica Users

Company	*Location*	*Product*	*Tonnage*
Owen Corning Fiberglass	Amarillo, Tx	Fiberglass	200,000
Krouse Hines	Amarillo, Tx	Alum Foundry	15,000
Certainteed	Wichita Falls, Tx	Fiberglass	140,000
PPG	Wichita, Falls, Tx	Plate Glass	150,000
Guardian	Kingman, Ariz	Fiberglass	200,000
Coors-Rocky Mountain Bottling	Golden, Co.	Container Glass	200,000
Owens Corning Fiberglass	Santa Clara, Ca.	Fiberglass	100,000
CMI Texas	Nuevo Laredo, Mexico	Alum Foundry	300,000
Cirfina	Monterrey, Mex	Alum Foundry	150,000

The silica products that will be produced will be for the Fiberglass Industry, the Glass Bottle Industry and the Foundry Industry. In addition about 40% of the reserves are in demand by the frac industry.

Potter County
Silica Project
History

1980 Project initiated.

1983 Initial development completed in 1983. Development included raw exploration, sampling and analytical testing, reserve and feasibility studies. Detailed drilling and sampling done to determine that the target was of sufficient size and quality.

1983 Project put on hold to 1986, due to the economic conditions of the minerals industry.

1986 Full development was re-initiated. Site grid-surveyed to establish drill centers every 400 feet. A total of 107 drill holes were made. The drilling delineated a high-grade silica deposit in excess of 50,000,000 recoverable tons, with an average thickness of 60 feet, with no overburden.

1987 Colorado School of Mines Reseach Institute of Golden, Colorado contacted to do a detailed metallurgical test. Tests were done on 800 pounds of silica samples.

* The U.S.Bureau of Mines Metallurgical Test Facility located at Tuscalosa, Alabama was sent 24 tons of silica ore to perform flotation of silica at their pilot plant. The initial testing provided a consistent 99.0 to 99.3% product.
* Mr. Theodore T. Biddle, a world renowned industrial minerals metallurgist was hired to develop the final testing. Mr Morris Henry, the developer of column flotation, was brought in to assist in additional testing at Phoslab, Inc facilities in Lakeland, Florida. Formulation of the most economical processing method for this silica accomplished. Using this method the process produced an improved product of 99.7%.
* The US Bureau of Mines Metallurgical Facility was then re-employed to conduct the final pilot plant testing. The results were identical to the lab results.
* BEMCO, Inc of Nashville, Tennessee was contacted to design a modular processing plant around the system developed.
* The material produced in the pilot plant was submitted for testing to the Owens Corning Fiberglass facility in Amarillo, Texas, and was accepted for use in their Amarillo facility.

2002 Northwest Resources evaluating the purchase of property. Due to financial difficulties, plans put on hold.

2003 Silica City, LP and Silica City Management, LLC, general partner purchased the 324 acre tract from Bill Trout

Section II

Projected Costs

Projected 5 Year Results

Potter County Silica Project
Total Projected Cost
June 1, 2011

Section II

	Sched	
Projected Capital Cost	A	19,160,000
Working Capital/Venture Costs & Contingency Costs		3,340,000
Total Project Cost		$22,500,000

Potter County Silica Project
Projected Capital Cost
June 1, 2011

Schedule A

	Sched		
Partnership Buyout & Legal & Closing Costs	**A-1**		5,000,000
Development Costs:			
Plant & Buildings	**A-2**	3,590,000	
Infrastructure Costs	**A-2**	2,240,000	
Plant Processing Equipment	**A-3**	4,860,000	
Lab & Engineering/Install Costs	**A-3**	1,100,000	
Mining Equipment	**A-4**	1,760,000	
Plant Rolling Stock	**A-5**	610,000	
			14,160,000
Total Project Capital Cost Required.			**19,160,000**

#1 There is a payment due original landowner of $425,000 when accumulated production from inception reaches 600,000 tons. Have assumed that will be paid out of operations.

Potter County Silica Project
Property Acquisition
June 1, 2011

Schedule A-1

Partnership Buyout	#1	$5,000,000

Assume an amortization period of 67 years.

Amortization cost per ton.	**$0.09**

#1 Have assumed that the second payment of $425,000 due the oringinal owner once cumulative production reaches 600,000 tons will be paid out of operating income.

Potter County Silica Project
Projected Building & Infrastructure Cost
June 1, 2011

Schedule A-2

Plant and Buildings

Plant Building		3,150,000
3-500 ton Loadout Silos		240,000
Repair & Maintenance Shop		200,000
		3,590,000
Assume an amortization period of:		**30 years**
Assume annual production of 800,000 tons.		
Amortization cost/ton		**0.15**

Infrastructure Costs

Railroad Spur Extension		600,000
Utility Installation:		
Gas Pipeline	250,000	
Electric Line	500,000	
Water Well	90,000	
		840,000
Engineering 50%		800,000
Total		**2,240,000**
Assume an amortization period of		**50 years**
Assume an annual production of:		**800,000** tons
Amortization cost/ton		**0.06**

Potter County Silica Project
Projected Plant Processing Equipment Cost
June 1, 2011

Schedule A-3

Plant Processing Equipment

Equipment	
Crushing Equipment	1,220,000
Crusher Conveyor System	95,000
Dry 200 Mesh Particle Removal System	350,000
High Speed Screens	260,000
Thickner Tanks	100,000
3 Slurry Tanks	45,000
Pumps	200,000
Attrition Hydro-cyclones	165,000
Sizing Hydro-cyclones	210,000
De-watering Filters	270,000
Dryers	350,000
Plant Product Conveyer Equipment	295,000
Engineering, Construction, Supervision-50%	800,000
Contingency	500,000
Subtotal Equipment	**4,860,000**
Quality Control Lab	300,000
Engineering, Construction, Supervision and Installation 50%	800,000
Subtotal Lab & 50% Engineering	**1,100,000**
Total Projected Cost	**$5,960,000**

Equipment Amortization

Assume an amortization period of :	7	
Projected Production		800,000
Amortization cost/ton		**$0.87**

Enginering/Supervision Cost

Assume an amortization period of :	30	
Assume an annual average production of:		800,000
Amortization cost/ton		**$0.05**

Potter County Silica Project
Projected Mining Equipment & Operational Cost
June 1, 2011

	Schudule
Mining Capital Equipment	**A-4**
3 30 Yard Scrapers	1,100,000
1 D-8 Dozer	450,000
1 Motor Grader	85,000
1 Service/Fuel Truck	95,000
1 4 WD Pick-up Truck	30,000
Total Capital Equipment Cost	**$1,760,000**
Assume an amortization period of : 5 years	
Assume an annual average production of:	800,000
Amortization cost/ton	**$0.44**

Mine Operational Cost

Increased fuel and parts cost has increased the hourly cost per scraper and dozer to $115/hr versus $100/hr two years ago. This increase results in an hourly operational cost inclusive of maintenance, fuel and labor to $460/hr, or $3,680 per 8 hour day. The mining capacity would equate to approximately 3,300 tons per day, or 990,000 tons per 300 production days per year.

	800,000
$3,680 times 300 days equals	$1,104,000
Mine Operational cost/ton	**$1.38**

Potter County Silica Project
Projected Plant Rolling Stock, Labor,
Utility & Management Cost

June 1,2011

Sched A-5

Plant Rolling Stock

2 5 Yard Loaders	460,000
1 Service & Repair Truck	90,000
2 Pick-up Trucks	60,000
Total Plant Rolling Stock	**610,000**

Assume an amortization period of : 5 years

Assume an annual average production of: 800,000

Amortization cost/ton **$0.15**

Plant Labor Cost

Projected Plant Labor Cost 1,208,000

Assume an annual average production of: **800,000**

Plant Labor cost/ton **$1.51**

Plant Utilities Cost

Electricity	$0.406
Gas	$0.728
Water	$0.014
Total Utility Cost/Ton	**$1.148**

Plant Management, Office & Sales Cost

Plant management will be a fixed cost over 800,000 tons.
It will include general management, supervision, office, accounting and laboratory personnel. It includes first year marketing cost of $200,000. Sales cost will increase a projected $50,000 at the 800,000 production level.

Projected Management, Office and Sales Cost **$888,000**

Assume an annual average production of: 800,000

Cost/ton **$1.11**

Potter County Silica Project
Projected Unit Costs/Ton
June 1, 2011

	Schedule	Schedule A-6 800,000 Tons
Variable Cost/Ton		
Mine Operational Cost	4	1.38
Plant Utility Cost	5	1.15
Plant Labor Cost	5	1.51
Plant Mgt/Sales	5	1.11
Variable Cost/Ton		**$5.15**
Amortization Cost/Ton		
Partnership Buyout	1	0.15
Plant & Buildings	2	0.15
Infrastructure	2	0.06
Plant Processing Equipment	3	0.87
Quality Lab	3	0.05
Plant Rolling Equipment	5	0.15
Mining Equipment	4	0.44
Amortization Cost/Ton		**$1.87**
Total Operational Cost/Ton		**$7.02**
Plus ORRI #1		2.50
Total Cost/Ton		**$9.52**

#1 ORRI on first 600,000 tons is $2.25/ton and $2.50/ton thereafter

Potter County Silica Project

Projected 5 Year Pretax Profit

June 1, 2011

		Year	1		2	3	4	5
			Under Const					
Projected Production	Tons							
Frac Sand-60%			0		180,000	480,000	480,000	480,000
Fiber Glass-40%				0	120,000	320,000	320,000	320,000
					300,000	800,000	800,000	800,000
Projected sales								
Frac Sand @ $38/ton/ FOB					6,840,000	18,240,000	18,240,000	18,240,000
Fiber Glass @ $30.00/ton FOB					3,600,000	9,600,000	9,600,000	9,600,000
					10,440,000	27,840,000	27,840,000	27,840,000
Projected Cost								
Fixed Cost		#2			561,000	1,496,000	1,496,000	1,496,000
Variable Cost		#2			1,545,000	4,120,000	4,120,000	4,120,000
Contingency 10%					210,600	561,600	561,600	561,600
ORRI		#1			675,000	1,925,000	2,000,000	2,000,000
Total Projected Cost					2,991,600	8,102,600	8,177,600	8,177,600
Total Proj PreTax Income			$0		$7,448,400	$19,737,400	$19,662,400	$19,662,400
Cumulative Cash Flow-100%					$7,448,400	$27,185,800	$46,848,200	$66,510,600

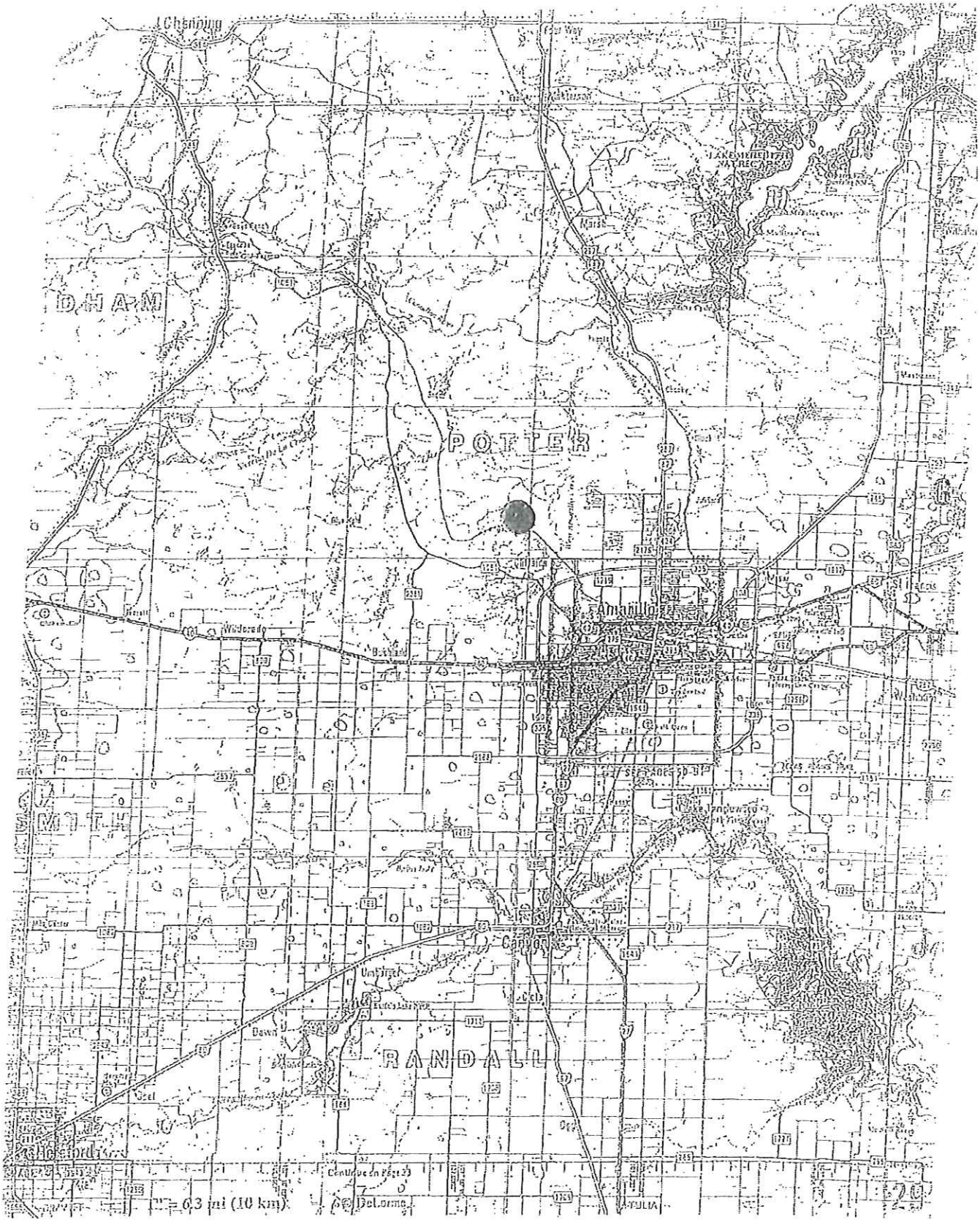
#1 Note: Previous land owners receive $2.25/ton on the first 600,000 tons and $2.50/ton thereafter.

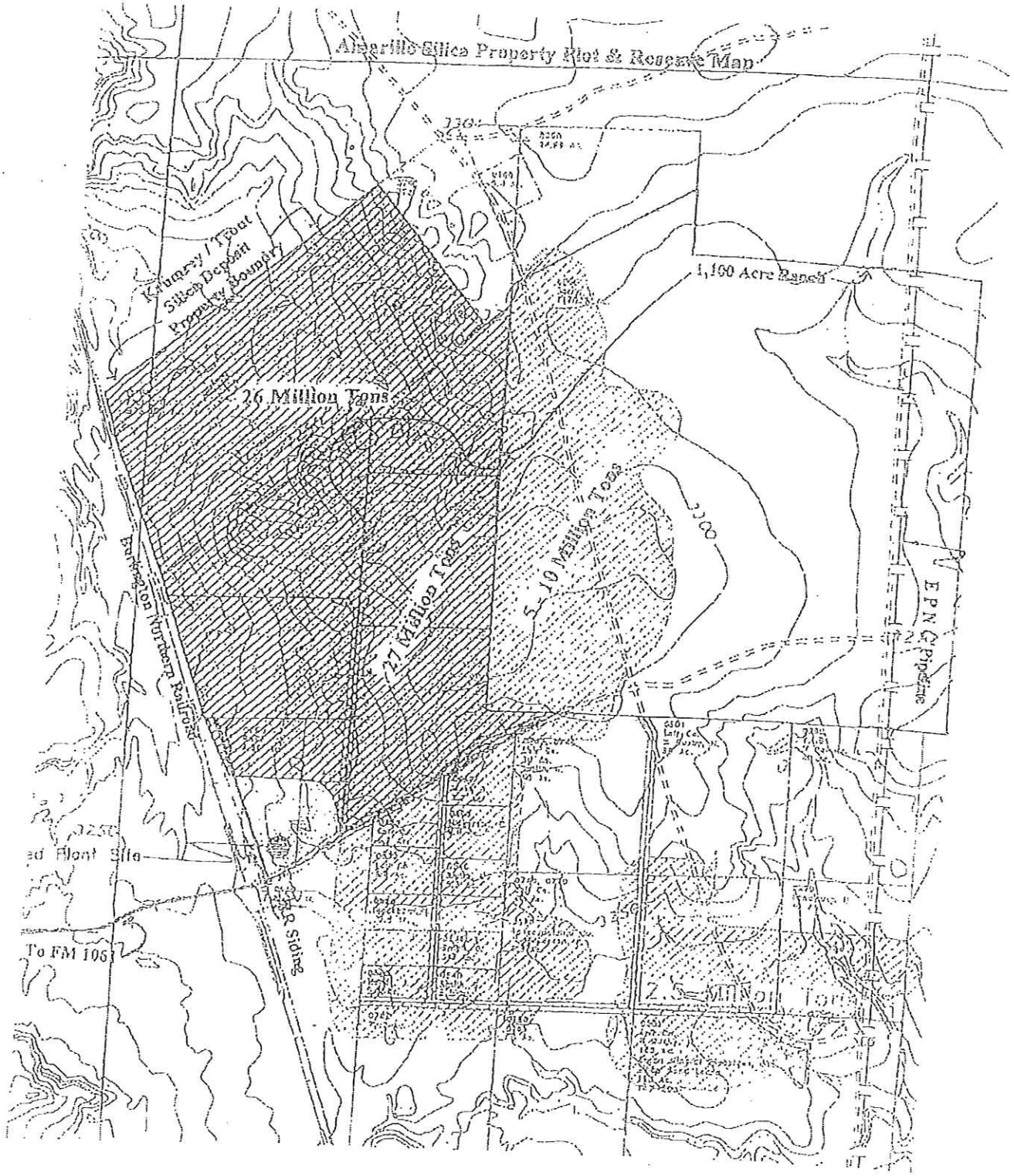
#2 For unit cost detail see Schedule A-6, in Section A.

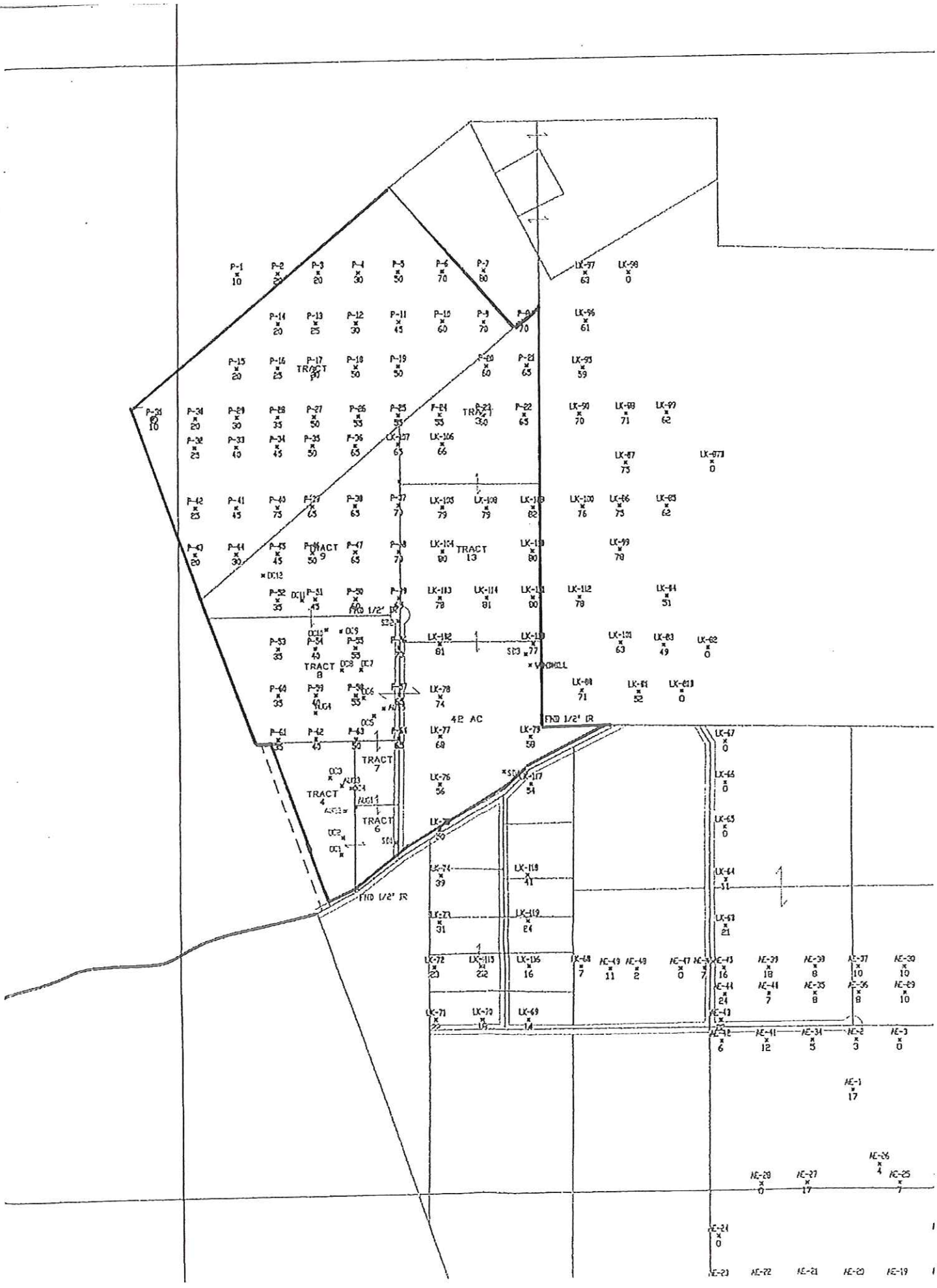
Section III

Other Information:

- Location Map
- Site Map
- Drill Core Map
- Photos
- Resumes
- Silica Data


Channing
DALHART MUNI
DHAM
POTTER
Amarillo
Canyon
RANDALL
Umbarger
Dawn
Hereford
Centrahoma
1" = 6.3 mi (10 km)
© DeLorme
TULIA


Alpine Silica Property Plot & Reserve Map
Kaolin / Feldspar
Silica Deposit
Property Boundary
26 Million Tons
1,160 Acre Ranch
5-10 Million Tons
2.5 Million Tons
Burlington Northern Railroad
To FM 105
Siding
EPNG Pipeline


TRACT 1
TRACT 2
TRACT 3
TRACT 4
TRACT 5
TRACT 6
TRACT 7
TRACT 8
TRACT 9
TRACT 13
42 AC
FND 1/2" IR
FND 1/2" IR

Certificates of Analysis
from Phoslab
Metallurgical testing of the 50 tons of silica
Sent to the US Bureau of Mines Research

LLOYD W. KRUMREY, JR.
CONSULTING MINING GEOLOGIST
INDUSTRIAL MINERALS EXPLORATION, EVALUATION, FEASIBILITY
MINE & PLANT DESIGN

1224 HIGHWAY 478
P O BOX 988
ANTHONY, NEW MEXICO 88021

PHONE: 505-882-7451
FAX: 505-589-3431

FAX COVER SHEET

DATE: 4-26-05

FROM: LLOYD W. KRUMREY, JR.
FAX #: 505-589-3431

TO:Ian Cardono
FAX #: 713-599-0070

MESSAGE:

Ian:
Enclosed are the certificates of analysis I just received from Phoslab. There are additional analysis however they have not found them in storage. These are the results of the metallurgical testing of the products produced and the bulk testing results of the 50 tons processed at the US Bureau of Mines Research facility located at the University of Alabama.

Number of pages:6

PHOSLAB, INC.
806 WEST BEACON ROAD
LAKELAND, FLORIDA 33803
(813) 682-5897

CERTIFICATE OF ANALYSIS

TO: EMRC, INC.
10541 Texwood
El Paso, Texas 79925

DATE: March 12, 1992
P. O. No.:
Project: Amarillo Sand
Reference: Pilot Plant Test

ATTN: Lloyd Krumrey, Jr.
Larry Hartness

US Bureau of Mines Research Facility
University of Alabama at Tuscaloosa
50 Ton Bulk Attrition Scrub Test

	SiO_2 %	Fe_2O_3 %	Al_2O_3 %	LOI %
Tuscaloosa Fines	98.67	0.060	0.27	0.18
Tuscaloosa Coarse	99.08	0.051	0.22	0.16
2nd Stage	99.14	0.028	0.21	0.31
3th. Stage	99.18	0.029	0.17	0.30
No. 2 2nd Stage U/Flow	99.21	0.024	0.15	0.22
No. 3 2nd Stage U/Flow	99.30	0.024	0.16	0.17
No. 4 2nd Stage U/Flow	99.10	0.027	0.16	0.29
No. 5 2nd Stage U/ Flow	99.26	0.029	0.15	0.26
No. 6 2nd Stage U/Flow	99.17	0.029	0.23	0.15
No. 7 2nd Stage U/Flow	99.22	0.027	0.19	0.13

CHEMIST

PHOSLAB, INC.
806 WEST BEACON ROAD
LAKELAND, FLORIDA 33803
(813) 682-5897

CERTIFICATE OF ANALYSIS

TO: EMRC, INC.
10541 Texwood
El Paso, Texas 79925

DATE: April 10, 1990
P. O. No.:
Project: Amarillo Sand
Reference: Biddle Test No. 1

ATTN: Lloyd Krumrey, Jr.
Theodore T. Biddle

Attrition Scrub Bench Test, April 3, 1990

	SiO_2 %	Fe_2O_3 %	Al_2O_3 %	LOI %
Mine Run Feed	97.67	0.16	1.30	0.91
Amarillo Feed Scrub No. 1	99.14	0.022	0.16	0.24
Amarillo Feed Scrub No. 2	99.20	0.021	0.16	0.22

CHEMIST

PHOSLAB, INC.
806 WEST BEACON ROAD
LAKELAND, FLORIDA 33803
(813) 682-5897

CERTIFICATE OF ANALYSIS

TO: EMRC, INC.
10541 Texwood
El Paso, Texas 79925

DATE: April 22, 1990
P. O. No.:
Project: Amarillo Sand
Reference: Biddle Test

ATTN: Lloyd Krumrey, Jr.
Theodore T. Biddle

Attrition Scrub Bench Test, April 14, 1990

	SiO_2 %	Fe_2O_3 %	Al_2O_3 %	LOI %
Mine Run Feed	97.46	0.14	1.33	0.91
Test No. 13, + 200 Mesh	99.67	0.016	0.084	0.10
Test No. 13, with - 200 Mesh	99.15	0.020	0.19	0.17
No. 1 Scrub	99.15	0.033	0.19	0.18
No. 2 Scrub	98.77	0.058	0.27	0.20
No. 3 Scrub	99.35	0.029	0.15	0.20

CHEMIST

PHOSLAB, INC.
806 WEST BEACON ROAD
LAKELAND, FLORIDA 33803
(813) 682-5897

CERTIFICATE OF ANALYSIS

TO: Bemco, Inc.
1619 Elm Hill Pike
Nashville, Tenn. 37210

DATE: March 9, 1987
P. O. No.:
Project: Amarillo Sand
Reference: Wash Test

ATTN: Lloyd Krumrey, Jr.
Morris Henry

EMRC- BUSBY Property

	SiO_2 %	Fe_2O_3 %	Al_2O_3 %	LOI %
No. T - 1 Concentrate 3-3-87	99.13	0.027	0.21	0.059
No. T - 3 Concentrate 3-3-87	99.13	0.027	0.20	0.061

CHEMIST

PHOSLAB, INC.
806 WEST BEACON ROAD
LAKELAND, FLORIDA 33803
(813) 682-5897

CERTIFICATE OF ANALYSIS

TO: EMRC, INC.
10541 Texwood
El Paso, Texas 79925

ATTN: Lloyd Krumrey, Jr.
Theodore T. Biddle
Larry Hartness

DATE: June 8, 1992
P. O. No.:
Project: Amarillo Sand
Reference: Product Comparison

	PGS Supersil	Oklahoma 5 - Micron	Amarillo Micronized
SiO_2	99.35	98.97	99.23
Fe_2O_3	0.065	0.068	0.11**
Al_2O_3	0.10	0.19	0.16
TiO_2	0.022	0.023	0.027
CaO	0.013	0.032	0.11
MgO	0.0063	0.031	0.010
LOI	0.23	0.59	0.18
As	0.001*	0.001*	0.001*
Mo	"	"	"
Sb	"	"	"
Sr	"	"	"
Co	"	"	"
Ba	"	"	"
Sn	"	"	"
V	"	"	"
Cr	"	"	"
Se	"	"	"
Zn	"	"	"
Cd	"	"	"
Cu	"	"	"
Pb	"	"	"
Ni	"	"	"
Ag	"	"	"
Hg	"	"	"
Mn	"	"	"

* Less Than
** Sample contaminated by collection cyclone. Fe_2O_3 was less than 0.03 % by weight prior to grinding and collection.

CHEMIST

OWENS CORNING

Specifications Silica Sand for Fiberglass (Textile)

Tressa Trott - 7/2/93

Sieve Sizes		% Retained
20 mesh	=	0.00
60 mesh	=	30 grams/100 grams max (important)
325 mesh	=	3% max.

Chemical Analysis

Oxides	Percent by Weight
SiO_2	99.0 min.
Fe_2O_3	0.05% max.
Al_2O_3	0.30% max.
TiO_2	0.11% max.
Na_2O	0.1% max.
K_2O	0.1% max.
LOI + Moisture	0.4% max.
Arsenic	100 ppm max.

cc: Jim Tanner
Mike Garska
Lou Schlesinger

Silica-Surface Outcroppings





Silica-Surface Outcroppings





Silica-Surface Outcroppings





Rail Line on West side Property
Road on South side of Property





Rail By-Pass Spur and Work Spur
On West side of Property





Ian G. Manson Cardono
5411 Grape
Houston, Texas 77098
January 31, 2005
Telephone: 713-626-5800 X202
Fax: 713-599-0070
Email: iancardono@hcmr.com

Born: March 11, 1940
Birthplace: Edinburgh, Scotland, (American Citizen 1966)

Education: University of Florida, B.A in Accounting-1967
UCLA 1961-1962
North Miami Beach High School, 1957

Military: Army-1963 to 1966 Sgt E-5

Employment History: Kern County Land Company, 1960-1962
Arthur Young & Company, Atlanta, Ga. 1968-1969
Arthur Anderson & Company, Houston, Texas, 1970-1972
Chief Financial Officer for group of investors investing in real estate, oil and gas and cattle syndications.
Cycomp Financial Group, Inc. Owner/Pres 1983- present.
Acacia Insurance Group,1990-1995
Huber, Cardono & Moring, L.P., 1996 to present.

Professional: CPA certificate, February 1983
CFP certificate, July 1987
CFP Licensed Practitioner, July 1991
Series 7, 63 licenses September 1984.
Group 1 Insurance License, 1985
Offshore Institute, March 1995
Registered Investment Advisor, 1996

Other: Lifetime Committee Member, Houston Livestock Show & Rodeo
International Wine & Food Society, Board Member
Amici della Vite, Member

LLOYD W. KRUMREY, JR.

CONSULTING MINING GEOLOGIST
INDUSTRIAL MINERALS EXPLORATION, EVALUATION, FEASIBILITY STUDIES,
MINE AND PLANT DESIGN

1224 HIGHWAY 478 **PHONE: 575-882-7451**
P O BOX 988 **FAX: 575-589-3431**
ANTHONY, NEW MEXICO 88021 **LLOYD@KRUMREYINDUSTRIALMINERALS.COM**

RESUME

EDUCATION:

Bachelor of Science Geology with Minor in Extractive Metallurgy
University of Texas at El Paso, Texas

Master of Science Mining Engineering
University of Missouri, Rolla, Missouri

EXPERTISE:

Exploration, Development, Feasibility Evaluation, Environmental Impact Studies, Mining (underground and open-pit), Processing Plant Design, Product Development & Marketing

INDUSTRIAL MINERALS:

Fluorspar, Barite, Talc, Perlite, Pumice, Kaolin, Bentonite, Zeolite, Coal, Glass Sand, Petroleum Fracturing Sand, Foundry Sand, Limestone, Dolomite, Wollastonite, Specialty Aggregates and Garnet.

EXPERIENCE:

1988 – Present

Krumrey Industrial Minerals, LLC parent company of K T Minerals, Inc. the mining and processing division.

K T Minerals, Inc.: Mining, processing and packaging perlite and pumice products for garment finishing industries, non-hazardous abrasives, paint fillers, steel and iron mold release agents, iron slag coagulants, and mineral fillers for paint, epoxy and stucco. Operations: Ponderosa, Socorro and Anthony, New Mexico

Krumrey Industrial Minerals, LLC, provides industrial mineral exploration, development, mine planning and design with three dimensional computer modeling, feasibility studies and plant design.

1979 – 1988

Founded Energy & Minerals Resource Consultants, Inc. and Southwest Assays, Inc., El Paso, Texas. Companies provided complete integration of exploration, development, mineral testing, extractive metallurgy and process testing, feasibility studies, plant design and construction supervision.

1974 – 1979 **Founded Tal-Mic Mine Contracting, Inc.**
Provided: surface and underground mining services, inclusive of processing and packaging Talc, Fluorspar and Barite. Operations located in Van Horne, Texas; Battle Mountain and Ely, Nevada.

Clients:
Millwhite, Corp., Houston, Texas
Millchem, Corp., Houston, Texas
Pioneer Talc, Co., Van Horne, Texas
Southern Clay, Corp., Gonzales, Texas
Allied Chemical, Corp., Pittsburg, California

Tal-Mic Mine Contracting, Inc. was acquired by the Millwhite, Corp., August, 1979.

1970 – 1974 **Geologic, mining and construction superintendent, Mining & Milling, Corporation of America, New Mexico operations.**

Professional Affiliations

American Mining Congress
Society of Mining Engineers AIME
International Industrial Minerals Forum.