ARIZONA ASBESTOS ASSOCIATION

Corporate History:

The Arizona Asbestos Association (unincorporated) was formed by trust agreement dated June 30, 1914, by W. D. Fisk, H. V. Snell, A. W. Crawford, R. B. Hegardt, and J. S. Cook. This unique and rather formidable document did not satisfactorily fulfill its purpose. Actual operations were conducted by and in the name of Snell and Fisk.

Articles of Incorporation of the Arizona Asbestos Association were granted by the Arizona Corporation Commission on December 23, 1915. The incorporators were W. D. Fisk, (Secretary and Treasurer), H. V. Snell (President), and J. S. Cook. The Association was capitalized for $1,000,000.00, being 100,000 shares at a par value of $10.00 per share.

At a meeting of the incorporated Association held on December 30, 1915, an option given by T. L. West, A. N. West and William West to W. D. Fisk and H. V. Snell, dated May 1, 1914, and covering the right to purchase ten mining claims (Asbestos Nos. 1 to 10 inclusive) together with other mining property, tools, machinery, etc., was assigned to the Association by H. V. Snell in return for the issuance of 15,000 shares of capital stock, value $150,000.00. H. V. Snell, for the sum of $1.00 also transferred to the Association five mining claims, namely Rim Rock Nos. 3 to 7 inclusive, at the same time.

On January 6, 1916, fourteen mining claims, Chrysotile Nos. 1 to 14 inclusive, were purchased from Tony Neary for $1.00 and 5,000 shares of capital stock, par value $50,000.00.

Mining claims located and under option to the Association at this stage were:

ASBESTOS	Nos. 1 - 10, inclusive.
RIM ROCK	Nos. 3 - 7, inclusive.
CHRYSOTILE	Nos. 1 - 14, inclusive.

The West claims were under option when paid in, and the balance due on purchase price amounted to $20,000.00. The Association needed money to pay off the existing balance due, likewise working capital, and a market for their product. Accordingly, a contract was entered into on January 25, 1916, by the Association and the H. W. Johns-Manville Company whereby the Association agreed:

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(1) To sell its product for a period of ten years, exclusively to J-M at the following prices:

$250/ton - No. 1 Crude
$125/ " - No. 2 Crude
$ 60/ " - Mill Ore

guaranteeing a minimum of 200 tons per year.

(2) To transfer to the J-M Company one-third of its capital stocks (later mentioned as being 10,000 shares of a value of $100,000.00), when present Association shall have derived the sum of $100,000.00 reimbursement of money invested in property.

J-M agreed:

(1) To lend Association an amount not to exceed $75,000.00, of which installments were paid as follows: (interest at 6%):

$20,000.00 February 1, 1916.
$25,000.00 March 1, 1916.
$30,000.00 thereafter.

to be paid off by crediting not to exceed 20% face value of each invoice for asbestos.

(2) To take 200 tons of fibre per year at the stated prices and to assist Association to dispose of excess production.

On March 1, 1916, Mr. C. H. Shoemaker and Mr. C. W. Barnard were sent out by J-M to assist in mine operation. On April 4, 1916, a meeting was held at which the directorate was increased from three to five and Mr. Shoemaker and Mr. Barnard were elected General Manager, and Treasurer, respectively.

On November 9, 1917, Mr. Shoemaker requested a meeting of the Board of Directors to consider the fact that the greatly increased operating costs caused by the entrance of the United States into the World War had made the existing contract between the Association and the J-M Company prejudicial to interests of the Association; also to consider the replacement of Mr. Barnard, deceased in November, on the Board.

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On November 14, 1917, the above question was considered at a special meeting of the Board of Directors of the Association, and it was resolved to cancel the contract with J-M by sale to J-M of unissued treasury stock, Mr. Shoemaker appointed to handle the cancellation. At this meeting, the following changes were made in the directorate of the Association:

Mr. F. H. Finch	-	elected to Board
Mr. James Mooney	-	elected Treasurer
Mr. C. H. Shoemaker	-	Vice President

On December 17, 1917, Messrs. Snell and Fisk resigned from the Association and their entire stock interest (being all capital stock of company issued to date with exception of qualifying shares of directors) was purchased by Mr. T. E. Wing, of Wing and Russell, New York. Mr. T. E. Wing then requested that:

> J-M Company cancel contract and take Association product at current market prices, furnishing such working capital as required.
>
> In return Association would issue stock (about $800,000.00 par value) fully paid to J-M Company.

On December 27, 1917, the following statement was made by the Directors of the Association:

1. That the 10,000 shares formerly authorized by resolution of March 2, 1916, to be issued to J-M had never been issued. Total outstanding stock of Company was 20,004 shares, leaving a balance of 79,996 shares unissued.

2. That no mortgage to J-M had ever been executed as authorized by resolution of March 2, 1916.

3. That the Association was at that time indebted to the J-M Company in the amount of $82,505.15.

4. That readjustment of prices for the year 1917 would yield the Association a credit, or cash, in amount of $120,000.00, approximately.

5. That J-M had signified its willingness to cancel the contract, readjust prices of fibre for 1917 and pay the Association $120,000.00 (later adjustment was $112,500.00) and furnish working capital, in return for issue of the J-M Company of 79,996 shares of capital stock of the Association.

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Upon the presentation of the above statement, it was the opinion of the Directors that it would be impossible to function profitably under the present contract terms which still had eight years to run, and that the consideration offered by J-M should be accepted in cash. The offer of J-M was unanimously approved.

On January 10, 1918, a meeting of stockholders was held for amendment of By-laws. The following changes were made in the directorate and management of the Association:

T. F. Manville	elected President in place of Mr. Snell.
H. E. Manville	elected Secretary and Treasurer in place of Mr. Fisk.
C. E. Manville	elected to Board in place of Mr. Mooney, resigned.
W. R. Seigle	elected to Board in place of Mr. Finch, and appointed Vice President.
J. W. Mooney	appointed Assistant Treasurer.
A. C. Hoyt	appointed Assistant Secretary and Assistant Treasurer.

On January 2, 1919, an authorization was given by resolution of Board of Directors to Mr. Nels A. Nelson to file application for patent at U. S. Land Office in Phoenix, Arizona, for mining claims and mill sites in the State of Arizona owned by the Association.

On January 17, 1921, the following changes were made in the directorate and management of the Association:

H. K. Van Siclen appointed Assistant Treasurer to replace Mr. Mooney, resigned.

On May 2, 1921, Mr. A. P. Young was appointed Assistant Treasurer, in place of Mr. H. K. Van Siclen, resigned.

On December 29, 1921, Charles Horton was appointed Assistant Treasurer, in place of Mr. A. P. Young, resigned.

No changes in directorate or management for years 1922, 1923, and 1924.

On December 31, 1925, Mr. A. C. Hoyt was elected to Board of Directors, and Mr. H. E. Manville was appointed President to replace Mr. T. F. Manville, deceased.

On December 30, 1926, Mr. A. C. Newman and Charles Horton were appointed as Assistant Treasurers.

On August 24, 1927, Mr. H. E. Manville resigned from office and Mr. Theodore Merseles was elected to Board and appointed President.

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On June 1, 1928, Mr. Lewis H. Brown was elected to Board of Directors in place of Mr. A. C. Hoyt, resigned. Mr. E. M. Voorhees was elected to Board and appointed Secretary and Treasurer, and Mr. E. D. Gurney was appointed Assistant Treasurer and Assistant Secretary.

On April 17, 1929, Mr. S. A. Williams was elected to Board of Directors to fill vacancy created by death of Mr. Merseles, and was appointed Vice President, replacing Mr. W. R. Seigle. Mr. L. H. Brown was appointed President, replacing Mr. Merseles. Mr. C. L. Sager was appointed Assistant Secretary and Assistant Treasurer, replacing Mr. E. D. Gurney, resigned. Mr. J. L. Pichetto was appointed Assistant Treasurer, replacing Mr. J. Newman, resigned.

As of November 23, 1930, the directorate and management of the Arizona Asbestos Association is as follows:

Board of Directors:

President	Lewis H. Brown
Vice President	S. A. Williams
Vice President & General Manager	C. H. Shoemaker
Secretary and Treasurer	E. M. Voorhees
Asst. Secretary & Asst. Treasurer	C. L. Sager
Asst. Treasurer	J. L. Pichetto

In the process of simplification of the Johns-Manville Corporate setup the mining claims and other property owned by Arizona Asbestos Association were conveyed to Johns-Manville Products Corporation by deed dated June 15, 1932. Operations have been conducted under that subsidiary since. The corporation Arizona Asbestos Association was formally dissolved on August 30, 1932.

Due to market conditions, the Chrysotile property was not in regular production or operation between the years 1932-1941. In 1940 large scale mining operations were resumed and during the latter part of 1941 and the early part of 1942 a milling plant designed primarily to handle shorter fibres (other than No. 1 or No. 2 length crude fibers) was built. The mill mentioned above is now in full operation.

A new highway, constructed in 1933, from Springerville to Globe has greatly lowered transportation costs to make milling of shorter fibers economically possible.

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The United States of America,

To all to whom these presents shall come, Greeting:

WHEREAS, In pursuance of the provisions of the Revised Statutes of the United States, Chapter Six, Title Thirty-two, and legislation supplemental thereto, there have been deposited in the General Land Office of the United States the Plat and Field Notes of Survey and the Certificate of the Register of the Land Office at Phoenix, Arizona, accompanied by other evidence whereby it appears that the Arizona Asbestos Association, has entered and paid for the Asbestin No. 1, Asbestin No. 2, Asbestin No. 3, Asbestin #5, Asbestin No. 6, Asbestin No. 7, Asbestin No. 9, Asbestin No. 10, Asbestin No. 11, Asbestin No. 12, Asbestin No. 16, Asbestin No. 17, Asbestin No. 18, Asbestin No. 19, Asbestin No. 20, Asbestin No. 25, Asbestin No. 26, Asbestin #30, Rock Point No. 1, Rim Rock No. 3, Rim Rock No. 4, and Rim Rock No. 5 lode mining claims, designated by the Surveyor General as Survey No. 3521, embracing a portion, of approximately, Sections five, seven, eight, and seventeen, in Township four north of Range seventeen east of the Gila and Salt River Meridian, in the McMillan Mining District, Gila County, Arizona, and bounded, described, and platted as follows: Beginning for the description of the Asbestin No. 1 lode claim, at corner No. 1, a cedar post four feet long, four inches square, marked a nail at exact corner point and 1 - A1 - 3521, in mound of stone and cement, from which U. S. Location Monument No. 3521, bears south twenty-three degrees twenty-five minutes thirty seconds east three thousand seven hundred thirty and six-tenths feet distant;

Thence, first course, north twenty-four degrees thirty-one minutes west one thousand four hundred ninety-nine and five-tenths feet to corner No. 2, a cedar post four feet long, four inches square, marked a nail at exact corner point and 2 - A1 - 3521, in mound of stone and cement:

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NOW KNOW YE, That there is therefore, pursuant to the laws aforesaid, hereby granted by the United States unto the said

Arizona Asbestos Association

the said mining premises hereinbefore described, and not expressly excepted from these presents, and all that portion of the said veins, lodes, or ledges, and of all other veins, lodes, and ledges throughout their entire depth, the tops or apexes of which lie inside of the surface boundary lines of said granted premises in said survey extended downward vertically, although such veins, lodes, or ledges in their downward course may so far depart from a perpendicular as to extend outside the vertical side lines of said premises: Provided, That the right of possession to such outside parts of said veins, lodes, or ledges shall be confined to such portions thereof as lie between vertical planes drawn downward through the end lines of said survey so continued in their own direction that such planes will intersect such exterior parts of said veins, lodes, or ledges: And provided further, That nothing herein contained shall authorize the grantee hereof to enter upon the surface of a claim owned or possessed by another.

TO HAVE AND TO HOLD said mining premises, together with all the rights, privileges, immunities, and appurtenances of whatsoever nature thereunto belonging, unto the said grantee above named and to its successors and assigns forever; subject, nevertheless, to the above-mentioned and to the following conditions and stipulations:

FIRST. That the premises hereby granted shall be held subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local laws, customs, and decisions of the courts. And there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by the authority of the United States.

SECOND. That in the absence of necessary legislation by Congress, the Legislature of Arizona may provide rules for working the mining claim or premises hereby granted, involving easements, drainage, and other necessary means to its complete development.

IN TESTIMONY WHEREOF, I, Warren G. Harding,

President of the United States of America, have caused these letters to be made Patent, and the Seal of the General Land Office to be hereunto affixed.

GIVEN under my hand, in the District of Columbia, the FOURTH day of JANUARY in the year of our Lord one thousand nine hundred and TWENTY-TWO and of the Independence of the United States the one hundred and FORTY-SIXTH.

By the President: Warren G. Harding

By Viola B. Pugh, Secretary.

M. P. LeRoy

Recorder of the General Land Office.

RECORDED: Patent Number 840850