

Lincoln County

AFFIDAVIT OF PERFORMANCE OF ANNUAL WORK
(Leased Claims)

For 1980 - 1981 Assessment Work

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

Dennis L. Lance, being first duly sworn, deposes and says:

That he is a citizen of the United States and more than eighteen years of age; that he resides in Littleton, Colorado; that he is personally acquainted with the unpatented lode mining claims described in Exhibit A attached hereto and made a part hereof, which claims are situated in the Don Dale Mining District, Lincoln County, Nevada, and that he makes this Affidavit as an agent for the owners thereof.

That between February 2, 1981 and July 16, 1981, not less than Thirteen Hundred Dollars (\$1,300.00) worth of work and improvements were done and performed upon or for the benefit of each of the said claims not including location work; that the work was performed for the purpose of complying with the laws of the United States and the State of Nevada pertaining to annual assessment work under the authorization of United States Code, Title 30, Section 28-1, for the assessment year ending September 1, 1981.

That said labor and improvements were made on behalf of and for the benefit of the owners of said claims who hold the valuable minerals contained therein.

That the name, current residence, and mailing addresses of said claim owners, lessee and lessee's affiant are:

Claim Owners

Farrell Anhder
Clarence G. Edwards
1920 Gifford Street
North Las Vegas, Nevada 89030 -

Lessee

Grayhill Exploration Company
12189 Kalston Road - Suite 210
Arvada, Colorado 80004

Affiant

Dennis L. Lance
8773 W. Fairview Drive
Littleton, Colorado 80123

Mailing Address: 12189 Kalston Road - Suite 210
Arvada, Colorado 80004

That the work consisted of:

Non-repetitive geological mapping and limited surface sampling. The work was designed to determine the nature and extent of the intrusive dikes and plugs and the extent of mineralization on the Don Dale Property.

That the labor was performed by Dennis L. Lance, a professional geologist with at least ten years experience in exploration with a degree from the University of California, Chico (B.A. Earth Sciences, 1968), an employee of Grayhill Exploration Company.

Geochemical work was performed by various employees of Cone Geochemical of Lakewood, Colorado with numerous years of experience in analytical services.

Affidavit of Performance of Annual Work
Page 2

That the basic findings of the surveys are described in a geologic report and map attached hereto and made a part hereof as Exhibit C.

[Signature]
Witness

[Signature]
Dennis L. Lance

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this 16th day of July, 1981 by Dennis L. Lance, Vice President of Grayhill Exploration Company, a Colorado corporation, on behalf of said corporation.

Witness my hand and official seal.

My Commission expires: My Commission expires April 3, 1985

[Signature]
Notary Public



att.

EXHIBIT A

All those certain unpatented lode claims situate in Lincoln County, Nevada, more particularly described as follows:

<u>Name of Claim</u>	<u>Book</u>	<u>Page</u>	<u>BLM Number</u>
Blue Bird	V-1	166	NMC-91223
Blue Bird 2	V-1	428	NMC-91224
Blue Bird 3	W-1	96	NMC-91225
Blue Bird 4	W-1	96	NMC-91226
Badger	W-1	97	NMC-91227
Badger 2	W-1	98	NMC-91228
Badger 3	W-1	98	NMC-91229
Badger 4	W-1	98	NMC-91230
Jackson	V-1	166	NMC-91231
Jackson 2	W-1	96	NMC-91232
Jackson 3	W-1	97	NMC-91233
Jackson 4	W-1	97	NMC-91234
Jackson 5	W-1	97	NMC-91235

Lincoln County

EXHIBIT B

EXAMINATION REPORT

DON DALE PROPERTY

Lincoln County, Nevada

Dennis L. Lance

INTRODUCTION

The Don Dale Property is located approximately six miles south of Rachel, Nevada at the north end of the Groom Range.

The reason for this examination was to determine if the surface geology was indicative of a porphyry molybdenum system and deposit at depth.

Five man days were spent in the field examination and two days in the office compiling the geology and examining surface rock samples collected.

The cost of the examination is in excess of \$1,300.00 and will be used for the assessment work for the assessment year ending September 1, 1981.

LOCATION

The Don Dale Property is located approximately twelve miles southwest of the Tempiute Mine and thirty-six miles in an airline northwest of Alamo, Nevada.

PROPERTY

The property consists of thirteen unpatented lode claims located in Sections 34 and 35, Township 4 South, Range 55 East. The claims are in the Don Dale mining district. They are partially surrounded on the north by AMAX's Michelle Claims.

The Don Dale property is owned by Mr. Farrell Anhder and Mr. Clarence G. Edwards, 106 Elm Street, Henderson, Nevada. The property is under lease to Grayhill Exploration Company, 12189 Ralston Road, Suite 210, Arvada, Colorado.

HISTORY AND PRODUCTION

According to Tschanz, 1970, the Don Dale district was organized in 1945, and the total production was probably less than 200 tons. Smelter records furnished by the owners, show that approximately eighty-five tons were shipped to American Smelting and Refining Company in Salt Lake City between 1938 and 1941. The average grade of the ore shipped was approximately 0.058 ounces gold, 31.2 ounces silver, 14.3 percent lead, 0.28 percent copper and 0.67 percent zinc.

In April, 1981, Grayhill Exploration Company leased the property. Geological mapping and limited geochemical sampling were done on the property in February and July of 1981.

GEOLOGY AND GEOCHEMISTRY

Geologic mapping was done on an aerial photographic base at a scale of 1:25,000. The mapping outlined numerous dikes and plugs both on the Don Dale Claims and adjacent to them. The intrusive rocks cut primarily Cambrian quartzite.

Several select rock samples were taken of the dikes for petrographic examination and geochemical analysis.

EXHIBIT B
Examination Report
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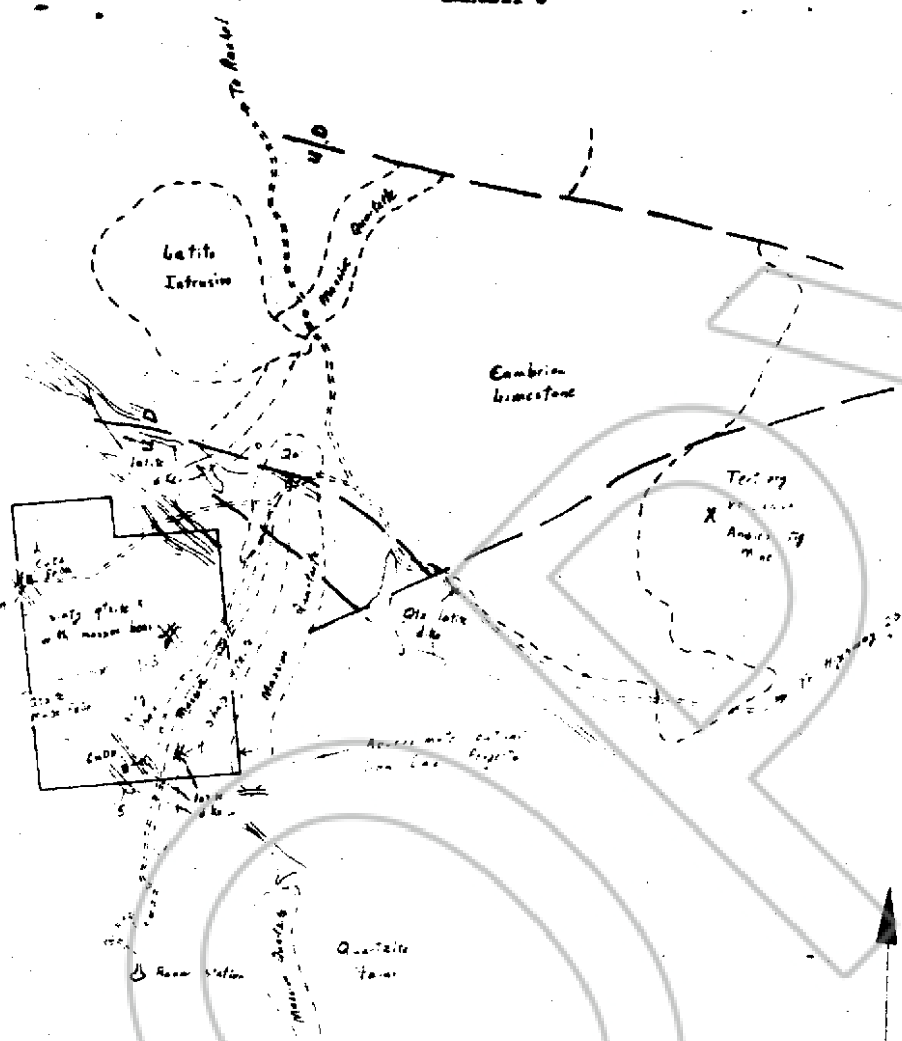
The geologic map showing the sample locations is attached to this report.

The dikes vary in composition from quartz eye, latite porphyry to possible rhyolite. The main intrusion mass is a finer grained latite. The dikes are often hydrothermally altered and geochemically anomalous in copper, lead and zinc.

This detailed report is filed in compliance with the requirements of Title 30, United States Code, Section 28-1 for the Blue Bird, Blue Bird 2 through 4, and Jackson, Jackson 2 through 5 lode mining claims situated in the Don Dale Mining District, Lincoln County, Nevada.

Lincoln County

EXHIBIT C



No. **72713**
 FILED AND RECORDED AT REQUEST OF
GRANVILLE EXPLORATION
July 21, 1981
 AT 1 MINUTES PAST 9 O'CLOCK
8 A.M. IN BOOK 45 OF OFFICIAL
 RECORDS, PAGE 66 LINCOLN
 COUNTY, NEVADA.
Granville S. Sizer
 COUNTY RECORDER

GEOLOGIC MAP
 DON DALE PROPERTY - VICINITY
 Lincoln County, Nevada
 1:25,000 July, 1981