

Lincoln County

AFTER RECORDING RETURN TO:  
Cominco American Resources Incorporated  
831 East Glendale Avenue  
Sparks, Nevada 89431

STATE OF UTAH  
COUNTY OF SALT LAKE

} ss.

AFFIDAVIT OF  
ANNUAL ASSESSMENT WORK

The undersigned, being first duly sworn, states under penalty of perjury that the statements herein are true:

1. For the annual assessment year ending on September 1, 1990, labor was performed and expenditures were made for labor for geological and geophysical survey work, having a value of at least Nine Thousand Three Hundred Dollars (\$9,300.00) on the following unpatented mining claims situated in Sections 1 and 12, Township 1 North, Range 66 East, and Sections 6, 7, 8, 9, 16, 17, and 18, Township 1 North, Range 67 East, Mount Diablo Meridian, in Lincoln County, State of Nevada.

See attached Exhibit A for the list of claims.

2. The labor was performed and the expenditures were made in the amount of at least \$100.00 per claim, by or at the expense of the claim owner whose name and address are: Pioche-Ely Valley Mines, Inc. of Suite 175, 10830 North Central Expressway, Dallas, Texas 75231.

3. The labor was performed or the improvements were made by: Cominco American Resources Incorporated, a Delaware corporation, its employees, agents and/or independent contractors pursuant to the terms of that certain Joint Venture Agreement dated effective August 1, 1989, and on behalf of Cominco American Resources Incorporated as Optionee and Pioche-Ely Valley Mines, Inc. as Owner of said claims; and the expenditures were made by: Cominco American Resources Incorporated.

4. The labor and improvements were for the benefit of all of claims as a contiguous group of claims, and affected all of the claims by facilitating the development of the claims as a mine and extraction of ore therefrom. The labor and improvements consisted of geophysical and geological surveys. Attached to this Affidavit is a copy of the Report of such work, as required by Title 30, United States Code, Section 28-1. The labor and improvements consisting of the geophysical survey were performed or made covering all of each claim during the period from February 21, 1990, through February 24, 1990, and consisting of the geological survey for the Startup, Startup No.2, Marion, Marion No.2, Marion No.6, Ely Valley, Ely Valley No.3, Ely Valley No.4, Alice, OK No.2, OK No.3, OK No.4, OK No.5, OK No.7, Hard Roades, and Gelder unpatented and patented claims during the period from November 14, 1989, through November 22, 1989.

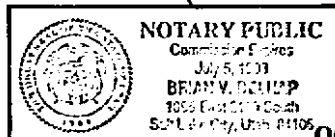
5. The claims are held and claimed by the owner for the valuable minerals contained therein, and the owner intends to continue the development of each claim. NOTICE OF INTENTION TO HOLD THE CLAIMS is hereby given.

Dated this 9th day of October, 1990.

By: James M. Telford  
James M. Telford  
Project Geologist, Cominco American Resources Incorporated  
Agent for Pioche-Ely Valley Mines, Inc. as owner, and Cominco American Resources Incorporated as optionee.

Subscribed and Sworn to before me this 9th day of October, 1990.

Brian Bell  
NOTARY PUBLIC



Lincoln County

AFFIDAVIT OF ANNUAL ASSESSMENT WORK  
FOR THE YEAR ENDING SEPTEMBER 1, 1990

EXHIBIT A

The ninety-three (93) unpatented claims referred to in the Affidavit of Annual Assessment Work are part of a Joint Venture Agreement between Cominco American Resources Incorporated and Pioche-Ely Valley Mines, Inc. and comprise a portion of the Ely Valley and West End Property which claims are located in Sections 1 and 12, Township 1 North, Range 66 East, and Sections 6, 7, 8, 9, 16, 17, and 18, Township 1 North, Range 67 East, Mount Diablo Meridian, in Lincoln County, Nevada, and are more particularly described as follows:

<u>NAME OF CLAIM</u>	<u>COUNTY BOOK:PAGE</u>	<u>BLM SERIAL NUMBER</u>
Superior No.1	G-1:261	NMC-80385
Superior No.2	G-1:261	NMC-80386
Harvester No.2	H-1:272	NMC-80390
Harvester No.3	M-1:345	NMC-80391
Harvester No.4	H-1:465	NMC-80392
Harvester No.5	H-1:465	NMC-80393
Harvester No.6	H-1:466	NMC-80394
Harvester No.7	M-1:023	NMC-80395
Harvester No.8	J-1:205	NMC-80396
Harvester No.9	J-1:205	NMC-80397
Harvester No.10	J-1:206	NMC-80398
Harvester No.11	J-1:206	NMC-80399
Harvester No.12	J-1:207	NMC-80400
Harvester No.13	J-1:207	NMC-80401
Harvester No.14	J-1:224	NMC-80402
Harvester No.15	J-1:225	NMC-80403
Harvester No.16	J-1:225	NMC-80404
Harvester No.17	J-1:226	NMC-80405
Harvester No.18	J-1:226	NMC-80406
Harvester No.19	J-1:208	NMC-80407
Harvester No.20	L-1:371	NMC-80408
Harvester No.21	N-1:499	NMC-80409
Harvester No.22	N-1:499	NMC-80410
Harvester No.23	N-1:500	NMC-80411
Harvester No.24	L-1:371	NMC-80412
Harvester No.25	L-1:372, M-1:023	NMC-80413
Harvester No.26	L-1:372	NMC-80414
Harvester No.27	L-1:373, M-1:024	NMC-80415
Harvester No.28	L-1:373	NMC-80416
Harvester No.29	L-1:374, M-1:024	NMC-80417
Harvester No.30	L-1:374	NMC-80418
Harvester No.31	L-1:375	NMC-80419
Harvester No.32	M-1:366	NMC-80420
Harvester No.33	M-1:366	NMC-80421
Harvester No.34	N-1:084	NMC-80422
Harvester No.35	N-1:084	NMC-80423
Harvester No.36	N-1:085	NMC-80424
Harvester No.37	N-1:085	NMC-80425
Harvester No.38	N-1:086	NMC-80426
Harvester No.39	N-1:086	NMC-80427
Harvester No.40	N-1:087	NMC-80428
Harvester No.41	N-1:087	NMC-80429
Harvester No.42	N-1:440	NMC-80430
O.K. No.2	W:089, H-1:466	NMC-80431
O.K. No.3	W:090, H-1:467	NMC-80432
O.K. No.4	Y:211, H-1:474	NMC-80433
O.K. No.5	H-1:475	NMC-80434
O.K. No.6	H-1:467	NMC-80435
O.K. No.7	H-1:475	NMC-80436
O.K. No.8	J-1:167	NMC-80437

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Lincoln County

EXHIBIT A (CONTINUED)

<u>NAME OF CLAIM</u>	<u>COUNTY BOOK: PAGE</u>	<u>BLM SERIAL NUMBER</u>
O.K. No.10	N-1:082	NMC-80439
O.K. No.11	N-1:083	NMC-80440
O.K. No.12	N-1:083	NMC-80441
O.K. No.13	N-1:084	NMC-80442
O Key No.14	N-1:293	NMC-80443
O Key No.15	N-1:293	NMC-80444
O Key No.16	N-1:294	NMC-80445
Harvest	77:454	NMC-443767
Moon	77:456	NMC-443768
O.K. No.9	77:458	NMC-443769
Gold Eagle Fraction	X:393, E-1:328	NMC-80384
O Key No.17	N-1:294	NMC-80446
O Key No.18	N-1:295	NMC-80447
O Key No.19	N-1:296	NMC-80448
O Key No.20	N-1:296	NMC-80449
Marion	F-1:227	NMC-80450
Marion No.2	F-1:227	NMC-80451
Marion No.3	J-1:164	NMC-80452
Marion No.4	J-1:165	NMC-80453
Marion No.5	J-1:165	NMC-80454
Marion No.6	J-1:166	NMC-80455
Marion No.7	J-1:166	NMC-80456
Bluebell No.1	H-1:463	NMC-80457
Bluebell No.2	H-1:463	NMC-80458
Bluebell No.3	H-1:464	NMC-80459
Bluebell No.4	H-1:464	NMC-80460
Bluebell No.5	K-1:117	NMC-80461
Bluebell No.6	K-1:118	NMC-80462
Bluebell No.7	K-1:118	NMC-80463
Bluebell No.8	K-1:119	NMC-80464
Sure Thing	H-1:095	NMC-80465
Sure Thing No.1	H-1:096	NMC-80466
Sure Thing No.2	J-1:167	NMC-80467
Bluebell No.10	K-1:119	NMC-80477
Bluebell No.11	L-1:089	NMC-80478
Bluebell No.12	L-1:089	NMC-80479
Bluebell No.13	L-1:090	NMC-80480
Bluebell No.14	L-1:090	NMC-80481
Bluebell No.15	L-1:091	NMC-80482
Harebell	77:460	NMC-443770
Cathy Fraction	77:462	NMC-443771
Anne Fraction	77:464	NMC-443772
New Gold Eagle Fraction	77:466	NMC-443774

The above-listed ninety-three (93) unpatented claims are contiguous with the patented mining claims:

<u>NAME OF CLAIM</u>	<u>MINERAL SURVEY</u>	<u>PATENT NO.</u>
Ely Valley	3725	221093
Ely Valley No.2	3725	221093
Ely Valley No.3	3725	221093
Ely Valley No.4	3725	221093
Ely Valley No.5	3725	221093
Alice	3725	221093
Golden Fleece	3725	221093
Margaret Pillans	3725	221093
O.K.	3725	221093
Silver Dick	3864	245094
Annicc	3864	245094
Jefferson	3864	245094
Baby Mine Fraction	3886	282179
Ophir	4072	339883
Flag Staff	4072	339883

EXHIBIT A (CONTINUED)

<u>NAME OF CLAIM</u>	<u>MINERAL SURVEY</u>	<u>PATENT NO.</u>
Buckhorn	4185	496585
Buckhorn No.2	4185	496585
Smuggler	4185	496585
Rawhide	4185	496585
Deertrail	4185	496585
Johnathan	4185	496585
Johnathan No.2	4185	496585
Gelder	4160	504310
Gelder No.2	4160	504310
Startup	4160	504310
Startup No.2	4160	504310
West End	4160	504310
Gold Eagle No.3	4160	504310
Gold Eagle No.4	4160	504310
Gold Eagle Consolidated	4160	504310
Hard Roads	4160	504310

AFFIDAVIT OF ANNUAL ASSESSMENT WORK  
FOR THE YEAR ENDING SEPTEMBER 1, 1990

STATEMENT OF QUALIFICATIONS  
and  
REPORT OF BASIC FINDINGS

This detailed report is filed in compliance with the requirements of Title 30, United States Code, Section 28-1 for the claims of the Ely Valley and West End Property, a group of 93 unpatented lode claims and 31 patented lode claims situated in Lincoln County, State of Nevada.

The work consisted of a geophysical survey covering all of each claim and a geological survey of a portion of the claims to evaluate the discovery of valuable mineral deposits located thereon, to locate hidden ore controls, and to assist in planning further exploration and development work. The geophysical survey work was performed during the period from February 21, 1990, through February 24, 1990, by and under the direction of Richard Van Blaricom, a geophysicist with over twenty-eight (28) years experience in the mineral industry with degrees from Portland State University and the University of Arizona (B.S. Geology and M.S. Geophysics, respectively), whose address is North 22710 Perry Rd., Cobert, Washington 99005, and by Robert W. Hennessey, a geophysicist with over 16 years of geophysical experience in the mineral industry, whose address is East 11413 Frederick, Spokane Washington 99206. The geological survey work was performed during the period from November 14, 1989, through November 22, 1989, by James M. Telford whose address is 1445 South 1500 East, Salt Lake City, Utah 84105, a geologist with fifteen (15) years experience in the mineral industry with a degree from Tennessee Technological University (B.S., 1975). All of the geophysical and geological survey work was done under the direction and supervision of James M. Telford. The cost of the geophysical and geological survey work exceeded Thirteen Thousand Five Hundred Dollars (\$13,500.00) and was paid for by Cominco American Resources Incorporated, owner and optionee of the subject mining claims.

The geophysical survey was planned to establish the depth to bedrock on the down-dropped portion of a range front fault under pediment cover and to test for sulfide responses from within the bedrock. The survey technique employed was a CS-AMT survey. Four northeast-trending lines were surveyed using an "a" spacing of 500 feet with a station interval of 500 feet. The frequencies used were from 2048 Hz to 2 Hz. Lines were spaced at 4,500 foot intervals. The geological survey work consisted of geologic mapping at a scale of 100' to 1" of the Startup, Startup No.2, Marion, Marion No.2, Ely Valley, Ely Valley No.3, Ely Valley No.4, OK No.4, OK No.5, OK No.7, Hard Roades, and Gelder unpatented and patented claims and logging of drill core and cuttings from the Startup, Marion, Marion No.6, Ely Valley No.4, OK No.2, OK No.3, OK No.7, and Alice unpatented and patented claims, to aid in the interpretation of the geophysical survey. The results of the CS-AMT survey indicate that depth to bedrock is in excess of 2000 feet and no responses that could be interpreted as sulfide-generated were recorded.

An exploration-development program consisting of drilling, sampling, and additional other studies is under consideration for this property. All technical work and results are in the possession of and are considered to be the exclusive property of Cominco American Resources Incorporated.

Respectfully submitted,

*James M. Telford*

James M. Telford, Project Geologist  
Agent for Cominco American Resources Incorporated as Optionee and Pioche-Ely  
Valley Mines, Inc. as Owner

No. 095194

Filed and Recorded at the request of  
COMINCO AMERICAN RESOURCES INCORPORATED  
this 15th day of October, 1990, at 15  
minutes past 1 O'clock P.M., in  
Book 92 of Official Records, Page 573  
Lincoln, County, Nevada.

*Frank E. Hulse*  
FRANK E. HULSE - County Recorder

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