AFFIDAVIT OF ANNUAL ASSESSMENT WORK
(PROOF OF LABOR)

STATE OF NEVADA

COUNTY OF WASHOE

The undersigned, Ken Brook, having been first duly sworn states:

1. That as required and authorized by 30 U.S.C. s28, 43 C.F.R. ss3833.2-1 (a) and 38.33.2-2 and NRS 517.230, labor was performed, improvements were made or expenditures for labor or improvements were made having a value of at least $100.00 or more for each of the unpatented mining claims described as follows:

Silver King # 1 - Silver King # 50, and Stagecoach # 1 & 2, NMC # 95272 - 95323

Situated in sections 13, 14, 23, 24, 25, 26 of T 5 N, R 63 E, in the Silver King mining District, Lincoln County, Nevada, for the annual assessment work year beginning on September 1, 1991, and ending on August 31, 1992.

2. That the expenditures, work or improvements were made on behalf of C & C Mining and Land Company the owner of said mining claims.

3. That the character and type of work done and improvements made included the preparation of a geologic report on the entire claim block and that this work was for the further development of the all of the claims. The work was done by Ken Brook a registered Consulting Geologist in Reno, Nevada with over 22 years of experience in mineral exploration. Mr. Brook also has a BS degree in geology from the University of Texas and an MS degree in geology from the University of Arizona. A copy of the report is attached to this document.

4. That the total amount of money expended and the value of labor was in excess of $100.00 per claim and was made for the benefit of the entire claim block.

5. As authorized and permitted by 43 U.S.C. s1744(a) and 43 C.F.R. ss3833.2-1(a) and 3833.2-3(a), for each mining claim described herein, notice of the owners' intention to hold the claims is hereby given and that each claim is held by the owners for the available minerals contained therein and that the owners intend to continue development of the claims.

Dated this 21 day of SEPTEMBER, 1992

Ken Brook

Ken Brook

Subscribed and sworn before me this

21st day of September, 1992

Pam Grey

Notary Public

PAM GREY
NOTARY PUBLIC NEVADA
WASHOE COUNTY
My appt. exp. Apr. 11, 1995

'92 SEP 21 A11:12

NEVADA STATE OFFICE

BOOK 103 PAGE 292

Desert Ventures, Inc.
70 Linden St., #204
Reno, Nevada 89502

The Silver King Property:

A Polymetallic, Intrusive -Related Exploration Project

Prepared by
Ken Brook
Registered Consulting Geologist

February 3, 1992

INTRODUCTION

The Silver King property is a copper, lead , zinc, gold and silver exploration project located in northern Lincoln County, Nevada approximately 41 miles northwest of Pioche and 70 miles south of Ely. The project comprises 50 unpatented lode claims currently under lease to Desert Ventures, Inc. The results of previous exploration programs conducted by B&B Mining, Anaconda and Caldera Resources are summarized in this report, and recommendations are made for further exploration work on the project. The report was prepared by Ken Brook, President of Desert Ventures, and is based on the aforementioned exploration program results and a field visit to the project. Ken Brook has a financial interest in this project.

PROPERTY DESCRIPTION

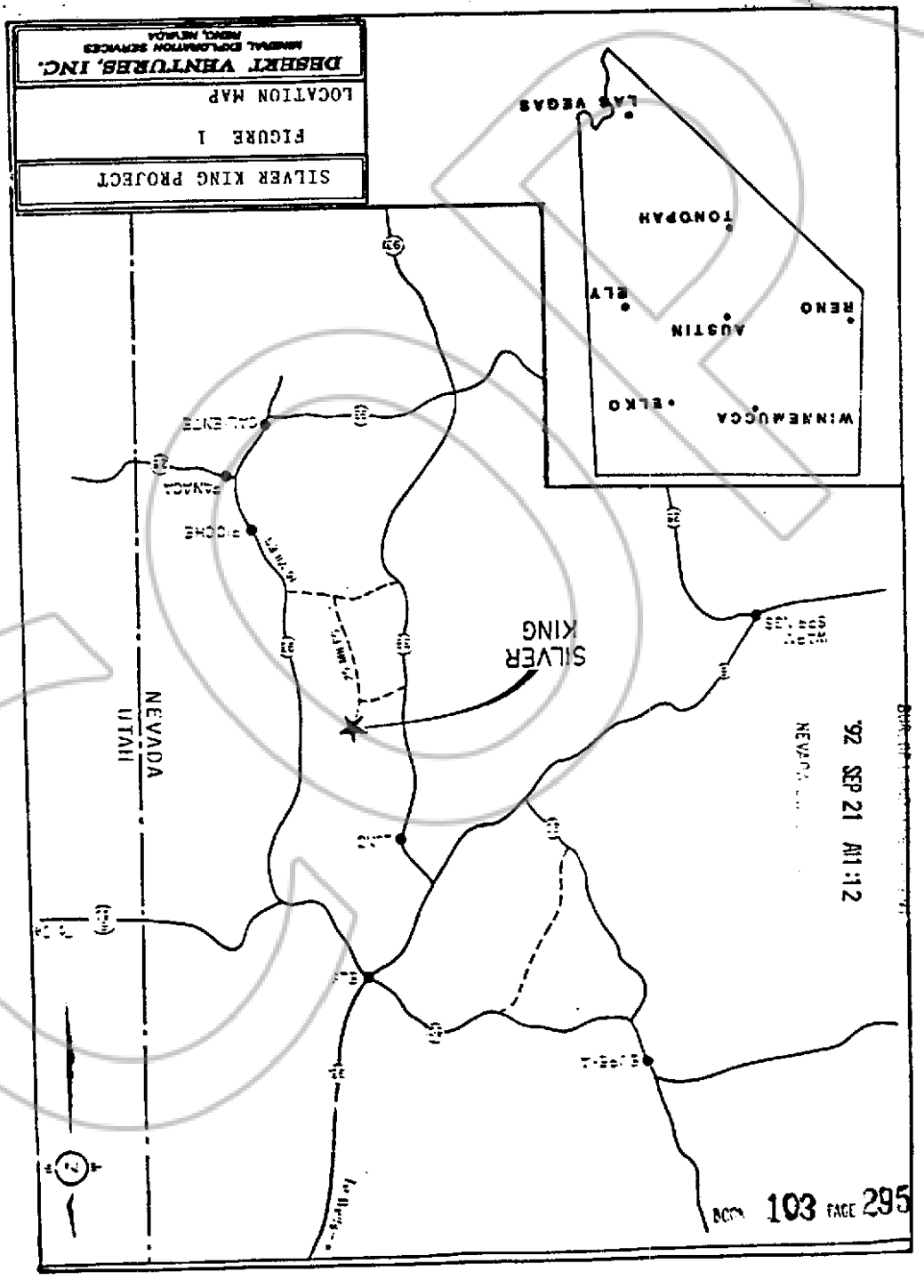
The Silver King property comprises 50 unpatented lode mining claims owned by Wayne Cole and C & C Mining and Land Co. of Boulder City, Nevada. Desert Ventures has obtained a lease with an option to purchase the property subject to escalating annual payments and an end purchase price of $750,000 payable from a 3% Net Smelter Return Royalty. Although no title opinion is given by this report, the claims appear to be properly recorded and in good standing.

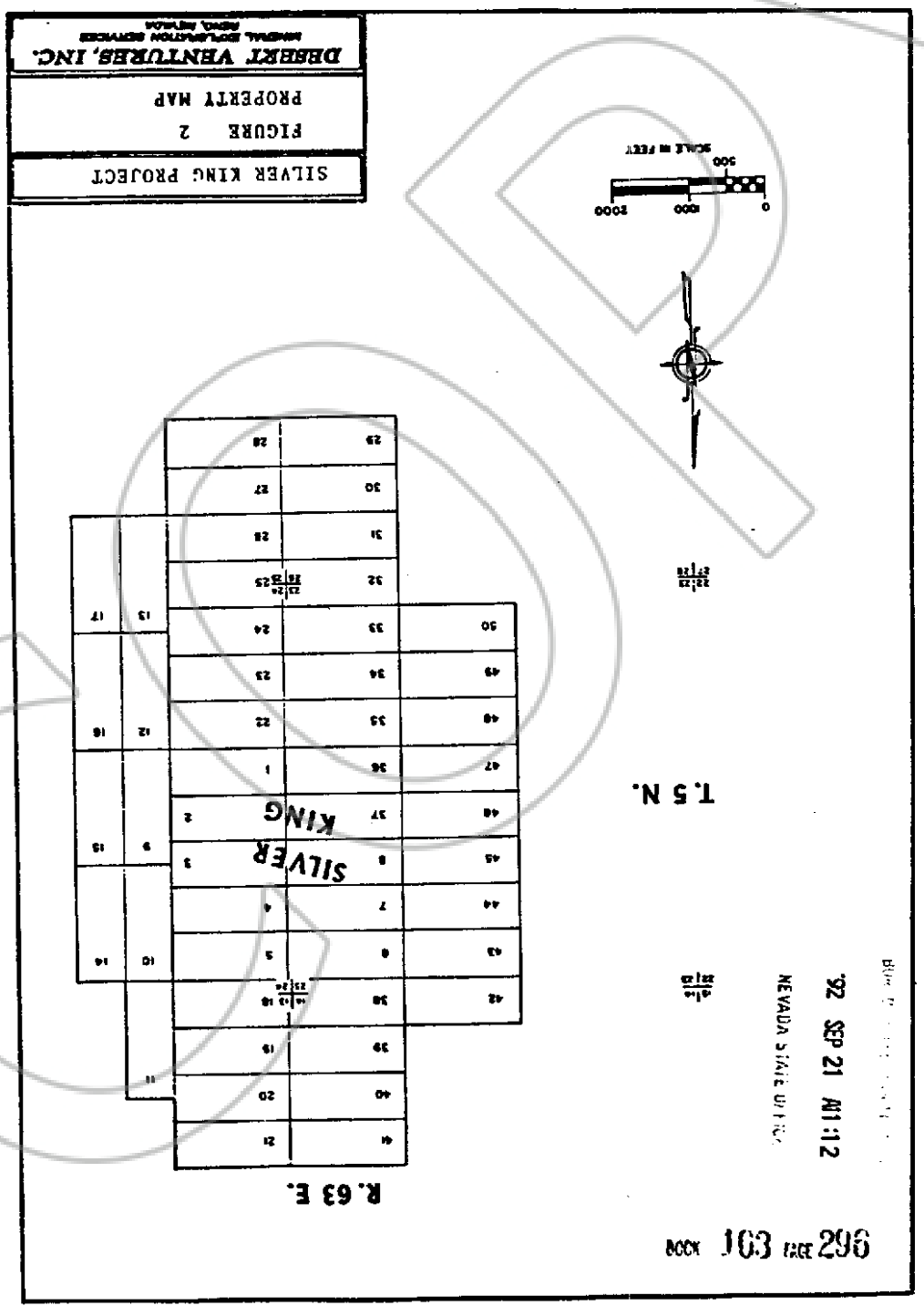
LOCATION AND ACCESS

The property is located approximately 70 miles south of Ely in unsurveyed sections 14, 15, 22 and 23 of T. 5 N., R. 63 E., Lincoln County, Nevada, Figures 1 and 2. Access is via the Bristol Pass road north of Pioche or from Nevada State Route 38 south of Lund. There is a county-maintained gravel road four miles south of the claims, and an unimproved dirt road provides access into the claims. The property is on the west flank of the southern end of the Schell Creek Range at an elevation of 6000 feet and receives approximately 15 inches of precipitation a year. Much of the precipitation comes as snow during the winter months. Most of the claims cover a relatively flat pediment area, although the eastern portion of the property is mountainous. There are pinion and cedar trees on the property along with the usual collection of sage and other high desert shrubs. There is no developed power or water on the property. The area is not considered environmentally sensitive.

PROPERTY HISTORY

The earliest recorded information on the Silver King mine is contained in a November 21, 1919 article in the Pioche newspaper which reported in a headline " Silver King Group Has Immense Possibilities." The article described work on the claims in the 1870's when several carloads of very high-grade lead silver ore were shipped to Salt Lake. Reportedly there was a 50 ton per day smelter on the property in 1919. Mining World reported in 1940 (pp 31) that about 62 tons of gold-silver-lead ore were shipped from the


DESERT VENTURES, INC.
MINERAL EXPLORATION SERVICES
RENO, NEVADA
LOCATION MAP
FIGURE 1
SILVER KING PROJECT
LAS VEGAS
TONOPAH
ELY
RENO
AUSTIN
WINNEMUCCA
ELKO
CALIENTE
PANACA
PIOCHE
SILVER KING
NEVADA
UTAH
'92 SEP 21 AM 11:12
BOOK 103 PAGE 295


DESERT VENTURES, INC.
MINERAL EXPLORATION SERVICES
RENO, NEVADA
PROPERTY MAP
FIGURE 2
SILVER KING PROJECT
SCALE IN FEET
2000
1000
500
0
T. 5 N.
R. 63 E.
SILVER KING
'92 SEP 21 AM 11:12
NEVADA STATE OFFICE
BOOK 163 PAGE 296

property in 1939. In the 1960's the claims were located by W. Cole and others. Molycorp sampled the property in 1969,and in 1973 and 1974 the property was optioned to B&B Mining Corporation.

B&B called the project "Black Cone" and completed the following during their tenure on the property:

1. five and one half line miles of Induced Polarization survey
2. an unknown amount of VLF-EM survey
3. collection of 150 soil samples with analysis for Ag, Pb, Zn
4. drilling six percussion holes totalling 1,736 feet

The six shallow holes were drilled to test an IP anomaly and were all located in a 400' X 400' area just west of the old Silver King shaft. The location of the B&B drill holes, some of their geophysical anomalies and the results of the soil sampling program are shown on Plate I. The drilling found up to 3% pyrite in altered sedimentary rocks and granodiorite dikes. There were zones of strongly anomalous Pb, Zn, Ag values in the drill holes, but nothing of economic significance.

In 1980 the property was optioned to Anaconda and five widely spaced core holes were drilled. Anaconda's target was a porphyry molybdenum deposit, but the moly values were low and erratically distributed. Only two gold assays are on file for the entire Anaconda project. A twenty foot interval in hole SK-4, 133 - 153, contained a reported 0.034 oz. Au/ton. At that time Anaconda was being purchased by ARCO and despite near ore-grade intervals in some of the drill holes, the project was terminated. Selected assay intervals from the Anaconda drilling are given in the tables below.

SILVER KING ASSAY DATA
DRILL HOLE SK - 1

Rock type	Interval	Thickness	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
dolo	420 - 450	30	-	2.8	141	189	562
gd bx	450 - 469	19	98	0.7	195	35	96
skn	469 - 500	31	-	7.5	3326	33	11,551
void	500 - 502						
gd	502 - 529	27	-	2.3	1303	20	123
gd	529 - 605	76	-	1.4	888	22	80
gd	605 -669	64	-	105	809	23	79
skn	669 - 734	65	-	8..8	5433	39	5628
skn	670 – 710	40	173	-	-	-	-
gd	763 - 1030	267	-	-	343	-	-

Rock type	SK - 1 ASSAY DATA CONT. Interval	Thickness	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
gd	1053 - 1075	22	-	-	3700	-	1500
skn	1134-1141	7	-	25	12,400	-	4600
skn	1128-1141	13	175	-	-	-	-
skn	1185-1191	6	421	16	6900	-	4800
dolo	1494-1504	10	-	63	641	1381	1388
skn	1524-1535	11	-	24	6400	112	5400
	469-763	292			2211		

SILVER KING ASSAY DATA
DRILL HOLE SK - 2

Rock type	Interval	Thickness	ppb Au	ppm Ag	ppm Cu	ppm Pb	ppm Zn
skn	494 - 511	17	-	3	1309	12	4863
flt	532 - 567	35	-	6	3208	5	5777
flt	558 - 574	16	324	-	-	-	-
skn	742 - 746	4	-	161	286	22,800	6150
skn	753 - 758	5	-	51	264	28,400	30,900
dol	841 - 849	8	-	85	144	6630	5210
skn	1171-1195	25	189	8	3844	9	4809
lmst	1195-1304	109	-	8	1544	429	776
lmst-skn	1327-1342	15	-	12	3388	141	3742
gd-skn	1459-1453	34	-	8	3891	87	1492
skn	1635-1649	14	-	10	7050	9	2760
	1171-1493	322			1850		

Hole SK-3 was drilled to 500' where lost circulation terminated the hole. There was alluvium to 150' then mixed zones of granodiorite and calc silicate to the bottom of the hole. Hole SK-3A is a 15' offset to SK-3 and was rotary drilled to 600' and cored to 763'. Neither hole had significant metal values. The drill logs and assay data for hole SK-5 are not available, but Wayne Cole said that hole 5 was not mineralized. Core from all of the Anaconda drill holes is stored in Pioche and available for review.

In 1984 two percussion holes were drilled by Caldera Resources of Vancouver, Canada to test the reported gold values in Anaconda's hole SK-4. The Caldera holes contained only anomalous gold and silver values.

In 1991 Ken Brook examined the property for Canyon Resources. Because of the high pyrrhotite content of the skarn zones, selected intervals from the Anaconda core holes were split and assayed for gold. The best gold value was in hole SK-1 where the six foot interval from 1185 to 1191 contained 421 ppb Au. The project did not meet Canyon's current exploration criteria and no further action was taken.

Desert Ventures acquired a exploration lease with an option to purchase the property in January of 1992 and is persuing further development of the property.

GEOLOGY

The Lincoln County geologic report shows the claim area containing a Tertiary granodiorite intrusive which is surrounded by the Simonson Dolomite, the Gilmette Formation and an unnamed Pennsylvanian limestone unit. None of the companies that have previously worked on the property have made any attempt to systematically map the area, and very little is known about the structure, stratigraphy and alteration zoning on the property. Plate I, which represents the best geologic data available for the project, simply shows outcrops of granodiorite in an undifferentiated sedimentary package.

Figure 4 is an aerial photograph of the project area with a structural overlay. The claim block covers the northern portion of a large arcuate feature and is also cut by many NE and NW-trending faults. Just to the southwest of the claims a regional-scale NE and NW fault intersect and may have had some influence on the localization of the intrusive. Anaconda dated the intrusive at 28 MY.

MINERALIZATION

Base and precious metal mineralization has developed in several distinct environments on the Silver King project: disseminated and quartz veinlet stock work zones, retrograde-altered skarn zones, replacement zones in limestone and siliceous veins. Retrograde alteration consisting of chlorite, actinolite-tremolite and sulfides is very well developed in the skarn and calc-silicicate zones, and secondary biotite is common in the granodiorite. Surface sampling suggests an outer gold-silver zone with very high arsenic values occurs in the northeastern portion of the property around hole SK-4. This precious metal zone grades into a more lead-zinc rich zone to the west which in turn grades into a more copper-zinc rich zone still further west.

92 SEP 21 AM 11:13

EXPLORATION MODEL

The following exploration model is intended to serves as a starting point for future work on the project and to focus attention on key targets and exploration concepts which have not been tested. Previous exploration work on the project has been somewhat limited in scope. In most cases only small aspects of the property's potential have been addressed with no consideration being given to how the various lithologic units, structures, mineral and alteration assemblages might be related.

The copper and gold deposits south of Battle Mountain, Nevada comprise an intrusive-related, polymetallic mining district and will serve as the basis for the Silver King exploration model. The Copper Basin and Copper Canyon deposits contained over

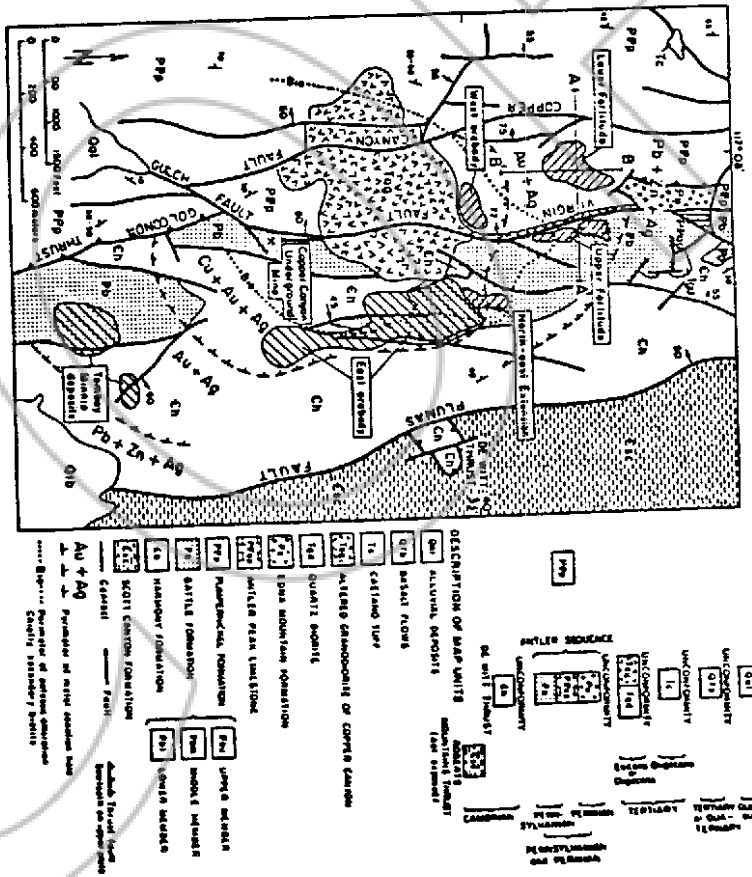


Figure 1. Generalized geologic map of the Cooper Canyon area, modified from Blake et al. (1984).

17,000,000 tons of ore at a grade of 0.79% Cu, 0.025 oz. Au and 0.47 oz. Ag. The well-known Fortitude gold deposit contained 16,000,000 tons of ore at a grade of 0.15 oz. Au and 0.57 oz. Ag. The Tomboy-Minnie deposits contained 3,900,000 tons of ore at a grade of 0,09 oz. Au and 0.28 oz. Ag.

The Copper Canyon orebodies are within 300 meters of a potassically altered, 38 MY old granodiorite. The ore zones are developed in sediment-hosted skarns and are along the outer edges of the granodiorite's secondary biotite alteration zone. The ore zone contains 2 - 4 % sulfides, mainly pyrite, pyrrhotite and chalcopyrite, which were deposited along fractures during retrograde, hydrous alteration of existing skarn. Skarn mineralogy is zoned outward from the granodiorite contacts follows:

1. epidote altered garnet zone
2. garnet - diopside zone
3. calc-silicate zone (diopside - tremolite)
4. biotite-hornfels zone.

The granodiorite contains anomalous base and precious metal values and intruded the area along pre-existing N-S faults. The gold deposits are distal to the intrusive and are located in the propylitic alteration zone . Blake (1984) describes the Tomboy-Minnie deposits as follows:

"Gold-silver ores in the deposit occur mostly in a pyrrhotite and pyrite-rich basal 30 meter thick sequence of altered calcareous conglomerate belonging to the Middle Pennsylvanian Battle Formation. Silicate alteration assemblages include actinolite and chlorite-dominant assemblages in marked contrast to the skarn, potassic and sericitic assemblages characterizing the more proximal copper-gold-silver deposits of the system.

The Lower Fortitude ore zone is in the hanging wall of the NS-trending Virgin fault and is predominantly a massive-sulfide replacement of the Antler Peak Limestone. The Upper Fortitude ore zone occurs in a calc-silicated (actinolite, tremolite, quartz, calcite and sulfides) zone within calcareous siltstones and conglomerates of the Battle Formation (Wotruba, 1987).

The key features which are related to the development of the Battle Mountain ore deposits are listed below:

1. Pre-existing structures which served as channelways for intrusive rocks and later hydrothermal fluids
2. A mineralized, hydrothermal system related to a granodiorite pluton
3. Calcareous country rocks which provided a favorable depositional environment for the metals
4. A well-developed, retrograde alteration phase which was responsible for generating most of the deposits.

CONCLUSIONS

The potential exists to discover economic concentrations of base and precious metals in the following environments on the Silver King property:

1. Granodiorite-hosted, porphyry copper - gold deposits
2. Proximal, skarn-hosted base and precious metal deposits
3. Distal, skarn-hosted, precious metal deposits
4. Sediment-hosted, disseminated, precious metal deposits

Previous exploration programs have not really tested the property, and the data collected to date clearly indicate that a large, metal-bearing hydrothermal system exists. Additional exploration work to evaluate the project's potential is warranted.

RECOMMENDATIONS

A three-phased exploration program is recommended for the project.

1. Phase I - Data Compilation
   - a. Prepare a geologic map for the project with particular emphasis on determining the stratigraphic sequence and identifying lithologic units which could serve as favorable host rocks. Mapping should also identify the regional and local-scale faults which could have served as channelways for hydrothermal fluids.
   - b. Prepare an alteration zoning map for the project to determine the direction of alteration gradients and to identify specific alteration mineral assemblages associated with metallization. Part of the required data can be generated during geologic mapping, and the existing core from the Anaconda drilling will provide data in the vertical dimension.
   - c. Prepare a sample assay map based on existing sample data and new samples collected during geologic mapping. Metal zonation and metal ratios generated from this data will support the data generated in the alteration study.
   - d. Evaluate the data generated by a, b and c and modify the Battle Mountain exploration model to fit the project data. At this point in the project the lithologic and structural controls on the metallization should be understood and the alteration assemblages associated with metallization should be identified.
   - e. Using the data generated in step d, develop drill targets.

Phase II - Initial Drilling Program

- a. An initial drilling program to test the targets generated during Phase I should be implemented. The depth of the holes, total footage drilled and style of drilling will be based on the results of Phase I.

Phase III - Follow Up Drilling Program

- a. A follow up drilling program can be initiated to expand the metallization discovered in Phase II.

Desert Ventures has developed a basic understanding of the Silver King project during the course of the field examination, core logging and splitting and the research required for the preparation of this report. We are prepared to assist in the continued exploration and development of the project by providing total project management or assisting on an as-needed basis.

Respectfully submitted, February 3, 1992

Ken Brook Ken Brook

099180

No.
FILED AND RECORDED AT REQUEST OF
Ken Brook
Sept. 24, 1992
8:55 MINUTES PAST 4 O'CLOCK P.M. IN BOOK 103 OF OFFICIAL RECORDS, PAGE 292 LINCOLN COUNTY, NEVADA.
Linda Letzer
COUNTY CLERK DEPUTY