

PROOF OF PERFORMANCE AND COMPLETION OF ANNUAL ASSESSMENT WORK

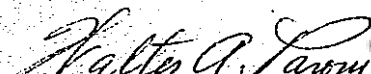
State of Nevada } ss.
County of Eureka }

The undersigned, in whose behalf the following described work was performed or improvements made, certifies that at least two hundred Dollars were expended, and/or the following labor expended or improvements made having a value thereof, consisting of geologic and engineering field and office work performed on the Nellie and Pearl claims. Said work consisted of measuring and mapping of adits, and preliminary geologic reconnaissance.

These claims are situated in the Eureka Mining District of the County of Eureka, State of Nevada, said work was performed during the year ending 12:00 Noon, September 1, 1969.

The work described above was performed August 30 - September 1, 1969, by Walter A. Paroni, Registered Professional Mining Engineer No. 1271, State of Nevada.

Such expenditure was made by or at the expense of Walter A. Paroni and others, owners of said claims for the purpose of holding said claims.


Walter A. Paroni

REPORT ON THE NELLIE AND PEARL CLAIMS

LOCATION: These two claims are located about 4 miles southwest of the town of Eureka in the Eureka mining district, Eureka County, Nevada.

GEOLOGY: These two claims are situated about half-way between the Hamburg and Windfall mines in what Nolan calls the Dunderberg-Windfall belt. The entire surface of the Pearl claim is in Eh, and the surface of the Nellie claim is in Eh except about 100 to 150 feet along the east side which is in Ed. The formations have a general dip of 75 to 85 degrees east, and measurements made in some of the underground workings indicate that the Ed-Eh contact dips about 87 degrees to the east.

DEVELOPMENT: There are about a dozen adits on the Nellie claim that vary in length from about 40 feet to 400 feet, two are of the latter length. There are also several winzes on the claims, however, neither exceeds a depth of 50 feet.

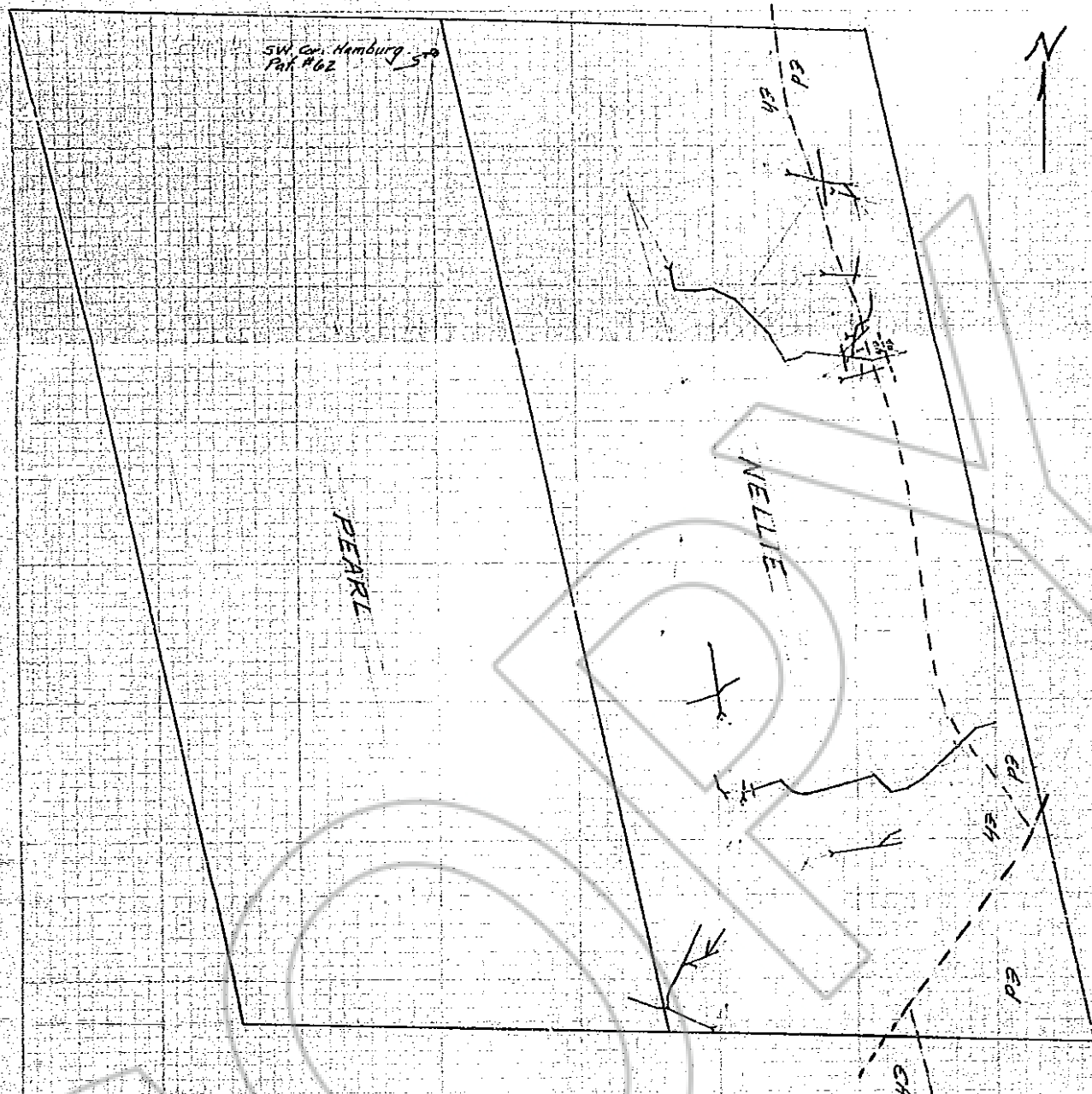
Sporadic shipments by lessees have been made through the years, especially during the "depression years", however, records of settlements made on these shipments have been lost. Ore shipped from these claims came from the Ed-Eh contact zone or adjacent to the contact zone, mainly from the area above the saddle in the northeast portion of the Nellie claim.

RECOMMENDATIONS: An adit should be driven eastward from a point about 300 feet northeast of the SW Cor. of the Nellie claim. When the Ed-Eh contact is encountered the heading should then be turned northward and driven parallel to the contact. This will give a "back" of about 100 to 150 feet near the northeast portion of the Nellie claim and thus this favorable area will be explored at depths greater than has been done to date.

Near the southeast portion of the Nellie claim there is a northeastward striking traverse fault, which displaces the Ed-Eh contact about 300 feet. This area should be explored on the surface and at depth for possible ore shoots such as those that were found at the Windfall mine.

October 25, 1969

Walter A. Paroni
Walter A. Paroni
Registered Professional
Mining Engineer No. 1271,
State of Nevada.



RECORDED AT THE REQUEST OF
Walter A. Paroni
 on November 3, 1969
 at 04 mine post 8 A. M.
 in Book 33 of OFFICIAL
 RECORDS, page 161-163, RECORDS
 OF EUREKA COUNTY, NEVADA.
Thelma Schlotter
 Recorder
 File No. 51548 Fee \$ 0.75

PLAN MAP OF NELLIE AND PEARL
 UNPATENTED MINING CLAIMS
 SCALE: 1"=200'

Based on field work performed Aug. 30 -
 Sept. 1, 1969 by Walter A. Paroni, Reg.
 Prof. Mining Engr. No. 1271, State of Nevada.

BOOK 33 PAGE 163