

Recording Requested By:

STEPHEN DAMELE

When Recorded, Mail To:

Stephen Damele
Sheep Creek Ranch
Carlin, NV 89822

AFFIDAVIT OR STATEMENT OF ANNUAL ASSESSMENT WORK

(PROOF OF LABOR)

ON UNPATENTED MINING CLAIMS

STATE OF NEVADA)
 : ss.
COUNTY OF ELKO)

I, Stephen Damele, being first duly sworn, do depose and state as follows:

1. I am making this Affidavit on behalf of Stephen and Pauline Damele, Charles and Patricia Damele and Ronald and Arlene Damele, owners of the mining claims referred to herein, at whose expense the labor and/or improvements herein described was performed and made.

2. My mailing address is Stephen Damele, Sheep Creek Ranch, Carlin, NV 89822.

3. Certain labor and/or improvements required by law were performed or made on or for the benefit of the mining claim(s) which together comprise a group of contiguous claims, located in Eureka County, State of Nevada, which are more particularly described in Exhibit A attached hereto and made a part hereof by this reference, in and for the mining assessment work year ending at noon on September 1, 1986.

4. The labor performed and/or improvements made consisted of the following:

Description of labor/improvements: Geologic Mapping and Sampling (See Exhibit B)

Date(s) of labor/improvements: September 1, 1985 - August 31, 1986

5. The total fair and reasonable value of the labor performed and/or improvements made was more than \$1,900.00, at least \$100.00 of which was expended in the development of each of the claims described on Exhibit A, as the annual assessment work. The names and addresses of the persons and/or companies who performed the labor or made the improvements, as known to me, are:

Atlas Precious Metals Inc.
743 Horizon Court, Suite 202
Grand Junction, CO 81506

6. The current mailing address and current residence address of the owner of the claims remains as follows:

Stephen Damele
Sheep Creek Ranch
Carlin, NV 89822

7. The above listed claims are held and claimed by the owner for the valuable mineral contained therein.

Dated: Sept. 10, 1986

Stephen Damele
Stephen Damele

Subscribed and sworn to before me this 10TH day of SEPTEMBER, 1986.

My commission expires: 9-29-89



OFFICIAL SEAL
SHIRLEY ALLISON
Notary Public-Nevada
EUREKA COUNTY
Comm. Exp. SEPT 29, 1989

Shirley Allison
Notary Public in and for said state
Address: PO Box 163
EUREKA, NV 89316

Gladys Givachon
Witness

Modi Meyer
Witness

EXHIBIT A

<u>Claim Name</u>	<u>Claim Number</u>	<u>Section</u>	<u>Twp.</u>	<u>Rge.</u>	<u>Meridian</u>	<u>BLM N.M.No.</u>	<u>Recording Book/Page</u>	
Sho Bar	1	23	27N	49E	MDPM	232377	101	271
Sho Bar	2	23, 24	27N	49E	MDPM	232378	101	272
Sho Bar	3	23	27N	49E	MDPM	232379	101	273
Sho Bar	4	23, 24	27N	49E	MDPM	232380	101	274
Sho Bar	5	14, 23	27N	49E	MDPM	232381	101	275
Sho Bar	6	13, 14, 23, 24	27N	49E	MDPM	232382	101	276
Sho Bar	7	14	27N	49E	MDPM	232383	101	277
Sho Bar	8	13, 14	27N	49E	MDPM	232384	101	278
Sho Bar	9	23	27N	49E	MDPM	232385	101	279
Sho Bar	10	23, 24	27N	49E	MDPM	232386	101	280
Sho Bar	11	23	27N	49E	MDPM	232387	101	281
Sho Bar	12	23, 24	27N	49E	MDPM	232388	101	282
Sho Bar	13	23	27N	49E	MDPM	232389	101	283
Sho Bar	14	23, 24	27N	49E	MDPM	232390	101	284
Sho Bar	15	23	27N	49E	MDPM	232391	101	285
Sho Bar	16	23, 24	27N	49E	MDPM	232392	101	286
Sho Bar	19	23	27N	49E	MDPM	259753	107	273
Sho Bar	21	24	27N	49E	MDPM	259754	107	274
Sho Bar	22	24	27N	49E	MDPM	259755	107	275

EXHIBIT B

On August 20 and 21, Rick Van Nieuwenhuyse of Atlas Precious Metals Inc. (B.S. Geology Universite of Louvain, M.S. University of Arizona) geologically mapped the SHO BAR claims in Sections 23 and 24, T27N, R49E, Eureka County, Nevada. Along with the mapping, numerous rock samples were taken. These samples were analyzed for Au, Ag, As, Sb and Hg. The results of the mapping and sampling defined several geologic and geochemical anomalies, which will be followed up with additional work. This work covered SHO BAR claims 1-16 and 19-21, for a total of 19 claims.

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