

CERTIFICATE OF LOCATION

The undersigned certifies as follows:

1. The name and mailing address of the locator is:

Leo G. Damele
P.O. Box 461
Eureka, Nevada 89316

2. That on the 27th day of May, 1987, pursuant to and in compliance with the mining laws of the United States and the State of Nevada, the undersigned located and claimed, and hereby locates and claims, the lode mining claim called the FLAT No. 2 Mining Claim (the "Claim").

3. The Claim is located in the following quarter sections:

NE 1/4 of Section 25, Township 24 N., Range 49 E., M.D.B. & M.
1/4 of Section _____, Township 24 N., Range 49 E., M.D.B. & M.
1/4 of Section _____, Township 24 N., Range 49 E., M.D.B. & M.
1/4 of Section _____, Township 24 N., Range 49 E., M.D.B. & M.,

in the Unknown Mining District, Eureka County, Nevada.

4. The general course of the lode or vein, as near as may be determined, is Southerly and Northerly.

5. The locator claims 1,480 feet in a Southerly direction and 20 feet in a Northerly direction from the monument of location at which the Notice of Location is posted, together with 300 feet in width on each side of the center of the vein or lode.

6. The position of each corner of the Claim is shown on the mining claim map recorded herewith. The number, position and markings on each corner or side line center monument are as follows:

<u>Monument</u>	<u>Position</u>	<u>Markings</u>
No. 1	Northwest Corner	NW Cor. 1 FLAT No. 2
No. 2	Northeast Corner	NE Cor. 2 FLAT No. 2
No. 3	East Side Center	ESC Cor. 3 FLAT No. 2
No. 4	Southeast Corner	SE Cor. 4 FLAT No. 2
No. 5	Southwest Corner	SW Cor. 5 FLAT No. 2
No. 6	West Side Center	WSC Cor. 6 FLAT No. 2

7. As erected on the ground, each corner and side line center monument consists of a plastic post at least three inches in diameter by five feet in length, set one foot in the ground and marked as described above by an aluminum tag.

8. The monumentation and marking of the monument on the ground were completed within sixty (60) days from the date of posting of the Notice of Location. The location work consisted of making and recording of duplicate claim maps filed herein and incorporated herein by this reference.

Dated this 27th day of July, 1987.

LOCATOR: LEO G. DAMELE

By: Randy Bryner

Agent

John A. Lerner
Witness

WHEN RECORDED RETURN TO:

PEGASUS GOLD CORPORATION
255 West Moana Ln., #108
Reno, Nevada 89509

CERTLOC

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
RECEIVED
FILED
JUL 27 1987
FEB 6 1988

87 AUG 5 P2:27

RECORDED AT REQUEST OF
PEGASUS GOLD CORPORATION
JUL 27 1987