

Please return to:
Steelhead Specialty Minerals, Inc.
N. 1212 Washington, Suite 306
Spokane, Washington 99201

121720

AFFIDAVIT OF LABOR
(Nevada Owned Claims)

Charles W. Gulick, being duly sworn, deposes and says:

1. Being duly authorized, I make this affidavit on behalf of Steelhead Specialty Minerals, Inc., whose address is North 1212 Washington, Suite 306, Spokane, Washington 99201, the owner of the claim(s) more particularly described in Exhibit A attached hereto and incorporated by reference herein.

2. Labor was performed or improvements made, of the value of at least \$100 per claim, upon the claim(s) described in Exhibit A.

(a) The amount of money expended, or the value of labor or improvements made, or both is as follows:

\$ 440.00 - Amount of money expended.
\$ 360.00 - Value of labor or improvements.
\$ 800.00 - Total

(b) Character of expenditures or labor or improvements: Confirmation geologic mapping, sampling, evaluation of reclamation.

(c) The claim(s) affected by such expenditures or labor or improvements are listed in Exhibit A.

(d) The expenditures for labor or improvements were made for the assessment year ending at noon, September 1, 1988, and were made between the following dates:

7/28/88 - 8/31/88

(e) The same were made or performed at the expense of Steelhead Specialty Minerals, Inc. the owner of the claim(s) described in Exhibit A.

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(f) The name(s) and address(es) of the persons, corporation, contractors or subcontractors who performed the work or made the improvements are the following:

Charles Gulick, 1107 E. 40th Ave., Spokane, WA 99203
Dr. Ronald Surdam, University of Wyoming, Dept. of Geology
& Geophysics, Laramie, WY 82701
Dr. Steven Boese " " "

3. (Check box if applicable.)

☒ Detailed report required by United States mining laws for geological, geochemical or geophysical work or labor is attached.

4. The serial number assigned to each claim by the authorized officer upon filing of a copy of the Certificate of Location in the proper B.L.M. office is shown on Exhibit A. As provided in 43 C.F.R. S 3833.2-2(a)(1) this serial number constitutes a description of the claim.

5. The mailing address of the owner of the claim(s) is given above.

Further affiant saith not.

Charles W. Gulick
Charles W. Gulick

State of Washington) ss
County of Spokane)

SUBSCRIBED AND SWORN TO before me this 19 day of September, 1988.

R. Diane Lytle
Notary Public

My commission expires:
11/1/91

nevass

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State: Nevada
County: Eureka
Project: Pine Valley

EXHIBIT A

<u>Name of Claim</u>	<u>Book</u>	<u>Page</u>	<u>Date of Location</u>	<u>Date Recorded</u>	<u>Sec</u>	<u>T</u>	<u>R</u>
Pipp #50	75	483	9/11/79	8/27/79	8	28N	52E
Pipp #51	75	484	9/11/79	8/27/79	8	28N	52E
Pipp #52	75	495	9/11/79	8/27/79	8	28N	52E
Pipp #53	75	496	9/11/79	8/27/79	8	28N	52E
Pipp #54	75	497	9/11/79	8/27/79	8	28N	52E
Pipp #55	75	498	9/11/79	8/27/79	8	28N	52E
Pipp #66	75	499	9/11/79	8/27/79	8	28N	52E
Pipp #67	75	500	9/11/79	8/27/79	8	28N	52E

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DETAILED REPORT OF GEOLOGICAL, GEOCHEMICAL, OR
GEOPHYSICAL SURVEYS
(30 U.S.C. 28-1 and 28-2)

This report is filed pursuant to the provisions of 30 U.S.C. 28-1 and 28-2 to verify the performance of labor upon the contiguous group of unpatented mining claims more particularly described in Exhibit "A" of the affidavit to which this report is attached.

1. The location of the work performed in relation to the points of discovery and the boundaries of the claims is shown on the map attached hereto as Exhibit "I" and incorporated by reference herein.

2. The nature, extent, and cost of the geological, geochemical, or geophysical surveys performed are as follows:

a. Nature: Eight rock chip samples were collected from areas within the claims Pipp 50 and Pipp 51. Samples were analyzed for cation exchange capacity and total zeolite content by Drs. Steven Boese and Ronald Surdam of the University of Wyoming Department of Geology and Geophysics. Two man days were spent on the property to evaluate the accuracy of geologic mapping, determine the effectiveness of the 1987 reclamation program, and sample some previously unrecognized intervals. One man day was spent in the office compiling the data and evaluating the total resource potential.

b. Extent: The extent of the work performed is shown in Exhibits "I" and "II".

c. Cost: The total cost expended on this area between July 28, 1988 and August 31, 1988 is \$800.00.

3. The basic findings from the geological, geochemical and geophysical surveys are set forth in Exhibit "II" attached hereto and incorporated by reference herein.

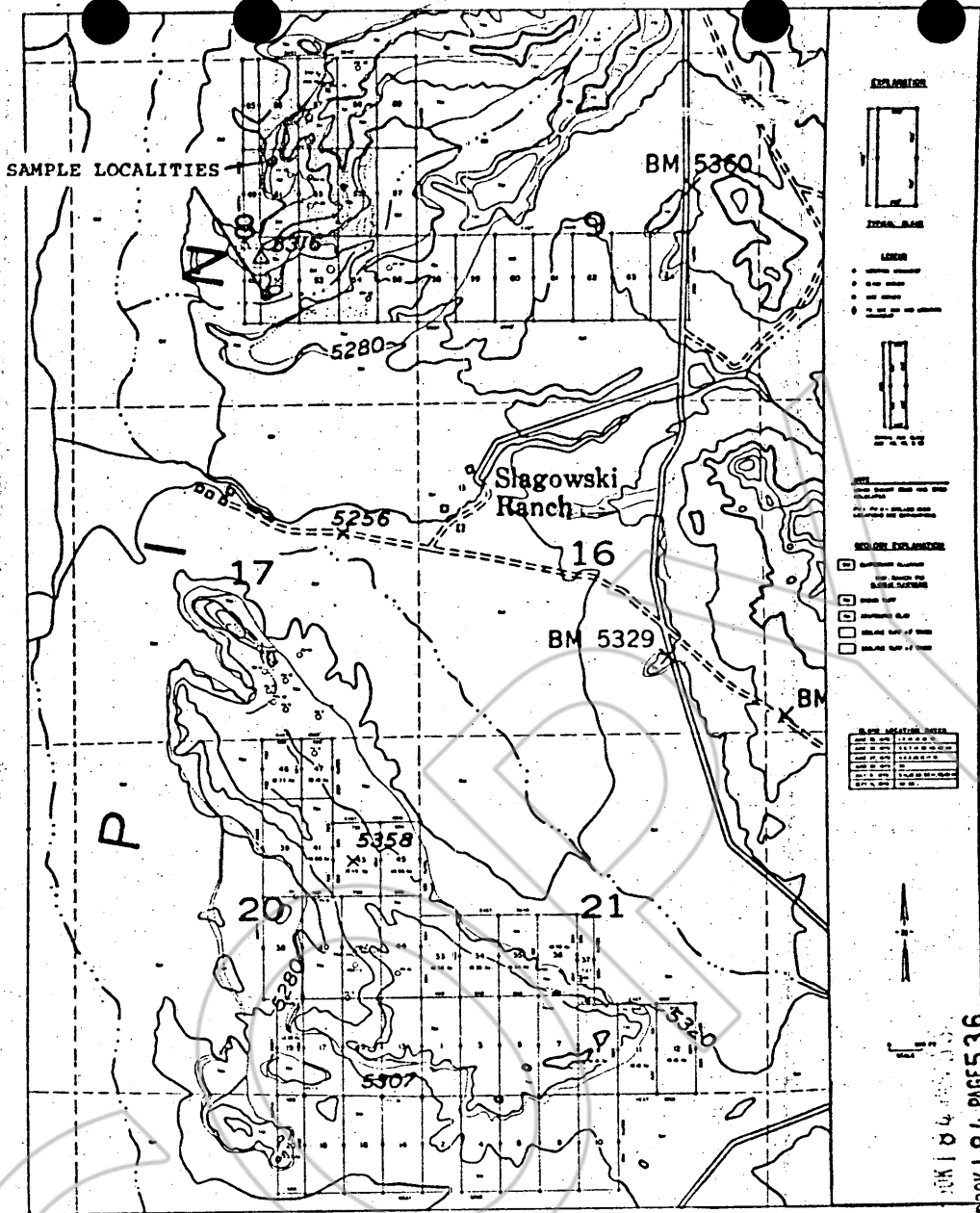
4. The names, addresses, and professional backgrounds of the qualified experts conducting the work is set forth in Exhibit "III" attached hereto and incorporated by reference herein.

5. Geological, geochemical, and geophysical surveys (including the survey which is the subject of this report) have not been applied as labor under 30 U.S.C. section 28 for more than two consecutive years or for more than a total of five years on any of the claims described in Exhibit "A" of the affidavit to which this report is attached. The survey which is the subject of this report is nonrepetitive of any previous survey on the same claims since and including 1958.

Dated: 9/19/88

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By: Charles Gulick
Charles Gulick - Geologist



EXPLANATION

SECTION

TOTAL AREA

LEGEND

- Section Boundary
- Section Number
- Section Area
- Section Name

SECTION EXPLANATION

- Section Boundary
- Section Number
- Section Area
- Section Name

SECTION EXPLANATION

Section	Area	Name
16	16.00	16.00
17	17.00	17.00
20	20.00	20.00
21	21.00	21.00

EXHIBIT I
Pine Valley Project
 Location Map Showing Sample Localities
 and Claim Holdings (Colored)



EXHIBIT II

INTRODUCTION

The Pine Valley project lies in section 8, T.28 N., R. 52 E., Mount Diablo Meridian, Eureka County, Nevada. It consists of eight placer claims, Pipp #50-55, 66, and 67. Within the claim area, the deposit is characterized by a bed of white volcanic tuff which has been largely altered to the zeolite minerals erionite and phillipsite.

FINDINGS

Between the dates of July 28, 1988 and August 31, 1988 two man days were spent on the property performing confirmation geologic mapping. Because the Pine Valley property was recently acquired by Steelhead Specialty Minerals, a major objective was to confirm the accuracy of pre-existing geologic mapping and data that was transferred in the takeover. The deposit was found to contain a four to eight foot thick bed of zeolite composed primarily of the mineral erionite. A small basal unit of phillipsite from six inches to one foot thick was also present. The zeolite forms non-prominent discontinuous subcroppings which are in some cases bifurcated. Eight rock chip samples from previously unsampled localities were sampled and subsequently analyzed by x-ray diffraction methods.

A second objective was to inspect and assess the effectiveness of the reclamation efforts that followed the 1987 bulk sampling program. The mined area was in very good condition. A fence was still in place and there was very little erosional degradation of the recontoured area from surface runoff. The native seed mixture that was hand broadcast did not take very well, probably due to lack of water. There were however numerous indigenous grasses and plants that were beginning to grow on the restored topsoil.

One office day was used to compile the data and reach a conclusion that the Pine Valley property represents a moderate phillipsite resource in the vicinity of Pipp #50-53, 66, and 67. Moving to the east on Pipp #54 and 55, an increased stripping ratio, due to the gently east dipping ore zones, suggests a poor minability. Prior ore reserve estimates were recalculated based upon the removal of the phillipsite mined in 1986 and the reduced land position due to the abandonment of claims and leases in the Pine Valley area.

EXHIBIT III

QUALIFICATIONS

1. Charles W. Gulick
1107 E. 40th Ave.
Spokane, WA 99203

Education: BA in Geology, Emory University
MS in Geology, Eastern Washington U.

Employment History:

1978-1979 Century Geophysical Corp.
1980-1981 St. Joe American Corp.
1982 Clayton Silver Mines, Inc.
1983 CSS Management
1984-1985 Genstar Stone Products
1986-1988 Washington Div. of Geology
1988- Steelhead Specialty Mins.

2. Steven W. Boese

Occupation: Professor of Geology & Geochemistry
University of Wyoming
Department of Geology and Geophysics
Laramie, Wyoming 82701

3. Ronald D. Surdam

Occupation: Professor of Geology & Geophysics
University of Wyoming
Department of Geology and Geophysics
Laramie, Wyoming 82701

RECORDED AT THE REQUEST OF

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Steelhead Specialty Minerals, Inc.

88 SEP 23 P1:47

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER

FILE NO.

121720

FEE \$ 14.00

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