

AFFIDAVIT OF LABOR PERFORMED  
AND IMPROVEMENTS MADE  
FOR THE ASSESSMENT YEAR  
ENDING SEPTEMBER 1, 1988

STATE OF NEVADA )  
                  ) SS. 121261  
COUNTY OF LANDER )

JAMES A. McGLASSON, being first duly sworn, deposes and says:

1. That he is an agent for St. George Metals, Inc. of 135 East Second Street, P.O. Box 548, Battle Mountain, Nevada 89820.
2. That this affidavit is made on behalf of the current owners of the unpatented claims listed below:

Claims: BEO 1 through 40  
NMC#: 297135 through 297164  
          and 308691 through 308700  
Claimants: VEK Associates, 836 E. York Way  
              Sparks NV 89431

3. That an aggregate amount equal to at least ONE HUNDRED DOLLARS (\$100.00) per claim was expended for labor and improvements for the benefit of each and all of the said claims as part of a contiguous group under a common plan of development for the assessment year ending September 1, 1988.

4. That the above claims are located in Eureka County, Nevada and are in Section 30, T33N, R50E, MDBM.

5. That the work consisted of geophysical surveys. A detailed report as required by Federal and Nevada mining laws is attached as APPENDIX A and is made a part hereof.

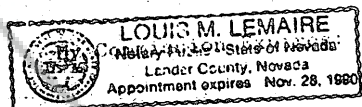
6. That the above work was performed on the entire group BEO 1 through 40 as well as additional work on BEO 2, 4, 6, 8, 10, 12, 14, 16, 18, and 20, as shown on the map in the attached APPENDIX A, between June 5 and August 30, 1988.

7. That a total of more than FOUR THOUSAND DOLLARS (\$4,000.00) was expended for the above labor and improvements for the purpose of developing the mineral potential of the claims and to maintain and hold such claims. The work was performed at the expense of St. George Metals, Inc. under the direction of the affiant and on behalf of the claim owners.

*James A. McGlasson* Date: 10/27/88  
James A. McGlasson  
Agent for St. George Metals, Inc.  
P.O. Box 548  
135 East Second Street  
Battle Mountain, Nevada 89820

Subscribed and sworn to before me this 27th day of October, 1988.

*[Signature]*  
Notary Public



APPENDIX A

The following report details the geophysical surveys undertaken as part of the development of the subject claims. The maps and descriptions give the location(s) of the surveys relative to the claim boundaries and discovery points. All work was conducted per the specifications of:

James A. McGlasson, M.S. Geology, 7387 S. Flower Street, Littleton, Colorado 80123, over 15 years experience in exploration geology.

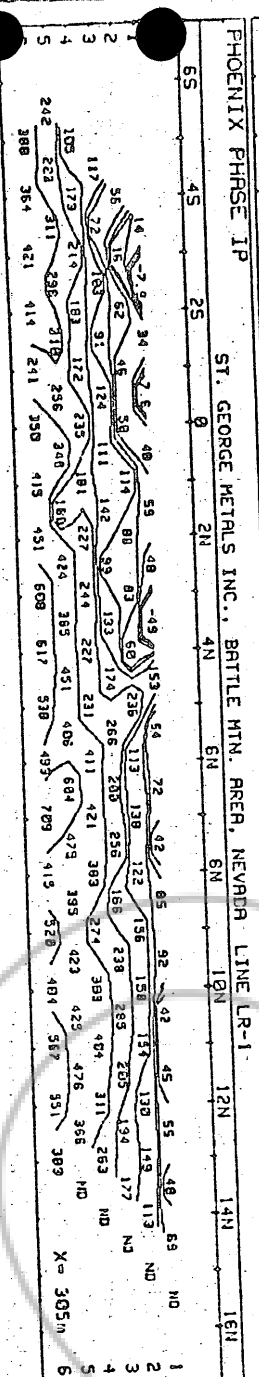
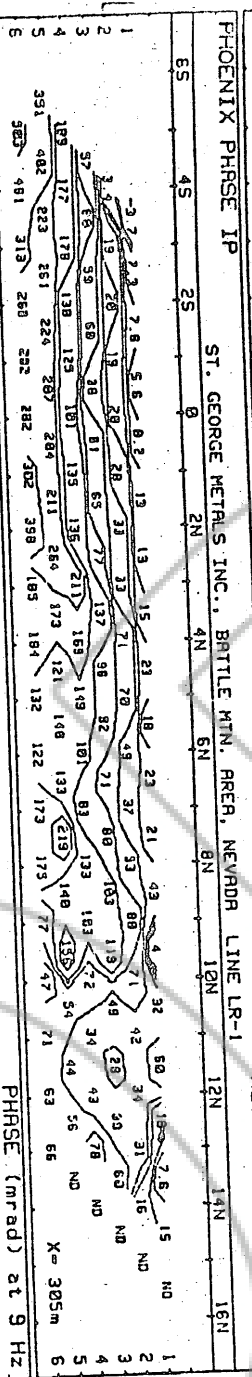
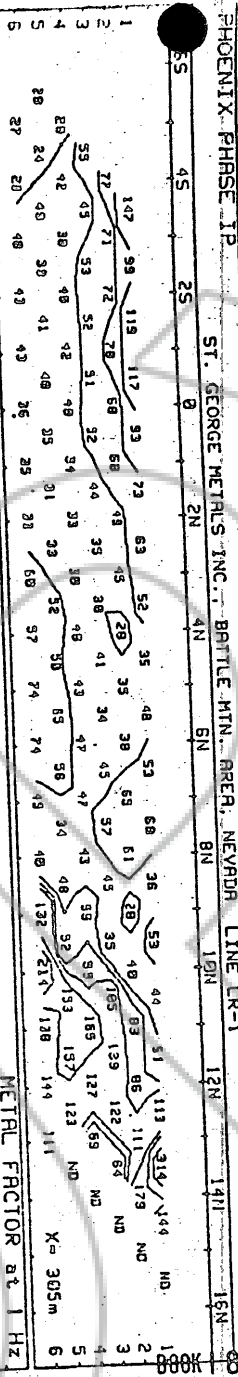
Raymond T. Bell, M.S., Geophysics, 1606 Wollacott Street, Redondo Beach, CA 90278, over 15 years experience in exploration geophysics.

The survey was performed by Phoenix Geoscience, Inc., 555 17th Street, Suite 2570, Denver, CO 80202. Phoenix Geoscience has been doing quality geophysical exploration for more than 10 years.

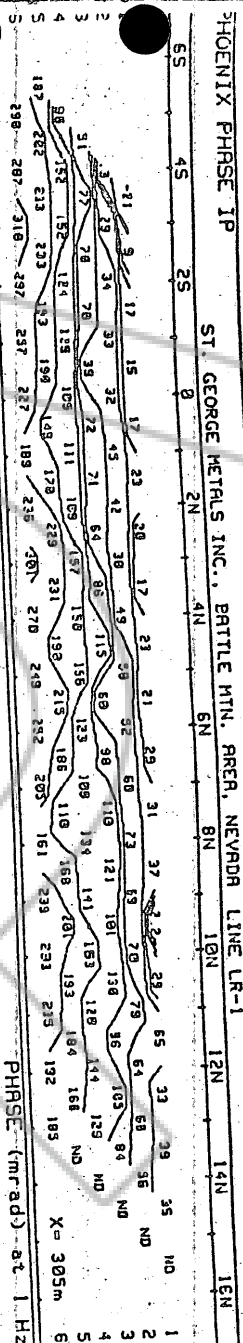
The surveys consisted of multi-frequency induced polarization. The results of the survey are detailed information about the sub-surface geologic and geophysical conditions below the claims. The claims involved are listed in the main body of this affidavit and shown on the attached map. The data is presented on the attached sections. Interpretations were made by R. T. Bell (above).

IP LINE LR-1 Sec 30 T33U, R50E  
 (ALSO CONGRS Sec 20 & 32 T33U R50E)

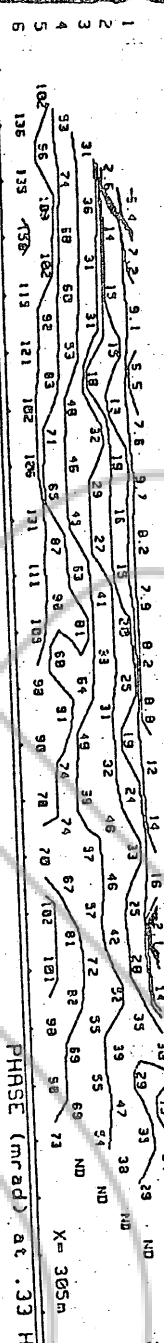
PHOENIX PHRSE IP ST. GEORGE METALS INC., BATTLT MTN., RRER, NEVADA LINE LR-1 OBS. RESISTIVITY (ohm-m) 1.0 Hz



PHOENIX PHRASE IP ST. GEORGE METALS INC., BATTLE MTN. AREA, NEVADA LINE LR-1 PHASE (mrad) at 3 Hz

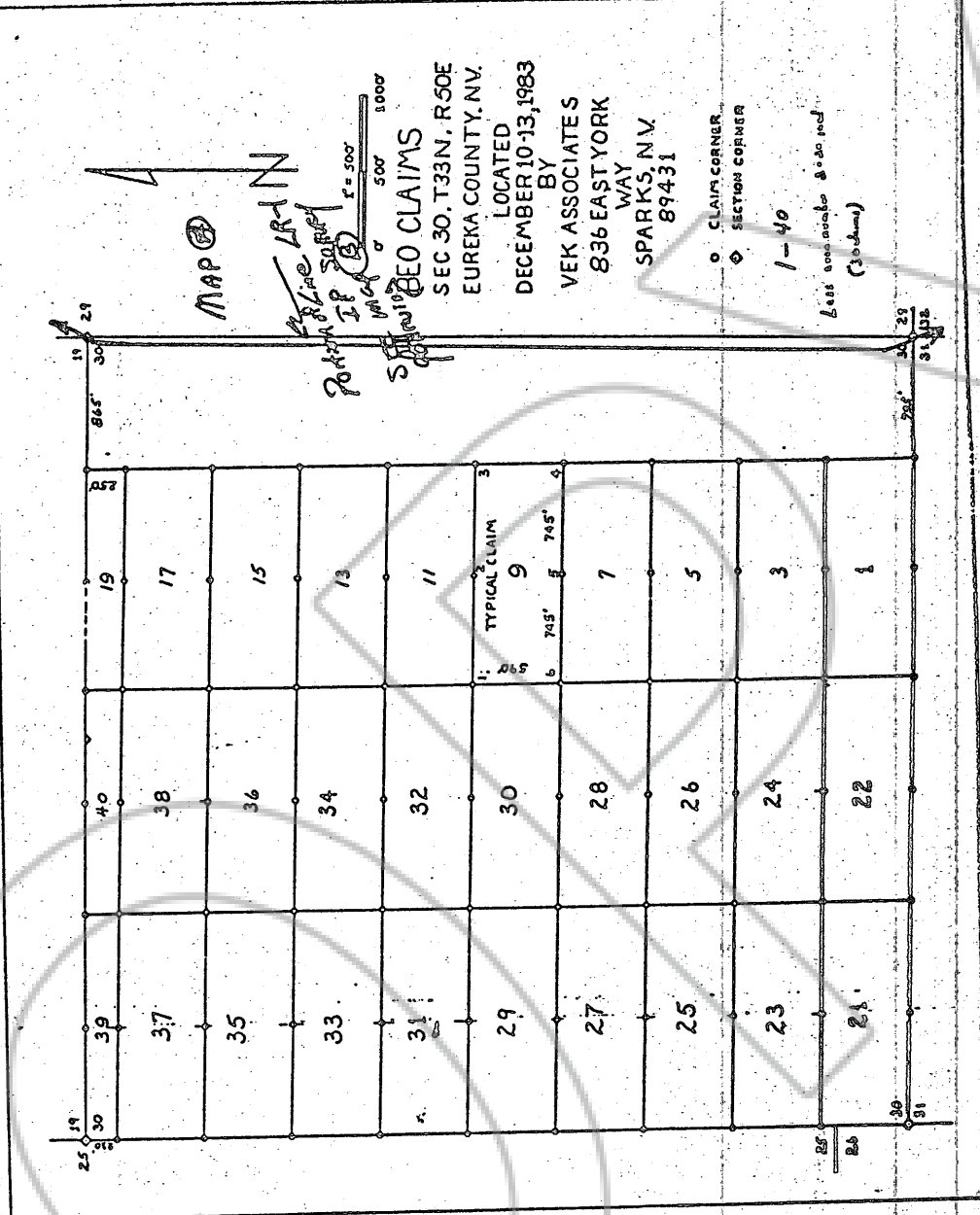


PHOENIX PHRASE IP ST. GEORGE METALS INC., BATTLE MTN. AREA, NEVADA LINE LR-1 PHASE (mrad) at 1 Hz



PHOENIX PHRASE IP ST. GEORGE METALS INC., BATTLE MTN. AREA, NEVADA LINE LR-1 PHASE (mrad) at .33 Hz





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MAP 8

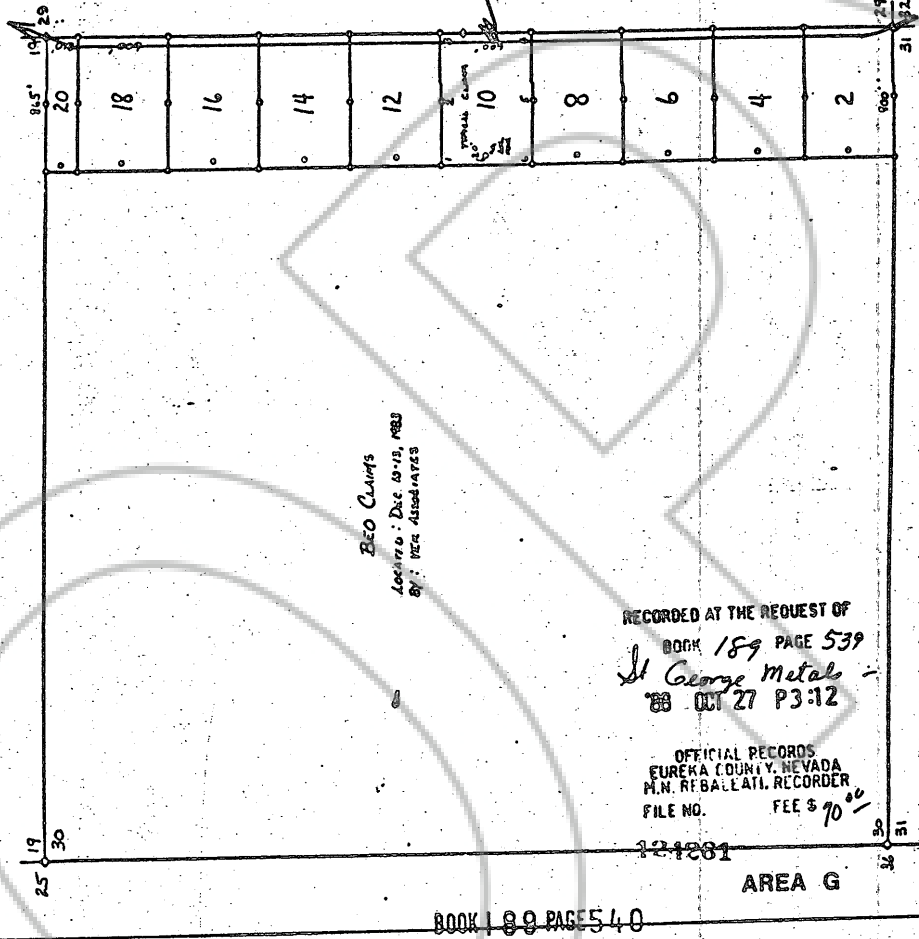
BEO CLAIMS

SEC. 30, T. 33N., R. 50E  
EURERA COUNTY, NEVADA

LOCATED: MAY 6, 1984  
BY: VEK ASSOCIATES  
823 E. YORK WAY  
SPARKS, NEVADA  
89431

Portion of I.P. LINE LR-1  
(Center of I.P. LINE)

Surveyed on 11/28/84  
Checked on 12/1/84



BEO CLAIMS

LOCATED: DEC 18-19, 1983  
BY: VEK ASSOCIATES

RECORDED AT THE REQUEST OF  
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St. George Metals  
OCT 27 P3:12

OFFICIAL RECORDS  
EURERA COUNTY, NEVADA  
M.N. REBALLEATI, RECORDER  
FILE NO. FEE \$70.00

AREA G

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