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

STATE OF NEVADA)
) SS. 121263
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	NMC#
ROD 1 through 5	273079 through 273083
ROD 79 through 81	273138 through 273140
ROD 83 and 84	273141 and 273142
R.C. 1 through 14	371773 through 371786

Claimants/Owners: 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 the of the said claims as 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 20, T35N, 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 a portion of the above work was performed on the entire group with additional work on R.C. 3,5,7,9,11 and ROD 79, as shown on the map in the attached APPENDIX A, between June 5 and August 30, 1988.

7. That a total of more than TWENTY-FOUR HUNDRED DOLLARS ($2,400.00) 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.

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.

LOUIS M. LEMAIRE
Notary Public - State of Nevada
Lander County, Nevada
Appointment expires Nov. 28, 1990

Notary Public

BOOK 189 PAGE 548

J37306

REPORT ON

GRAVITY AND MAGNETIC SURVEY

ROD CLAIMS 1-5,79-81,83,84 & 200-217

and R.C.'s 1-14

Sections 20 & 28, R50E T35N

EUREKA COUNTY, NEVADA

for

ST. GEORGE METALS

by

ALLAN SPECTOR AND ASSOCIATES LIMITED

TORONTO CANADA

AUGUST, 1988

AREA: Sections 20 and 28, T35N R50E.
Section 20 includes ROD Claims 1-5,79-81,83 and 84, together with R.C.'s 1-14 .
Section 28 includes ROD Claims 200 to 217.

SURVEY DATE: July 20, 1988

SURVEY CREW: elevation; Mr. and Mrs. Arnold Wood
gravity; Dr. Allan Spector
magnetometer; Mr. Dale Moore

GEOPHYSICAL INSTRUMENTATION: gravimeter; Sodin model 410T thermostatically controlled, quartz spring meter, +/- 0.01 mgal. resolvability. readings taken on 1.5 foot high tripod.
magnetometer; Geometrics Unimag G836 proton-precession , +/- 10 gamma resolvability.

SURVEY CONFIGURATION (see Figure 1): 53 stations @ 200' interval on north-south line

DATA PROCESSING AND PRINCIPAL FACTS: Gravity measurements were reduced to Bouguer gravity after correction for diurnal/instument drift (all traverses began and ended at a base station; 0 N), latitude variation and elevation using a Bouguer density of 2.7 gm/cm^3 (also 2.2 gm/cm^3 for comparison).
Magnetic measurements were corrected for diurnal variation. Principal Facts of the survey are presented in Table 1.

COMMENTS AND INTERPRETATION:
Two prominent gravity anomalies are observed in this line. A 2 mgal anomaly to the north is associated with a lull in magnetic activity (most of the 100 to 300 gamma activity can be attributed to Cenozoic volcanics). The 0.7 mgal. anomaly to the south is associated with a 700, gamma magnetic anomaly. This gravity anomaly is however, obscured by strong terrain effects of up to 0.3 mgal.

The analysis of the survey data embodied in this report is essentially a geophysical appraisal of the area. As such, it can incorporate only as much geological and geophysical information as the interpreter has available at the time. It should be judiciously used therefore as a guide only by geologists thoroughly familiar with the area and who are in in a better position to evaluate the significance of any particular feature. With additional information, such as that provided by other surveys and eventually drilling, it may be possible to revise the significance of features identified in this study.

Respectfully submitted,

ALLAN SPECTOR AND ASSOCIATES LIMITED

Allan Spector Ph.D.,P.Eng.

August 10, 1988

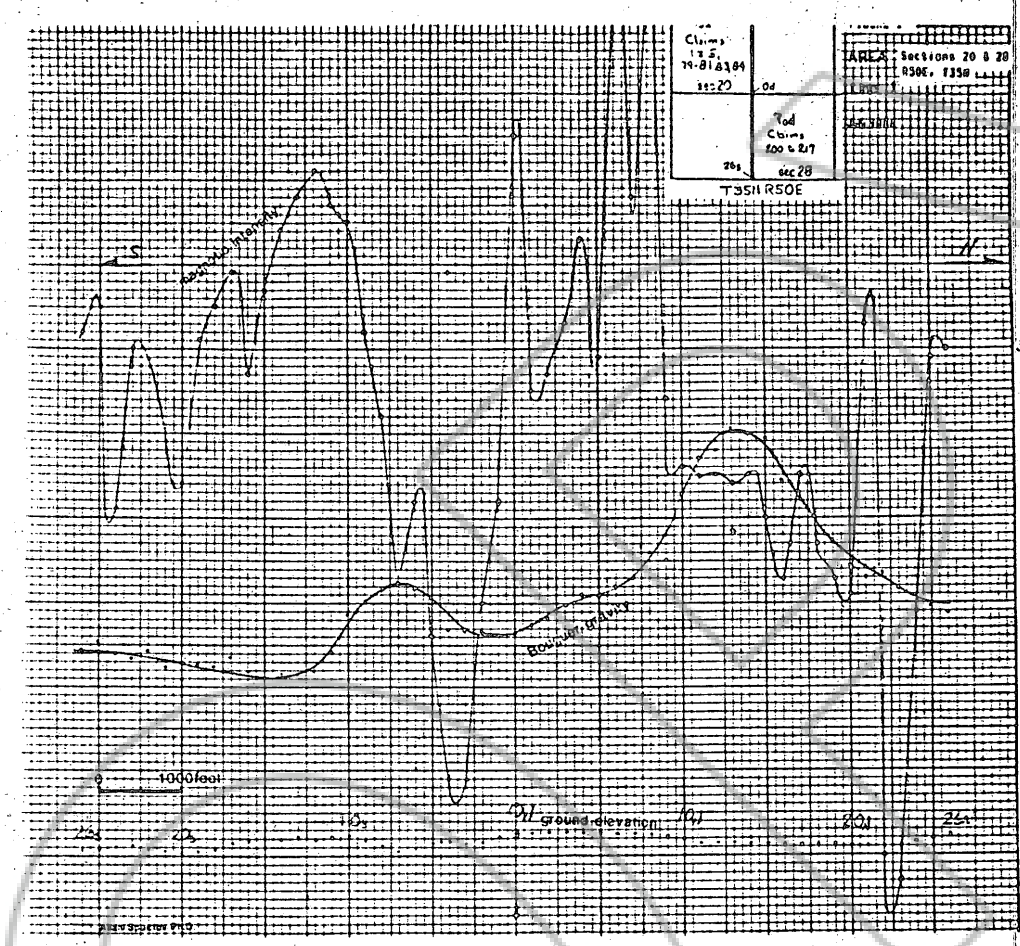
PRINCIPAL FACTS: Line 1

NOTES:

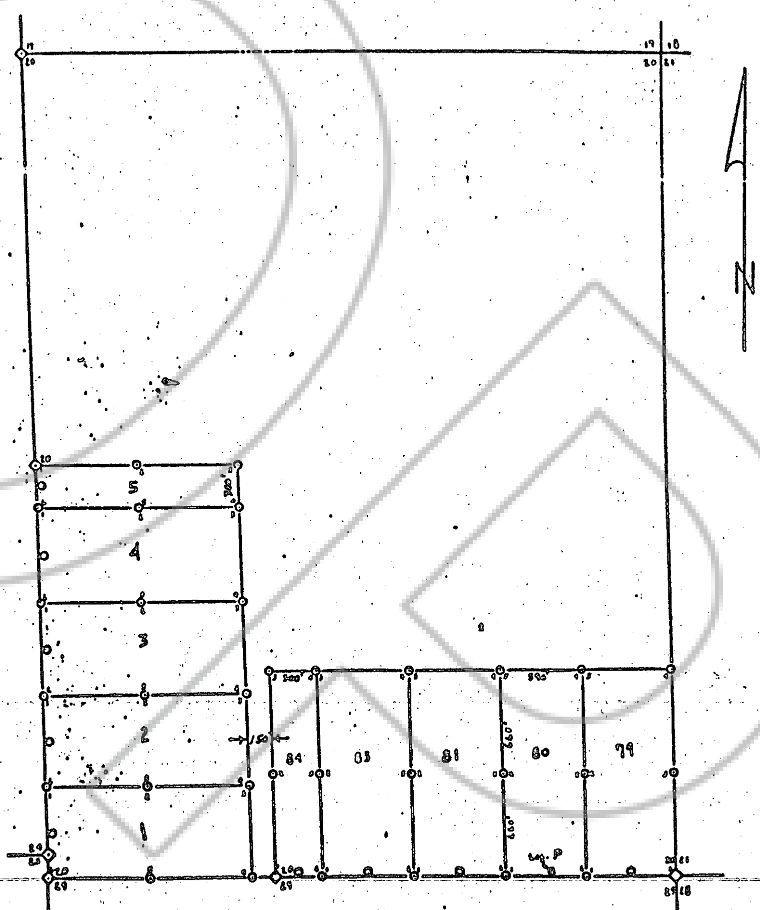
1. Sampling interval is 200 feet.
2. Elevations (ELEV) are in feet.
3. Magnetic intensity values (MAG) are in gammas.
4. Bouguer gravity determinations, GRAV2.2 and GRAV2.7 are in milligals using Bouguer densities of 2.2 and 2.7 gm/cm respectively.

Stn.	ELEV.	MAG	GRAV2.2	GRAV2.7
0	5249.5	53850.	345.20	311.65
1S	5207.7	53420.	344.87	311.59
2	5161.3	53300.	344.62	311.64
3	5142.3	53090.	344.52	311.66
4	5168.9	53090.	344.71	311.68
5	5144.5	53260.	344.91	312.04
6	5098.0	53420.	344.74	312.17
7	5054.8	53320.	344.53	312.23
8	5107.2	53520.	344.80	312.17
9	5174.6	53620.	345.08	312.02
10	5213.4	53750.	345.16	311.85
11	5202.2	53770.	344.65	311.41
12	5195.7	53810.	344.39	311.19
13	5206.5	53780.	344.42	311.15
14	5198.5	53740.	344.36	311.14
15	5195.3	53670.	344.33	311.13
16	5180.4	53570.	344.30	311.19
17	5142.3	53690.	344.20	311.34
18	5095.9	53650.	343.82	311.26
19	5055.7	53610.	343.57	311.26
20	5039.1	53440.	343.29	311.09
21	5059.6	53490.	343.60	311.27
22	5089.3	53590.	343.94	311.42
23	5111.9	53600.	344.00	311.34
24	5105.2	53410.	344.02	311.39
25	5085.3	53650.	344.02	311.53
26S	5071.2	53620.	343.87	311.46

Stn.	ELEV.	MAG	GRAV2.2	GRAV2.7
0	5249.5	53840.	345.20	311.65
1N	5265.9	53550.	345.39	311.74
2	5271.1	53560.	345.50	311.82
3	5274.1	53630.	345.69	311.99
4	5279.3	53730.	345.81	312.08
5	5270.7	53590.	345.76	312.08
6	5256.9	53990.	345.79	312.20
7	5250.3	53780.	345.84	312.29
8	5249.3	53990.	346.14	312.59
9	5227.5	53540.	345.92	312.52
10	5187.0	53460.	346.42	313.28
11	5157.7	53450.	346.66	313.70
12	5149.5	53450.	346.70	313.79
13	5139.4	53440.	346.88	314.04
14	5130.8	53450.	346.76	313.97
15	5127.9	53400.	346.69	313.93
16	5124.4	53330.	346.16	313.41
17	5118.2	53450.	346.01	313.30
18	5117.4	53370.	345.50	312.80
19	5110.8	53330.	345.38	312.73
20	5106.9	53310.	345.07	312.44
21	5101.9	53630.	344.91	312.31
22	5091.7	53000.	344.89	312.35
23	5112.3	52970.	344.83	312.16
24	5141.6	53290.	344.85	312.00
25	5178.8	53590.	345.03	311.94
26N	5220.7	53600.	345.24	311.88



BOOK 189 PAGE 552



ROD CLAIMS

1-5 and 79-81, 83, 84

SEC 20 T 35N - R50E

EUREKA COUNTY, NV

Located Mag 16 & Mag , 1983

By: VEK ASSOCIATES

856 E. YORK WAY, SPARKS, NV 89431

LEGEND

◇ Section or ¼ corner found

⊙ Loc. Mon.

⊙2 Numbered claim corner or Side center

All monuments and claim corners are 4"x4" wooden posts marked as to position and number on aluminum tags.

SCALE 1 inch = 500 feet

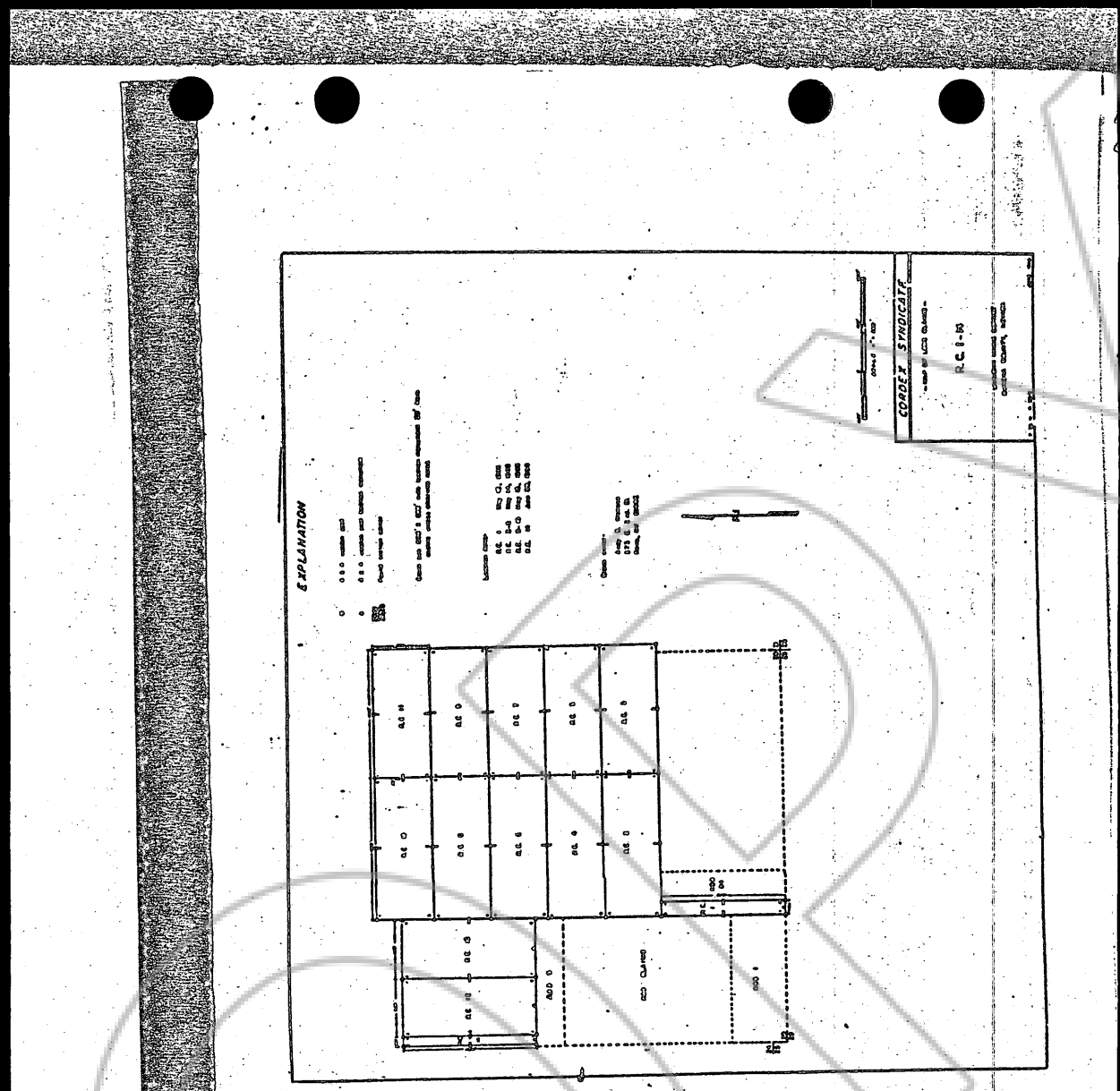
Filed at the request of VEK ASSOCIATES

EUREKA COUNTY, NEVADA

File No. 87775

BOOK 189 PAGE 553

AREA C



AREA C

BOOK 189 PAGE 554

RECORDED AT THE REQUEST OF
BOOK 189 PAGE 548
St. George Metals
'88 OCT 27 P3:12

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALIATI, RECORDER
FILE NO. FEE $ 4.00
124263

BOOK 189 PAGE 555