CERTIFICATE OF LOCATION

The undersigned certifies as follows:

129751

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

Pegasus Gold Corporation

230 South Rock Blvd. Suite 30

Reno. Nevada 89502

2. That on the <u>26TH</u> day of <u>July</u>, 1989, 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 <u>SIG 36</u> Mining Claim (the "Claim").

The Claim is located in the following quarter sections: SE Otr of Section 34, Township 20 North, Range 52 East, -- Qtr of Section -- , Township -- North, Range 52 East, -- Qtr of Section -- , Township _ -- North, Range 52 East, -- Otr of Section ___, Township -- North, Range 52 East, -- Township Otr of Section -- North, Range 52 East, -- North, Range 52 East, -- Otr of Section M.D.B.&M., in unknown Mining District, Eureka County, Nevada.

4. The general course of the lode or vein, as near as may be determined, is N50E and S50W.

5. The locator claims 20 feet in a N50E direction and 1480 feet in a S50W 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:

Monument	<u>Position</u>	Markings
No. 1	Northwest corner	Northwest cor. SIG 16
No. 2	North side center	North side ctr. SIG 36
No. 3	Northeast corner	Northeast cor. SIG 36
No. 4	Southeast corner	Southeast cor. SIG 36
No. 5	South side center	South side ctr. SIG 16
No. 6	Southwest corner	Southwest cor. SIG 36

7. As erected on the ground, each corner and side line center monument consists of a <u>wood or PVC</u> post at least <u>3</u> inches in diameter by <u>41</u> feet in length, set one foot in the ground and marked as described above by <u>retal</u> 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.