

Reserve Industries Corporation  
9555 Ralston Rd.  
Arvada, CO 80002

130367

AFFIDAVIT OF ANNUAL ASSESSMENT LABOR  
AND VALUE OF LABOR AND IMPROVEMENTS

STATE OF COLORADO )  
                          )SS  
COUNTY OF JEFFERSON)

Before me personally appeared Roy S. A. Laws, who first being duly sworn, stated that at least \$100.00 worth of work, labor and improvements or geological or geochemical work necessary to hold the same under mining laws of the United States of America and the State of Nevada for the assessment year ending 12:00 noon September 1, 1989 has been performed upon, or for the benefit of each of the following named contiguous unpatented lode mining claims:

NAME OF CLAIM	LOCATION CERTIFICATE		BLM SERIAL NUMBER
	BOOK	PAGE	
WHY # 1 - 30	161	477 - 506	MMC 425708-425737
WHY # 31 - 36	183	432 - 437	MMC 510062-510067

situated in the Mineral Hill Mining District in Sections: 23, 26, 27, 34, 35 Township 26 North, Range 52E of the Mount Diablo Prime Meridian, Eureka County, Nevada.

That such labor and improvements consisted of collecting 245 vegetation samples for a biogeochemical survey to determine possible presences of subsurface mineralization. Refer to map FIGURE 1 and the summary report.

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That such expenditures were made in excess of \$3,600.00 by Reserve Industries Corp. on behalf of Precambrian Exploration, Inc., owner of said mining claims. Both companies are located at 9555 Ralston Road, Arvada, Colorado 80002. The work and expenditures were made for and during the assessment year beginning 12:00 noon September 1, 1988 and ending 12:00 noon September 1, 1989.

Dated: 12 OCTOBER 1989

Roy S. A. Laws  
Signature

Roy S. A. Laws  
Printed Name

Reserve Industries for  
Precambrian Exploration, Inc.

Subscribed and sworn to me this 12<sup>th</sup> day of October, 19 89.

[Signature]  
Notary Public

My commission expires

5-24-95

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Reserve Industries Corporation  
9555 Ralston Rd., Suite 203  
Arvada, CO 80002

Summary Report - Telegraph Project, WHY Claim Group

This report is filed in compliance with the requirements of Title 30, United States Code, Section 28-1, for the WHY-1 to WHY-36 lode mining claims, a contiguous group of thirty-six claims located approximately forty miles north of Eureka, Nevada, in the Mineral Hill Mining District of Eureka County, Nevada.

Assessment work for the year ending September 1, 1989 consisted of conducting a biogeochemical survey. 245 vegetation samples of *Artemisia tridentata*, otherwise known as sagebrush, were collected at 200' intervals along east-west survey lines spaced 400' apart in a north-south direction. Refer to FIGURE 1. These samples were submitted to S. Clark Smith of Carson City, Nevada for preparation and Neutron Activation analysis. The survey was conducted in late May and early June, 1989. The samples were submitted to S. Clark Smith in mid June 1989.

The work was performed by the exploration staff of Reserve Industries Corporation. Reserve has assumed the assessment work and exploration responsibilities for Precambrian Exploration Inc., the owner of the WHY claim group. Clinton S. Ferris, Ph.D., Geology proposed and planned the survey. Roy Laws, B.S. Geologic Engineering, assisted Andy Todd, B.S. Mining Engineering, in establishing survey control by Brunton compass and hip chain measurements. Andy Todd, contract consultant, conducted and documented the collection of the samples.

The purpose of the biogeochemical survey is to determine the possible presence of subsurface mineralization. The theory is that through certain physical and chemical processes various elements are liberated from zones of subsurface mineralization, migrate vertically upward via meteoric water circulation, evapotranspiration and or capillary action and are picked up by surface vegetation. Though metal values are very low, the point is to determine if some samples contain values greater than the "background" values also established by the survey. The zones of elevated values could imply a subsurface source and indicate a target of potential mineralization.

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Gold, arsenic, antimony, molybdenum and bromine values have been plotted on a 1"=500' scale base map. Several coherent zones of elevated values have emerged. In some cases the patterns formed by the elevated values for an element correlate with the patterns formed by the elevated values of other elements. The most noteworthy patterns have developed within the siliceous western assemblage Ordovician Vinini Formation. Isopleth maps of bromine and molybdenum indicate two pronounced zones of elevated values. How these patterns relate to potential subsurface mineralization has yet to be determined.

Zones of anomalous biogeochemical values coupled with our knowledge of the geologic setting, which implies the presence of mineralized structure extensions which have been offset and concealed by post mineral faulting, and the inferred presence of the Roberts Mountain Thrust Fault system, could indicate targets of potential mineralization that warrant examination by drill testing.

All technical data and results are considered to be the exclusive property of Precambrian Exploration, a Nevada Corporation, the owner of subject mining claims with offices at 9555 Ralston Road, Suite 203, Arvada, Colorado 80002.

This summary report of activities is submitted by Reserve Industries on behalf of Precambrian Exploration, Inc.

Respectfully submitted,

Ray S. A. Laws 12 OCT 89  
Signature

Ray S. A. Laws  
Printed Name

Reserve Industries Exploration Geologist

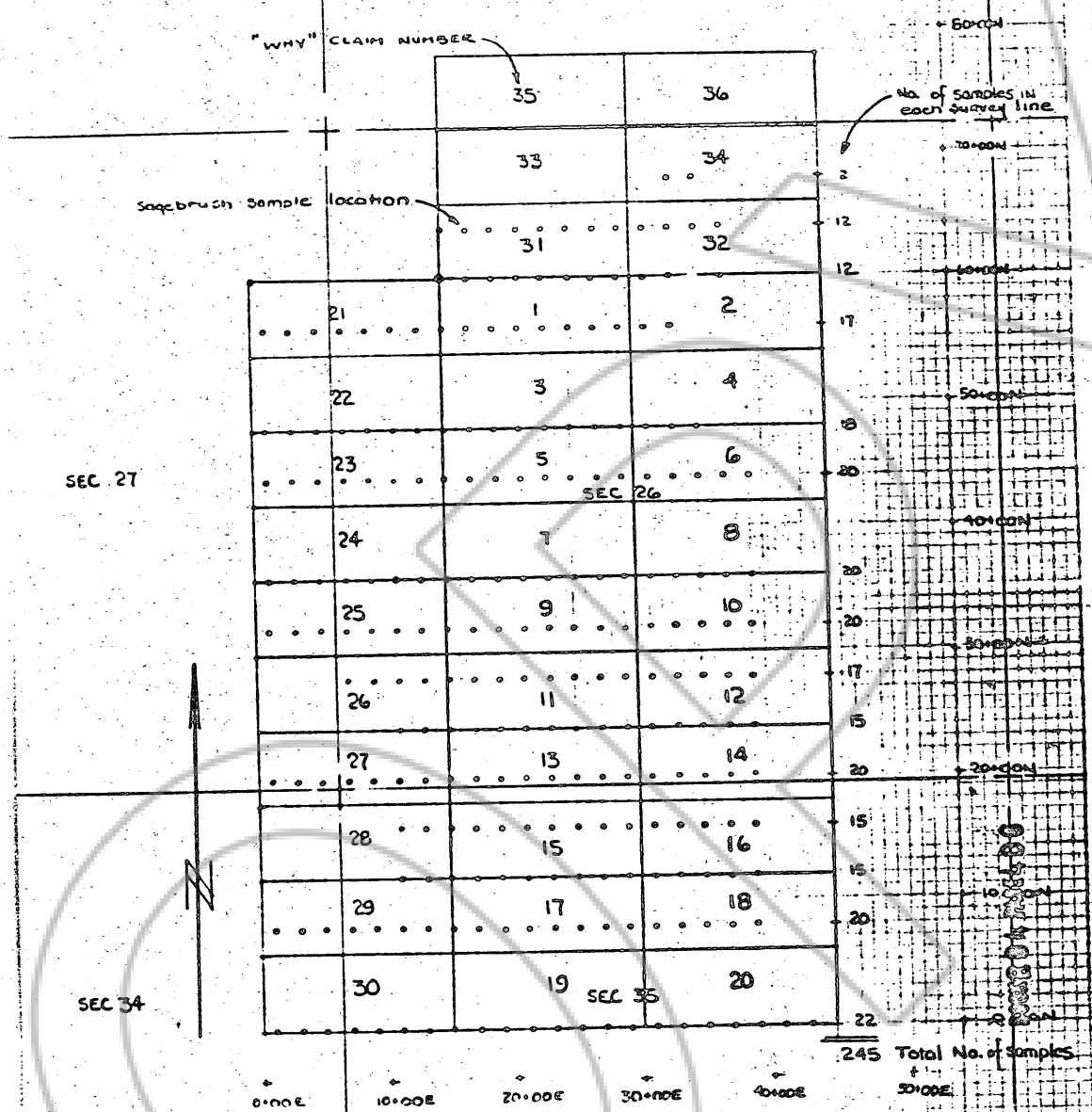
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SEC 22

 RESEARCH INDUSTRIES CORPORATION  
 9555 WALTON ROAD # 203  
 ARVADA COLORADO 80002

SEC 23

FIGURE


 BIOGEOCHEMICAL SURVEY  
 JUNE 1989

 WHY CLAIM GROUP  
 36 CONTIGUOUS LODE MINING CLAIMS  
 SECTION 23, 26, 27, 34, 35  
 T 26 N, R 52 E, EUREKA COUNTY, NEVADA  
 MINERAL HILL MINING DISTRICT RAL 10-89

RECORDED AT THE REQUEST OF

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*Roy S. Laws*

OCT 17 P2:49

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

FILE NO. FEE \$ 63

130367

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