

AFTER RECORDING RETURN TO:

Cominco American Resources Incorporated
831 East Glendale Avenue
Sparks, Nevada 89431

130452

STATE OF NEVADA)
COUNTY OF WASHOE) ss. AFFIDAVIT OF
ANNUAL ASSESSMENT WORK

The undersigned, being first duly sworn, states under penalty of perjury that the statements herein are true:

1. For the annual assessment year ending on September 1, 1989, labor was performed and expenditures were made for labor for geological survey work, having a value of at least Four Thousand Dollars (\$4,000.00), upon or for the benefit of the following unpatented mining claims situated in Sections 2, 3, 4, 8, 9, 10, 14, 15, and 16, Township 33 North, Range 50 East, Mount Diablo Meridian, in Eureka County, State of Nevada.

See attached Exhibit A for the list of claims.

2. The labor was performed or the expenditures or improvements were made in the amount of at least \$100.00 per claim, by or at the expense of the claim owner whose name and address are: Cominco American Resources Incorporated of 831 East Glendale Avenue, Sparks, Nevada 89431.

3. The labor was performed by Ellen F. Hodos under the direction and supervision of Robert U. Suda on behalf of Cominco American Resources Incorporated and expenditures were made by: Cominco American Resources Incorporated.

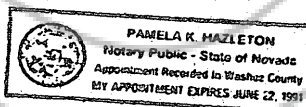
4. The labor and improvements were for the benefit of all of claims as a contiguous group of claims, and affected all of the claims by facilitating the development of the claims as a mine and extraction of ore therefrom. The labor and improvements consisted of geological mapping. Attached to this Affidavit is a copy of the Report of such work, as required by Title 30, United States Code, Section 28-1. The labor and improvements were performed or made on all of the claims during the period from August 10 through August 31, 1989.

5. The claims are held and claimed by the owner for the valuable minerals contained therein, and the owner intends to continue the development of each claim. NOTICE OF INTENTION TO HOLD THE CLAIMS is hereby given.

Dated this 19 day of October, 1989.

Robert U. Suda
Robert U. Suda, Project Geologist
Agent for Cominco American Resources
Incorporated

Subscribed and Sworn to before me this 19th day of October, 1989.



Pamela K. Hazleton
NOTARY PUBLIC

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**AFFIDAVIT OF ANNUAL ASSESSMENT WORK
FOR THE YEAR ENDING SEPT. 1, 1989**

EXHIBIT A

The forty (40) claims referred to in the Affidavit of Annual Assessment Work which are located in Sections 2, 3, 4, 8, 9, 10, 14, 15, and 16, Township 33 North, Range 50 East, Mount Diablo Meridian, in Eureka County, Nevada, are more particularly described as follows:

<u>NAME OF RECORDATION</u>	<u>COUNTY BOOK-INST.</u>	<u>BLM SERIAL NUMBER</u>
MAC 1	178-75	NMC-482298
MAC 2	178-77	NMC-482299
MAC 3	178-79	NMC-482300
MAC 4	178-81	NMC-482301
MAC 5	178-83	NMC-482302
MAC 6	178-85	NMC-482303
MAC 7	178-87	NMC-482304
MAC 8	178-89	NMC-482305
MAC 9	178-91	NMC-482306
MAC 10	178-93	NMC-482307
MAC 11	178-95	NMC-482308
MAC 12	178-97	NMC-482309
MAC 13	178-99	NMC-482310
MAC 14	178-101	NMC-482311
MAC 15	178-103	NMC-482312
MAC 16	178-105	NMC-482313
MAC 17	178-107	NMC-482314
MAC 18	178-109	NMC-482315
MAC 19	178-111	NMC-482316
MAC 20	178-113	NMC-482317
MAC 21	178-115	NMC-482318
MAC 22	178-117	NMC-482319
MAC 23	178-119	NMC-482320
MAC 24	178-121	NMC-482321
MAC 25	178-123	NMC-482322
MAC 26	178-125	NMC-482323
MAC 27	178-127	NMC-482324
MAC 28	178-129	NMC-482325
MAC 29	178-131	NMC-482326
MAC 30	178-133	NMC-482327
MAC 31	178-135	NMC-482328
MAC 32	178-137	NMC-482329
MAC 33	178-139	NMC-482330
MAC 34	178-141	NMC-482331
MAC 35	178-143	NMC-482332
MAC 36	178-145	NMC-482333
MAC 37	178-147	NMC-482334
MAC 38	178-149	NMC-482335
MAC 39	178-151	NMC-482336
MAC 40	178-153	NMC-482337

STATEMENT OF QUALIFICATIONS and REPORT OF BASIC FINDINGS

This detailed report is filed in compliance with the requirements of Title 30, United States Code, Section 28-1 for the claims known as MAC Nos. 1 through 40, a contiguous group of forty (40) lode mining claims situated in Eureka County, State of Nevada. The work consisted of a geological survey covering all of each claim, to evaluate the discovery of valuable mineral deposits located thereon, to locate hidden ore controls, and to assist in planning further exploration and development work. The work was performed on August 10, 12-21, 24, 30 and 31, 1989, by Ellen F. B. Hodos of Onstream Resource Managers, Inc. of 1117 Chaparral Drive, Carson City, Nevada 89703, a geologist with twenty (20) years experience in the mineral industry, and a degrees from the University of Maine and Columbia University in New York (B.A. Geology, 1969, and M.S. Mining Engineering, 1972, respectively). The work was done under the direction and supervision of Robert U. Suda whose address is 125 Leo Drive, Sparks, Nevada 89436, a geologist with fourteen (14) years experience in the mineral industry with degrees from the Northern Illinois University (B.S. Geology, 1973 and M.S. Geology, 1975). The cost of the geological study exceeded Four Thousand Dollars (\$4,000.00) and was paid for by Cominco American Resources Incorporated, owners of the subject mining claims.

The MAC claims are located over Tertiary volcanics which intrude and overlie upper and lower plate rocks of the Roberts Mountain Thrust. The rock units dip gently westward. In the locality of the claims, the upper plate is Ordovician Vinini Formation which outcrops on the MAC Group in the northeastern portion of Section 10. Rocks in the area have a strongly northeast structural fabric with northwest, probably conjugate, structures also present. At depth, the lower plate rocks which have been productive along the Carlin trend are likely present, but no estimate of depth to the thrust fault trace can be made at this time. The horizon at the contact between Vinini and the overlying rhyolite flows is bleached and oxidized, but otherwise, no hydrothermal alteration other than silicification was observed. Minor silicification is present along northeasterly fractures creating topographically prominent outcrops. The Tertiary volcanics are rhyolitic to dacitic composition. Average grain size is relatively coarse except for a fine-grained rhyolite unit near the base of the volcanic sequence and occasional fine-grained horizons in the upper volcanics. Silicified rocks tend to be somewhat porphyritic with large phenocrysts in an aphanitic, more mafic groundmass. The volcanic peaks trend east-west and their emplacement probably reflects earlier faulting. Hypabyssal rocks with marked flow structures outcrop near the peaks. Additionally, the presence of breccia flows indicate that the claims have been located in the vicinity of a volcanic neck. Remnant volcanic flow breccias with large blocks of rhyodacitic composition exhibit flow directions down the mountain sides. Tertiary volcanic intrusives similar in composition to the rocks at MAC have been thought to provide heat for mobilization of gold from sources in the sedimentary rocks to favorable structural and lithologic sites forming Carlin-type ore bodies. Where Vinini Formation is present, it is easily recognizable by its fracture pattern and cherty composition. The Vinini typically contains predominant chert and interlayered black shale. The cherts are black to dark gray when fresh and are typically found in outcrop with grey to buff weathering rids. Near the contact with the volcanic rocks, Vinini cherts are moderately to strongly oxidized and bleached. Quaternary colluvium obscures outcrops in depressions. Often, tiny fragments of Vinini have been found in colluvium and the orientation of springs suggests that faulting serves to bring the Vinini Formation closer to the surface.

An exploration-development program consisting of drilling, sampling, and additional other studies is under consideration for this property. All technical work and results are in the possession of and are considered to be the exclusive property of Cominco American Resources Incorporated.

Respectfully submitted,

Robert U. Suda

Robert U. Suda, Project Geologist, Cominco American Resources Inc.
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Comino American
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OFFICIAL RECORDS
EUREKA COUNTY, CALIF.
PL. REBALANCE RECORDER
FILE NO.

130452

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