

1990

"JAKE PROJECT"

AFFIDAVIT OF PERFORMANCE OF ANNUAL
ASSESSMENT WORK

(Proof of Labor)

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

J. Michael Perry as agent for Phelps Dodge Mining Company, a division of Phelps Dodge Corporation, a New York corporation, with exploration offices at 910 Greg Street, Sparks, Nevada 89431, being first sworn, on behalf of the owner, states that at least ONE HUNDRED DOLLARS (\$100.00) in value of labor was performed or improvements made upon or for the benefit of each of the following 12 contiguous unpatented lode mining claims located in Eureka County, Nevada to wit:

COUNTY RECORDS

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE(S)</u>	<u>BLM NMC NUMBER</u>
JAKE	(See Exhibit A)	(See Exhibit A)	(See Exhibit A)

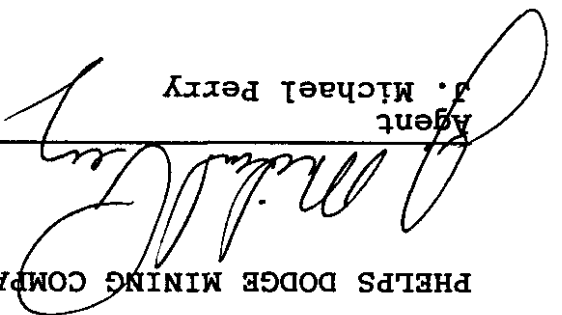
THAT LABOR was performed and improvements were made between June 1st and August 31st, 1990, for the assessment year ending September 1, 1990. The amount of money expended for such labor and improvements was in excess of \$7,000 and the character of the work or improvements are as follows:

Drilling and drill site preparation. Work was performed on all or portions of Jake claims 1, 2, 11 and 12.

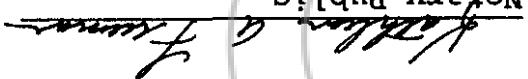
THE OWNER of said claims is Pegasus Gold Corporation whose address is 230 South Rock Boulevard, Suite 30, Reno, Nevada 89502. The expenditures were made at the expense of Phelps Dodge Mining Company for the benefit of the owner. The person(s), corporation(s), contractor(s), or subcontractor(s) who performed the work or made the improvements are personnel of Phelps Dodge Mining Company and Eklund Drilling Company of Elko, Nevada, and Eureka Custom Contractors of Eureka, Nevada.

ALL OF THE aforesaid 12 unpatented lode mining claims are contiguous and work on any one claim or group of claims tends to develop all of the claims. The work was performed expressly for the purpose of exploring, improving and developing said claim or contiguous groups of mining claims and was intended as annual labor and improvements for each and all of the described unpatented lode mining claims for the assessment year ending September 1, 1990.

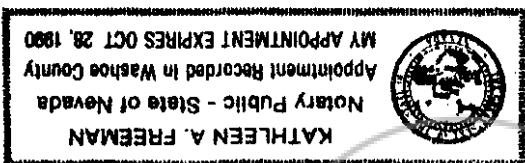
PHELPS DODGE MINING COMPANY


Agent
J. Michael Perry

Subscribed and sworn before me this 11th day of October, 1990, by J. Michael Perry.


Notary Public

My commission expires: October 28, 1990



BOOK 215 PAGES 75

EXHIBIT A

Attachment to the "JAKE" PROJECT AFFIDAVIT OF PERFORMANCE OF ANNUAL ASSESSMENT WORK (Proof of Labor) for the assessment year ending September 1, 1990, for the following twelve (12) contiguous claims:

Claim Name	Book	Page	BLM NMC Number
Jake No. 1	142	98	359084
Jake No. 2	142	99	359085
Jake No. 3	142	100	359086
Jake No. 4	142	101	359087
Jake No. 5	142	102	359088
Jake No. 6	142	103	359089
Jake No. 7	142	104	359090
Jake No. 8	142	105	359091
Jake No. 9	142	106	359092
Jake No. 10	142	107	359093
Jake No. 11	142	108	359094
Jake No. 12	142	109	359095

BOOK 215 PAGE 574
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Philip Dodge
90 OCT 18 P3:20

EUREKA COUNTY, NEVADA
M.N. REBALANCE, RECORDER
FILE NO. *2100*

134164

BOOK 215 PAGE 576