

WHEN RECORDED, RETURN TO
X-Cal Resources Ltd./X-Cal U.S.A Inc.
Attn: K.A. McNair
700 - 700 West Pender Street
Vancouver, BC CANADA
V6C 1G8

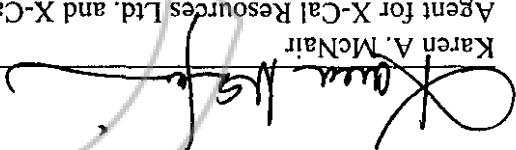
AFFIDAVIT OF EVIDENCE OF PAYMENT
AND
NOTICE OF INTENT TO HOLD MINING CLAIMS

PROVINCE OF BRITISH COLUMBIA, CANADA)
) ss.)
CITY OF VANCOUVER)

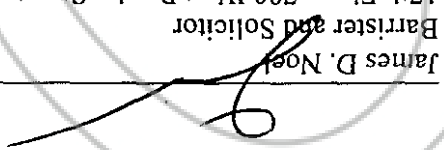
Karen A. McNair, being duly sworn, says:

1. Being duly authorized, I make this affidavit on behalf of X-Cal Resources Ltd. and X-Cal U.S.A. Inc., whose address is Suite 700, 700 West Pender Street, Vancouver, British Columbia, Canada, V6C 1G8.
2. X-Cal U.S.A. Inc. is the owner of the unpatented lode mining claims (the "Claims") located in Eureka County, Nevada, U.S.A., described in the Bureau of Land Management ("BLM") Mining Claim Maintenance Fee Filing and Notice of Intent to Hold (the "BLM Filing") attached hereto.
3. X-Cal Resources Ltd. and X-Cal U.S.A. Inc. have paid to the BLM, with the BLM Filing, the federal claim maintenance fees of US\$100 for each non-exempt mining claim, millsite or tunnel site for the assessment year ending September 1, 1998, in lieu of the requirement to perform and record affidavits of proof of annual assessment work for mining claims, more particularly described in Exhibit A of the BLM Filing attached hereto.
4. The federal claim maintenance fees were paid for the assessment year ending on September 1, 1997 and have been paid for the assessment year ending on September 1, 1998. Notice is hereby given that X-Cal Resources Ltd. and X-Cal U.S.A. Inc. intended to hold the Claims from September 1 of the year before this affidavit was made and recorded until September 1 of the year that this affidavit was made and recorded. X-Cal Resources Ltd. and X-Cal U.S.A. Inc. intend to hold the Claims in good standing for the assessment years ending September 1, 1997 and September 1, 1998.

5. Notwithstanding any defect or deficiency in the foregoing affidavit, the undersigned states that it is A, to abandon or otherwise relinquish their interest in any of the Claims or millsites. It is their intention to hold each of the Claims and millsites described in Exhibit A through the assessment year ending September 1, 1998.


Karen A. McNair
Agent for X-Cal Resources Ltd. and X-Cal U.S.A. Inc.

Subscribed and sworn to before me on this 17th day of September, 1997 by Karen A. McNair.


James D. Noel
Barrister and Solicitor
17th Floor, 700 West Pender Street
Vancouver, B.C. V6C 1G8 CANADA
(604) 687-1323

[SEAL]

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X-Cal Resources Ltd.

#700 - 700 West Pender Street
Vancouver, B.C. V6C 1G8
Tel: (604) 662-8245 Fax: (604) 687-3797

DELIVERED VIA COURIER

August 13, 1997

Our Ref: "Eureka Project"

Mining Claims Recordation
Nevada State Office
U.S. Bureau of Land Management
850 Harvard Way
Reno, NV USA
89520-0006

Dear Sir/Madam:

Re: Mining Claim Maintenance (Rental) Fee - Assessment Year Ending September 1, 1998
BLM Serial Numbers: NMC678078 - NMC678167 ("Haley 1" through "Haley 90")
90 Lode Mining Claims, Eureka County, Nevada

On behalf of X-Cal USA Inc. we herewith submit two originals of the above-referenced filing and Notice of Intent to Hold for the assessment year ending September 1, 1998 for those 90 lode mining claims itemized in Exhibit A attached hereto. This letter, with attachments, and payment evidence X-Cal's intention to hold such claims through the assessment year ending September 1, 1998.

It is our understanding that the required fee is US\$100 per claim per year and, therefore, we enclose our cheque no. 50001 in the amount of Nine Thousand Dollars (US\$9,000.00).

Please return one signed and date-stamped copy of this documentation and your Form 1370-41 Receipt and Accounting Advice (and any other receipts which are applicable) to the attention of Ms. Karen McNair in the enclosed self-addressed envelope. Should there be any deficiencies in the information provided here, or if there are any problems with this submission, please contact Ms. McNair at (604) 608-2606 so that this transaction may be successfully completed prior to the September 1st deadline.

Sincerely,

X-Cal Resources Ltd.
X-Cal U.S.A. Inc.

Shawn Kennedy

President

kmc/km
attach

cc: K. McNair - K. McNair Associates Limited

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RECEIVED BY
THE BUREAU OF LAND MANAGEMENT
STATE OF NEVADA
BY [Signature]
DATE 8/18/97

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AUG 14 PM 3:27

BLM MINING CLAIM MAINTENANCE FEE FILING
AND
NOTICE OF INTENT TO HOLD
FOR THE ASSESSMENT YEAR ENDING ON SEPTEMBER 1, 1998

Mining Claims Recordation
Nevada State Office
U.S. Bureau of Land Management
850 Harvard Way,
Reno, NV USA
89520-0006

X-Cal U.S.A. Inc., a Nevada corporation, with an address at 700 - 700 West Pender St., Vancouver, British Columbia, Canada, V6C 1G8, owns the unpatented lode mining claims, located in Eureka County, State of Nevada, described in Exhibit A attached hereto (the "Claims").

The Federal Claim Maintenance Fee of One Hundred Dollars (US\$100.00) is submitted for each of the Claims for the assessment year ending on September 1, 1998 for a total of Nine Thousand Dollars (US\$9,000.00) in lieu of assessment work.

The Federal Claim Maintenance Fees were paid for the assessment year ending on September 1, 1997 and the Federal Claim Maintenance Fees are herewith paid for the assessment year ending on September 1, 1998 by X-Cal U.S.A. Inc. as owner of the Claims. Notice is hereby given that X-Cal U.S.A. Inc. intends to hold the Claims in good standing for the assessment years ending on September 1, 1997 and September 1, 1998.

Dated this 13th day of August, 1997.

X-CAL U.S.A. INC.

A Nevada corporation

By: _____

Name: Shawn Kennedy

Title: President

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**EXHIBIT A
TO
BLM MINING CLAIM MAINTENANCE FEE FILING
AND NOTICE OF INTENT TO HOLD
FOR THE ASSESSMENT YEAR ENDING ON SEPTEMBER 1, 1998**

This Exhibit A is attached to and made a part of that certain BLM Mining Claim Maintenance Fee Filing and Notice of Intent to Hold dated August 13, 1997 for the assessment year ending September 1, 1998. The BLM Mining Claim Maintenance Fee Filing and Notice of Intent to Hold pertains to the following group comprised of 90 unpatented lode mining claims described below, all under the common ownership of X-Cal U.S.A. Inc.

The name and address of the owner are:

X-Cal U.S.A. Inc.
700 - 700 West Pender St.
Vancouver, British Columbia
Canada
V6C 1G8

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Halley Claims

CLAIM NAME	NMC Serial #	LOCATION DATE	RECORDED BK/RG	TWP RGE	M.D.B. & M. SECT
Halley 1	678078	3/24/93	247/184	16N 52E	1:S½
Halley 2	678079	3/24/93	247/185	16N 52E	1:S½
Halley 3	678080	3/24/93	247/186	16N 52E	1:S½
Halley 4	678081	3/24/93	247/187	16N 52E	12:N½
Halley 5	678082	3/24/93	247/188	16N 52E	12:N½
Halley 6	678083	3/24/93	247/189	16N 52E	12:N½
Halley 7	678084	3/24/93	247/190	16N 52E	12:S½
Halley 8	678085	3/24/93	247/191	16N 52E	12:N½
Halley 9	678086	3/24/93	247/192	16N 52E	12:S½
Halley 10	678087	3/24/93	247/193	16N 52E	12:S½
Halley 11	678088	3/24/93	247/194	16N 52E	12:S½
Halley 12	678089	3/24/93	247/195	16N 52E	13:N½
Halley 13	678090	3/24/93	247/196	16N 52E	13:N½
Halley 14	678091	3/23/93	247/197	16N 52E	1:S½
Halley 15	678092	3/23/93	247/198	16N 53E	6:SW¼
Halley 16	678093	3/23/93	247/199	16N 52E	1:S½

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Halcy Claims

CLAIM	NAME	NMC Serial #	LOCATION	DATE	RECORDED	BK/Pg	TWP	RGE	M.D.B. & M.	SECT
Halcy 17	Halcy 17	678094	3/23/93	247/200	16N	52E	16N	52E	1:SE¼	6:SW¼
Halcy 18	Halcy 18	678095	3/23/93	247/201	16N	52E	16N	52E	1:SE¼	1:SE¼
Halcy 19	Halcy 19	678096	3/23/93	247/202	16N	52E	16N	52E	1:SE¼	6:SW¼
Halcy 20	Halcy 20	678097	3/23/93	247/203	16N	52E	16N	52E	1:SE¼	1:SE¼
Halcy 21	Halcy 21	678098	3/23/93	247/204	16N	52E	16N	52E	1:SE¼	12:NE¼
Halcy 22	Halcy 22	678099	3/23/93	247/205	16N	52E	16N	52E	12:NE¼	7:NW¼
Halcy 23	Halcy 23	678100	3/23/93	247/206	16N	52E	16N	52E	12:NE¼	12:NE¼
Halcy 24	Halcy 24	678101	3/23/93	247/207	16N	52E	16N	52E	12:NE¼	12:NE¼
Halcy 25	Halcy 25	678102	3/23/93	247/208	16N	52E	16N	52E	12:NE¼	12:NE¼
Halcy 26	Halcy 26	678103	3/23/93	247/209	16N	52E	16N	52E	12:NE¼	7:NW¼
Halcy 27	Halcy 27	678104	3/23/93	247/210	16N	52E	16N	52E	12:NE¼	12:NE¼
Halcy 28	Halcy 28	678105	3/23/93	247/211	16N	52E	16N	52E	12:NE¼	7:NW¼
Halcy 29	Halcy 29	678106	3/23/93	247/212	16N	52E	16N	52E	12:NE¼	12:NE¼
Halcy 30	Halcy 30	678107	3/23/93	247/213	16N	52E	16N	52E	12:SE¼	7:SW¼
Halcy 31	Halcy 31	678108	3/23/93	247/214	16N	52E	16N	52E	12:SE¼	12:SE¼
Halcy 32	Halcy 32	678109	3/23/93	247/215	16N	52E	16N	52E	12:SE¼	7:SW¼
Halcy 33	Halcy 33	678110	3/23/93	247/216	16N	52E	16N	52E	12:SE¼	12:SE¼
Halcy 34	Halcy 34	678111	3/23/93	247/217	16N	52E	16N	52E	12:SE¼	7:SW¼
Halcy 35	Halcy 35	678112	3/23/93	247/218	16N	52E	16N	52E	12:SE¼	12:SE¼
Halcy 36	Halcy 36	678113	3/23/93	247/219	16N	52E	16N	52E	12:SE¼	7:SW¼
Halcy 37	Halcy 37	678114	3/23/93	247/220	16N	52E	16N	52E	13:NE¼	12:SE¼
Halcy 38	Halcy 38	678115	3/23/93	247/221	16N	52E	16N	52E	13:NE¼	18:NW¼
Halcy 39	Halcy 39	678116	3/23/93	247/222	16N	52E	16N	52E	13:NE¼	18:NW¼

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CLAIM	NAME	NMC Serial #	LOCATION	RECORDED	TWP	RGE	SECT
Halley 40	Halley 40	678117	3/23/93	247/223	16N	52E	13:NE¼
Halley 41	Halley 41	678118	3/23/93	247/224	16N	52E	13:NE¼
Halley 42	Halley 42	678119	3/23/93	247/225	16N	53E	6:SW¼
Halley 43	Halley 43	678120	3/23/93	247/226	16N	53E	6:SW¼
Halley 44	Halley 44	678121	3/23/93	247/227	16N	53E	6:SW¼
Halley 45	Halley 45	678122	3/23/93	247/228	16N	53E	6:SW¼
Halley 46	Halley 46	678123	3/23/93	247/229	16N	53E	6:SW¼
Halley 47	Halley 47	678124	3/23/93	247/230	16N	53E	6:SW¼
Halley 48	Halley 48	678125	3/23/93	247/231	16N	53E	7:NE¼
Halley 49	Halley 49	678126	3/23/93	247/232	16N	53E	7:NE¼
Halley 50	Halley 50	678127	3/23/93	247/233	16N	53E	6:SW¼
Halley 51	Halley 51	678128	3/23/93	247/234	16N	53E	7:NE¼
Halley 52	Halley 52	678129	3/23/93	247/235	16N	53E	7:NE¼
Halley 53	Halley 53	678130	3/23/93	247/236	16N	53E	7:NE¼
Halley 54	Halley 54	678131	3/23/93	247/237	16N	53E	7:NE¼
Halley 55	Halley 55	678132	3/23/93	247/238	16N	53E	7:NE¼
Halley 56	Halley 56	678133	3/23/93	247/239	16N	53E	7:NE¼
Halley 57	Halley 57	678134	3/23/93	247/240	16N	53E	7:ALL
Halley 58	Halley 58	678135	3/23/93	247/241	16N	53E	7:W¼
Halley 59	Halley 59	678136	3/23/93	247/242	16N	53E	7:SW¼
Halley 60	Halley 60	678137	3/23/93	247/243	16N	53E	7:SW¼
Halley 61	Halley 61	678138	3/23/93	247/244	16N	53E	7:SW¼
Halley 62	Halley 62	678139	3/23/93	247/245	16N	53E	7:SW¼
Halley 63	Halley 63	678140	3/23/93	247/246	16N	53E	7:SW¼
Halley 64	Halley 64	678141	3/23/93	247/247	16N	53E	7:SW¼
Halley 65	Halley 65	678142	3/23/93	247/248	16N	53E	7:SW¼
Halley 66	Halley 66	678143	3/23/93	247/249	16N	53E	18:NE¼
Halley 67	Halley 67	678144	3/23/93	247/250	16N	53E	18:NE¼
Halley 68	Halley 68	678145	3/23/93	247/251	16N	53E	18:NE¼
Halley 69	Halley 69	678146	3/23/93	247/252	16N	53E	18:NE¼
Halley 70	Halley 70	678147	3/23/93	247/253	16N	53E	18:NE¼
Halley 71	Halley 71	678148	3/23/93	247/254	16N	53E	5:SW¼
Halley 72	Halley 72	678149	3/23/93	247/255	16N	53E	5:SW¼
Halley 73	Halley 73	678150	3/23/93	247/256	16N	53E	5:SW¼
Halley 74	Halley 74	678151	3/23/93	247/257	16N	53E	6:SE¼

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Hayley Claims

CLAIM	NAME	NMC Serial #	LOCATION	RECORDED	BK/PG	TWP	RGE	SECT
Hayley 75		678152	3/23/93	247/258	16N	53E	5:SW¼	
Hayley 76		678153	3/23/93	247/259	16N	53E	8:NW¼	
Hayley 77		678154	4/01/93	247/260	16N	53E	7:SE¼	
Hayley 78		678155	4/01/93	247/261	16N	53E	7:E½	
Hayley 79		678156	4/01/93	247/262	16N	53E	8:W½	
Hayley 80		678157	4/01/93	247/263	16N	53E	5:SW¼	
Hayley 81		678158	3/24/93	247/264	16N	53E	8:SW¼	
Hayley 82		678159	4/01/93	247/265	16N	53E	7:SE¼	
Hayley 83		678160	3/24/93	247/266	16N	53E	8:SW¼	
Hayley 84		678161	3/24/93	247/267	16N	53E	7:SE¼	
Hayley 85		678162	3/24/93	247/268	16N	53E	8:SW¼	
Hayley 86		678163	3/24/93	247/269	16N	53E	18:NE¼	
Hayley 86		678163	3/24/93	247/269	16N	53E	7:SE¼	
Hayley 87		678164	3/24/93	247/270	16N	53E	17:NW¼	
Hayley 88		678165	3/24/93	247/271	16N	53E	18:NE¼	
Hayley 89		678166	3/24/93	247/272	16N	53E	17:NW¼	
Hayley 90		678167	3/24/93	247/273	16N	53E	18:NE¼	

90 unpatented claims

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EUREKA COUNTY NEVADA
M.H. REDALEATI, RECORDER
FILE NO.
FEES 3/5.00

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97 AUG 14 PM 3:27

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RECORDED AT THE REQUEST OF
K-Dee Records
97 SEP 22 PM 3:09