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Coeur d'Alene, ID 83814



AFFIDAVIT OF LABOR PERFORMED FOR THE  
ASSESSMENT YEAR ENDING SEPTEMBER 1, 2009

STATE OF IDAHO )

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County of Kootenai

The undersigned Peter W. Laczay, as agent for Signal Silver-Gold, Inc. a corporation duly organized and existing under and by virtue of the laws of the State of Idaho and make this affidavit for and on behalf of said company; and certifies that at least ONE HUNDRED DOLLARS (\$100.00) total expenditure per claim was expended for development work and improvements upon or for the benefit of each and all of said claims as a continuous group under common plan of evaluation and development program conducted by Signal Silver-Gold, Inc. for the assessment year ending September 1, 2009. The aggregate of at least \$ 2000 was expended.

The unpatented claims are located in Sections 1 and 12; Township 23 North; Range 50 East, Mount Diablo Meridian, and in Sections 6 and 7; Township 23 North; Range 51 East.

	BLM. Serial No.	County Recording the.
Claims leased by Signal Silver-Gold, Inc.:	COR 91 NMC 916066	202953
	COR 10 916067	202950
	COR 11 916068	202951
	COR 12 916069	202952
	COR 109 916070	202953
	COR 62 916072	202955
	COR 68 916073	202957
	COR 107 916074	202958
	COR 8 899737	199520
	COR 9 899738	199521
Claims owned by Signal Silver Gold, Inc.	COR 60 899730	191681
	COR 57 899731	191679
	COR 28 899732	191673
	COR 58 899733	191680
	COR 36 899734	191674
	COR 37 899735	191675
	COR 39 899736	191676
	COR 55 899739	191677
	COR 56 899740	191678
	COR 45 883992	

The work consisted of reconnaissance geological mapping along claim end lines which extended into the nearby jasperoid exposures, making minor improvements to existing access roads, removing boulders and improving creek crossings, research of records and reports available from the Bureau of Mines and USGS and writing the enclosed report entitled "Recommendations for the exploration of Signal Silver-Gold, Inc. COR Group" Approximately 10 days were spent on such work intermittently between September 3, 2008 to August 25, 2009. The work was performed under the direction of Peter W. Laczay P. Engineer of Ontario.

SUBSCRIBED and sworn to before me on this

11 day of December, 2009.

PEGGY HORD  
Notary Public  
State of Idaho

*Peter W. Laczay*  
*Peggy Hord*  
Notary Public for the State of Idaho

## **Recommendations for the exploration of Signal Silver-Gold-Inc.COR Group.**


Signal Silver-Gold Inc.owns 10 and leases 10 unpatented mining claims in the Roberts Mountain district in Eureka County, Nevada. These claims are adjacent on the south to the "Chert Cliff" Gold deposit, detail drilled between 1986 and 1989 by ASARCO, which drilling outlined a deposit estimated to contain 1.4 million tons grading 0.04 ounces of gold. Platte River Gold, owner of claims north and the Joy group is planning a drilling program in this area.

Most of the surface of property is underlain by the low angle dipping Mississippian Webb Formation siltstones overlaying altered and highly anomalous (as determined by the U.S. Geological Survey Bulletin 1731K) Devonian Limestone exposed on the westerly portion of the Signal property along a faulted unconformity. Exploration of this unconformity at depth and the adjacent low angle (10-15 degrees) east-southeasterly dipping Webb Formation is highly recommended. A good exposure of the Webb formation is on the northerly end line of claims COR 57 and 37 just below the northeasterly trending high ridge. Another exposure of the Webb Formation is just below a smaller northeasterly trending ridge near the northerly end line of COR 109,dipping 5 degrees east.

The Webb Formation is the host rock at the Chert Cliff deposit ( see enclosed Figure 5 entitled "Typical North-South Section of Chert Cliff Area" showing the disseminated and contact gold zones on the Joy claim group) The Chert Cliff deposit is adjacent on the north to the COR group of Signal. Several other major producers are along this contact in the Southerly portion of Carlin District, like the Rain ,the Saddle and Tess deposits of Newmont Gold This is the main reason why the exploration of this unconformity and the adjacent Webb Formation on the COR group is recommended.

Initially a north-south row of vertical rotary holes should be drilled 250 feet apart along and east of the northerly boundary or the Roberts Wilderness Study Area boundary along the 8000 foot contour line on COR 37 and 39. To be followed by westerly angle holes drilled from the south end of COR 37 claim targeting the large jasperoid exposure about 900 feet west on the surface. Since the gold mineralization seem to be related to the jasperoids in the Chert Ciff area this angle hole drilling is justified Thus westerly angle holes should also be drilled from the middle of this claim to explore several smaller Jasperoid zones along and across the Roberts Mountain Thrust fault. Several easterly angle holes should also be drilled to explore COR 39 claim at depth. On the southerly portion of the Signal claims, a series of westerly, northerly and northeasterly angle holes should be drilled from the sharp southerly turn of the boundary road on COR 109 claim to explore the Webb Formation to the unconformity with the Devils Gate Devonian Limestones in this area as there are large jasperoid zones are evident about 1000 feet west of this drill site.

2005 Newmont Mining has located the 77 ROB claim group, extending for several miles southeasterly from the COR claim group indicating their interest in exploring the Webb formation in this area.

  
Peter Laczay, Professional Engineer of Ontario Canada  
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Fig.

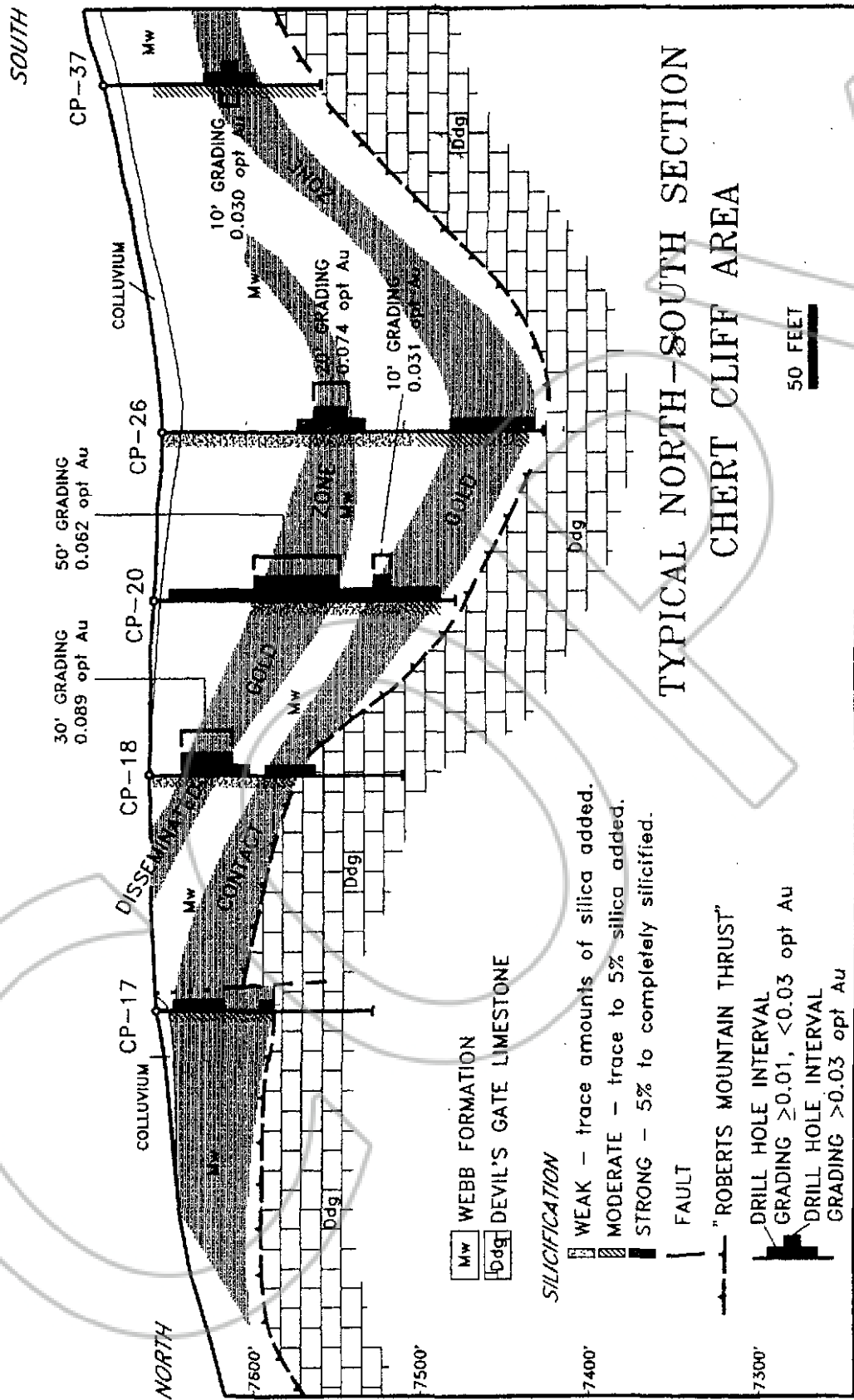


Figure 5—Representative north-south section through the disseminated and contact gold zones at Chert Cliff.