cc: Leslie

FORM MR-AR
(Revised 12/2011)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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JAN 26 2012
DIV. OF OIL, GAS & MINING

SMALL MINING OPERATIONS PROGRESS REPORT
January 1, 20 11 to December 31, 20 11

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program. The report is due January 31 each year.

1. Mine Permit Number: S 045 0076
2. Mine Name: YELLOW HAMMER
3. Name of Operator/Permittee: DESERT HAWK GOLD CORP
   Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf.

4. Report the gross amount of ore mined and waste moved.

   Gross Ore Mined 14,000 Tons, or ——— yd^3
   Waste Material Moved 20,000 Tons, or ——— yd^3

5. New disturbance created during the year 4 Acres
   Area reclaimed during the year 0 Acres
   Total Disturbed Area at the end of the year 8.5 Acres*
   *The total disturbed area should not be greater than the permitted/bonded acreage.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested.

   NONE

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Rick Havenstrite
Title of Operator: PRESIDENT
Signature of Operator: Rick Hav
Date: 1/24/2012

pb
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