

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT entered into as of the 30th day of November
A.D. 1973.

BETWEEN:

SWISS OILS OF CANADA (1959) LTD., a company
incorporated under the Laws of the Dominion
of Canada (hereinafter called "Swiss")

OF THE ONE PART

and

POLAR RESOURCES CO., a Nevada corporation
(hereinafter called "Polar")

OF THE OTHER PART

WITNESSETH:

WHEREAS Swiss entered into a Mining Agreement dated 23rd May
A.D. 1973 with East Utah Mining Company (hereinafter called "East Utah"),
a Utah Corporation (hereinafter called "the Mining Agreement") which
agreement was supplemental to a Joint Venture Agreement between the same
parties dated January 22, A.D. 1970 (hereinafter called "the Joint Venture
Agreement") copies of which agreements are annexed hereto as Schedules
A & B respectively, and with which the parties acknowledge they are familiar;

AND WHEREAS the Mining Agreement related to those lode mining
claims situated in the Lynn Mining District, Eureka County, State of Nevada
known as Gold Strike 1 to 36 inclusive (hereinafter called "the subject
mining claims");

AND WHEREAS Swiss wishes to assign to Polar, Swiss' interest in
the Mining Agreement and certain of Swiss' interest in the subject mining
claims, and Polar wishes to acquire these interests upon the terms and
conditions aftermentioned;

NOW THEREFORE the parties have agreed and do in, consideration of
the sum of Ten Dollars (\$10.00) paid by each of Polar to Swiss and Swiss

to Polar and of the covenants and conditions to be performed by the parties hereto (the receipt and sufficiency of which is acknowledged by Swiss and Polar), agree as follows:

1. Polar hereby becomes the Operator of the subject mining claims so long as this Agreement shall remain in effect.

2. Swiss hereby assigns, transfers and makes over to and in favour of Polar, Swiss' whole right title and interest in and to the Mining Agreement and Polar hereby assumes all the obligations of Swiss thereunder and Polar undertakes to indemnify, free, relieve and hold Swiss harmless for all claims, actions and demands whatsoever made thereunder and arising out of the activities of Polar, its successors, assigns and associates in relation to the subject mining claims.

3. Polar hereby in consideration of the forgoing assignment undertakes to pay to Swiss Oils equal sums as those payable to East Utah under the Mining Agreement under the same conditions, and to render to Swiss the same returns, notices and other documents as are required by the Mining Agreement to be rendered to East Utah.

4. If, three years from December 1, 1973, Polar has fully complied with all of the terms and provisions of this Mining Agreement, including the expenditure on the subject mining claims of the aggregate sum of \$300,000.00 for exploration, development and other activities under paragraph 5 of the Mining Agreement, and has achieved commercial production of ores from the subject mining claims by the end of said three year period, then Polar shall have an option so long as it conducts commercial mining operations on the subject mining claims without interruption of 180 days or more to purchase full record title to the Gold Strike Nos. 1 through 36, inclusive, lode mining claims by tendering and paying to Swiss Oils the total sum of \$300,000.00, expressly provided that any amounts paid Swiss Oils as percentage interest in net proceeds under paragraph 8 of the Mining Agreement shall be applied and credited in full toward said total option purchase price and tenders and pays to East Utah the sums set out in

paragraph 9 of the Mining Agreement. In the event said option is exercised, Swiss Oils agrees to convey all of its record title in the said Gold Strike group of lode mining claims to Polar, reserving however unto Swiss Oils a twenty percent (20%) undivided interest in net proceeds from production of ores, minerals and values from said Gold Strike group of lode mining claims. Swiss Oils will cause to have the title to the subject claims to be held in escrow subject inter alia to the provisions of this Agreement including those of East Utah.

5. Polar may terminate exploration, development and mining at any time prior to December 1, 1976 (to be effective as of the end of any twelve month period ending on December 1) by giving written notice to Swiss Oils and East Utah of its intent to do so as provided hereinafter. In the event of termination, Polar or its assignee shall forfeit all rights hereunder, including the right to reimbursement of expenditures made under this Agreement. In the event of termination by Polar, all assessment work must be completed for the assessment year in effect at the date of termination.

6. Polar shall conduct all operations on the subject mining claims in the manner necessary to good, minerlike and economical mining so as to develop and take out deposits of ore, minerals and values with due regard to the development of the subject mining claims, to the preservation of the workability of the workings on the subject mining claims, to the optimum ultimate recovery of merchantable ores and to the recovery of the reasonably recoverable ores, minerals and values therein and to the special covenants herein provided.

7. It is mutually understood and agreed that in the event of termination of this Agreement, all personal property, all buildings, machinery, equipment and tools of Polar located within or upon the subject mining claims may be removed by Polar at Polar's own expense. Any property of Polar remaining upon the subject mining claims one hundred and eighty (180) days after the effective date of termination of the Agreement shall become the property of the respective owners of the mining claims.

8. Any notice required or desired to be served upon the parties hereto shall be in writing and shall be deemed sufficiently given if deposited in the Government Mail, postage prepaid, and certified or registered, "Return Receipt Requested" and addressed as follows;

To East Utah Mining Company:
721 First Security Building,
Salt Lake City, Utah 84111

To Swiss Oils of Canada (1959) Ltd:
c/o Hugh Scott Douglas,
590 Crown Trust Building
407 - 8th Avenue S.W.,
Calgary, Alberta T2P 1E5
Canada

To Polar Resources Ltd.
c/o C. Warren Hunt
1119 Sydenham Road, S.W.
Calgary, Alberta T2T 0T5
Canada.

or such other party and at such other address as the respective parties or their successor or successors in interest may, from time to time, designate by written notice to the other party. Any notice given hereunder by mail shall be deemed delivered the date indicated on the "Return Receipt" or if refused or undeliverable, the date of refusal or attempted delivery shown on the envelope.

9. The provisions hereof shall enure to the benefit of and shall be binding upon the successors in interest and assigns of the respective parties hereto, provided that no party hereto shall be chargeable with notice of any assignment or conveyance until such party shall have been furnished with a written notice thereof and with a duplicate, certified or photographic copy of the instrument of assignment or conveyance.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their proper officers, they being duly authorized thereto all as at the day, month and year first above written.

POLAR RESOURCES CO.

BY: G. Warren Hunt
G. Warren Hunt, Director, President

ATTEST:

Patricia L. Hunt
Director Sec'y. Treas.





SWISS OILS OF CANADA (1959) LTD.

BY: J. Szabko
Director
D. D. Nicholson
Director

ATTEST:

CANADA)
PROVINCE OF ALBERTA)

On the 25th day of Feb, 1974, personally appeared before me C. Warren Hunt, President of Polar Resources Co., who being first duly sworn by me deposes and says that he is the President of Polar Resources Co. and that said instrument was signed in behalf of said corporation by authority of its Articles and that said C. Warren Hunt acknowledged to me that said corporation executed the same.

[Signature]
NOTARY PUBLIC, residing at the City of Calgary in the Province of Alberta.

My Commission is for life

CANADA)
PROVINCE OF ALBERTA)

On the 25th day of Feb, 1974, personally appeared before me ^{to} David Bradie Nicholson, President of Swiss Oils of Canada (1959) Ltd., who being first duly sworn by me deposes and says that he is President of said Swiss Oils of Canada (1959) Ltd., and that said instrument was signed in behalf of said corporation by authority of its by-laws and that said David Bradie Nicholson acknowledged to me that said corporation executed the same.

[Signature]
NOTARY PUBLIC, residing at the City of Calgary, in the Province of Alberta.

My Commission is for life.

RECORDED AT THE REQUEST OF C. Warren Hunt
Mar. 4 19 74 at 18 mins. past 11 A. M. II
Book 47 of OFFICIAL RECORDS, page 297-301 RECORDS OF
FUREKA COUNTY, NEVADA
File No. 58241 Records Fee \$ 7.00
FILE NO. 58241