

AFFIDAVIT OF INTENT AND UNDERSTANDING

STATE OF NEVADA)
) SS.
 COUNTY OF ELKO)

YOUR AFFIANTS, LYNN M. BARSTOW and KATHRYN LEE BARSTOW,
 being first duly sworn depose and say:

1. That they entered into an Exploration Agreement
 with Option to Purchase Mining Properties with the Carlin Gold
 Mining Company, dated October 20, 1977, as amended on July 1,
 1978, and as amended on December 27, 1978, covering the following
 unpatented mining claims:

Those certain unpatented mining claims located
 in the Maggie Creek Mining District, Eureka
 County, Nevada located in Sections 34 and 35,
 Township 34 North, Range 51 East, M.D.B.&M.:

Les Group No. 1
 Les Group No. 2
 Les Group No. 3
 Les Group No. 4
 Les Group No. 8
 Les Group No. 9
 Lorri No. 1
 Lorri No. 2
 Lorri No. 3
 KL No. 1
 KL No. 2
 KL No. 3
 KL No. 4
 KL No. 5
 KL No. 6
 KL No. 7
 KL No. 8
 KL No. 9

Amendment (Additions)

Les No. 10 located December 20, 1978
 Les No. 11 located December 20, 1978

2. That they are aware that the Carlin Gold Mining
 Company has under lease from a third party, a notice of which is
 recorded in Book 63, Pages 30-31, Official Records, Eureka County,
 Nevada, the Elements Nos. 1-28 and 47-68 unpatented mining claims
 laying to the north of the Les Claims (Les Group) and that such
 Elements claims are prior in time and in right to any of the Les
 Group of claims.

3. That Carlin Gold Mining Company located the Les No. 10 and Les No. 11 claims on December 20, 1978 on behalf of your Affiants to cover any gaps that may have existed between the original Les claims and said Elements claims.

4. That your Affiants acknowledge and agree that no royalties are to be due and payable to them on production from any portion of the above-described claims found to be in conflict with the Elements claims.

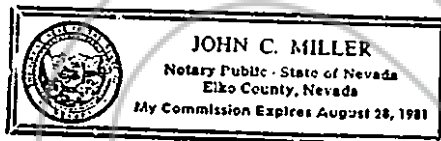
DATED this 10th day of January, 1979.

Lynn M. Barstow
LYNN M. BARSTOW

Kathryn Lee Barstow
KATHRYN LEE BARSTOW

STATE OF NEVADA)
) SS.
COUNTY OF ELKO)

On January 10, 1979, personally appeared before me, a Notary Public, LYNN M. BARSTOW and KATHRYN LEE BARSTOW, who acknowledged to me that they executed the above instrument.



J. C. Miller
NOTARY PUBLIC

67512

RECORDED AT THE REQUEST OF Hoy & Miller, Chartered
on January 15, 19 79, at 02 mins. past 8 A. M. in
Book 68 of OFFICIAL RECORDS, page 334-335, RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 67512 Fee \$ 4.00