

MEMORANDUM OF MINING AGREEMENT WITH OPTION TO PURCHASE

NOTICE IS HEREBY GIVEN that MAYNARD BISONI and MARY BISONI, husband and wife, and LESTER A. BISONI and GENEVE BISONI, husband and wife, (therein and hereinafter referred to as "Optionor"), and AMERICAN SELCO INCORPORATED, a New York corporation, (therein and hereinafter referred to as "Optionee"), have entered into a Mining Agreement with Option to Purchase ("Agreement") dated the 1st day of January 1981, with respect to the mining claims described in Exhibit A attached hereto and by this reference made a part hereof and which claims are therein and hereinafter referred to as the "Subject Premises".

Under the terms of the Agreement, Optionor has granted and does hereby grant to Optionee, for a period ending at midnight (Pacific Standard Time) on January 1, 2001 the exclusive possession of and right to enter upon the Subject Premises to explore for, develop, mine, remove and sell any or all minerals on or under the Subject Premises and to conduct such operations, including but not limited to, geological, geophysical, geochemical and metallurgical work; surveying; excavating; sampling; assaying; testing; drilling; conducting feasibility studies; developing; constructing and maintaining roads, lands and sites; and conducting and processing operations as Optionee in its sole discretion deems advisable for such purposes. Optionee shall have the right to use such resources of the Subject Premises, including but not limited to timber and water, as Optionee in its sole discretion deems advisable for such purposes.

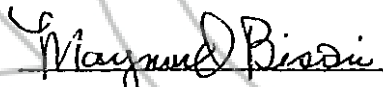
In addition, under the terms of the Agreement, Optionor has granted and hereby grants to Optionee for a period ending at midnight (Pacific Standard Time) on January 1, 2001 the sole,


exclusive and irrevocable option to purchase the Subject Premises, all upon the terms and conditions set forth in the Agreement.

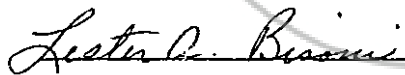
Any assignment of interest under the Agreement and this Memorandum of Agreement shall be made expressly subject to the Agreement and shall require the assignee to assume and agree in writing to perform all the obligations of the assignor under the Agreement as relate to the interest assigned. In case of assignment by mortgage, however, such assumption of obligations shall not be required, but should such mortgage be foreclosed, the purchaser on foreclosure shall take subject to the Agreement. The provisions of the Agreement and this Memorandum of Agreement shall inure to the benefit of and be binding upon the parties and their heirs, executors, administrators, personal representatives, beneficiaries, successors and assigns. No assignment shall be effective as between the parties until the first day of the next month following the delivery to the non-assigning party of satisfactory evidence of such assignment.

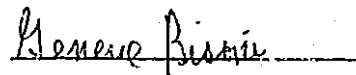
The Agreement is incorporated herein by this reference and made a part hereof. Copies of the Agreement are in the possession of: Maynard Bisoni and Lester A. Bisoni, P.O. Box 152, Eureka, Nevada 89316 and American Selco Incorporated, 90 West Grove Street, Suite 100, Reno, Nevada 89509.

OPTIONOR


MAYNARD BISONI


MARY BISONI


LESTER A. BISONI


GENEVE BISONI

OPTIONEE

AMERICAN SELCO INCORPORATED

By A. P. Taylor

A. P. Taylor, General Manager,
Exploration



Attest H. M. Lane

H. M. Lane, Assistant Secretary

STATE OF NEVADA)

COUNTY OF Eureka) ss.

On this 6 day of July, 1981, personally appeared before me, a notary public, MAYNARD BISONI, known to me to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

My Commission Expires:

Oct 3, 1983

Norman R. Roberts
Notary Public

Notary Public
Eureka County
My Appointment Expires Oct 3, 1983

STATE OF NEVADA)

COUNTY OF Eureka) ss.

On this 6 day of July, 1981, personally appeared before me, a notary public, MARY BISONI, known to me to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same.

My Commission Expires:

Oct 3, 1983

Norman R. Roberts
Notary Public

Notary Public - State of Nevada
Eureka County
My Appointment Expires Oct 3, 1983

STATE OF NEVADA)

COUNTY OF Eureka) ss.

On this 6 day of July, 1981, personally appeared before me, a notary public, LESTER A. BISONI, known to me to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

My Commission Expires:

Oct 3, 1983

Norman R. Roberts
Notary Public

Notary Public - State of Nevada
Eureka County
My Appointment Expires Oct 3, 1983

STATE OF NEVADA)
COUNTY OF Esmeralda) ss.

On this 6 day of July, 1981, personally appeared before me, a notary public, GENEVE BISONI, known to me to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same.

My Commission Expires:

Oct 3, '83

Norman R. Balala
Notary Public

My Appointment Expires Oct 3, 1983

STATE OF NEVADA)
COUNTY OF WASHOE) ss.

On this 7th day of October, 1981, personally appeared before me, a notary public, A. P. Taylor, the General Manager, Exploration of AMERICAN SELCO INCORPORATED, a New York corporation, who acknowledged that he executed the above instrument on behalf of said corporation.

My Commission Expires:

Oct 3, 1983 5-14-85



Tamara L. Tramble
Notary Public

EXHIBIT A

Attached to and made a part of that certain Agreement dated the 1st day of January, 1981, between Maynard Bisoni and Mary Bisoni, husband and wife, and Lester A. Bisoni and Geneve Bisoni, husband and wife, as Optionor and American Selco Incorporated, as Optionee, with respect to the following unpatented mining claims situated in unsurveyed Sections 4, 7 and 8, T17N R52E, Mount Diablo Base and Meridian, Eureka County, Nevada, the location notices of which are of record in the office of the Recorder of Eureka County, Nevada, and are also recorded in the office of the Bureau of Land Management in Reno, Nevada, in the Books and at the Pages and the MC numbers set opposite the names of the respective mining claims as follows:

Name of Claim	Book	Page	BLM MC No.
BP Number 1	91	489	185241
BP Number 2	91	490	185242
BP Number 3	91	491	185243
BP Number 4	91	492	185244
BP Number 5	91	493	185245
BP Number 6	91	494	185246
BP Number 7	91	495	185247
BP Number 8	91	496	185248
BP Number 9	91	497	185249
BP Number 10	91	498	185250
BP Number 11	91	499	185251
BP Number 12	91	500	185252
BP Number 13	91	501	185253
BP Number 14	91	502	185254
BP Number 15	91	503	185255
BP Number 16	91	504	185256
BP Number 17	91	505	185257
BP Number 18	91	506	185258
BP Number 19	91	507	185259
BP Number 20	91	508	185260
BP Number 21	91	509	185261
BP Number 22	91	510	185262
BP Number 23	91	511	186263
BP Number 24	91	512	186264
BP Number 25	91	513	186265
BP Number 26	91	514	194220

RECORDED AT REQUEST OF
AMERICAN SELCO INC
BOOK 99 PAGE 15

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. DUFFY - RECORDER
FILE NO. 82306
FEE \$8.00