

## MEMORANDUM FOR THE RECORD

## THE PURPOSE OF THIS MEMORANDUM IS:

- A. To record that a Mining Lease and Purchase Agreement was entered into on the 18th day of August 1980, between Hugh Shamberger, Dale Smith, Alan Bible, Don Dondero and Jerry Dondero, (the Lessors) and Galli Mineral Associates, (the Lessee).
- B. To record that this Mining Lease and Purchase Agreement is subject to terms, conditions and provisions of the above mentioned unrecorded instrument executed between the parties dated the 18th day of August 1980. Said Agreement relates to certain real property and mineral rights of the following patented lode mining claims located within the Eureka Mining District, Eureka County, State of Nevada, to wit.

	Survey No.	Patent No.
Southern Cross Lode	100A	2902
Eureka Giant Lode	146	3661
Tiger Lily Lode	147	3666
Best and Belcher Lode	197	6091

- C. To record the ownership interest of the above referenced Mining Claims, as best can be determined, is as follows:

Hugh Shamberger	Undivided one-fourth interest
Dale Smith	Undivided one-fourth interest
Alan Bible	Undivided one-fourth interest
Don Dondero	Undivided one-eighth interest
Jerry Dondero	Undivided one-eighth interest

- D. To record that Lessors grant and gives unto Galli Mineral Associates on date of execution, the exclusive right for a period of Ten (10) years to prospect, drill and explore for, and to test, treat, store and remove for testing, processing, any and all minerals lying in, on or under the premises described herein.
- E. To record that the Lessor further grants to Galli Mineral Associates the exclusive option, at any time during terms hereof, (1) to purchase said Premises upon all the terms, covenants and conditions contained in that certain Agreement described; (2) to extend this Agreement for successive Ten(10) year periods, or to exercise the option to purchase under terms, conditions and provisions of the above mentioned unrecorded instrument.
- F. To record that such Mining Lease and Purchase Agreement was duly executed by presenting evidence per Exhibit "A" attached hereto and incorporated by reference herein.

GALLI MINERAL ASSOCIATES

By Peter E. Galli  
Peter E. Galli

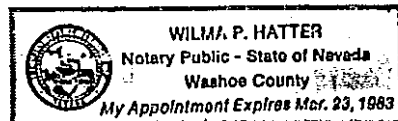
Attest:

Michael Bush  
Title Essee

Subscribed and sworn to before me  
this 1st day of December, 1981.

BOOK 99 PAGE 358

Wilma P. Hatter  
Notary



Article 14.- Binding Effect.

14.1 This Agreement shall be binding upon the heirs, executors, administrators, successors and permitted assigns of the parties hereto.

Article 15. Governing Law.

15.1 This Agreement shall be governed by the laws of the State of Nevada, and by the laws of the United State applicable to the location possession of the title to the claims.

Article 16. Integration.

16.1 This document embodies the entire understanding of the parties and merges all prior writings, negotiations and understandings. There are no terms, covenants and conditions, expressed or implied, other than those set forth herein. This Agreement may be amended only by a written document executed by both parties with the sam formality as this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Mining Lease Agreement as of the day and year first above written.

GALLI MINERAL ASSOCIATES

By Peter E. Galli  
Peter E. Galli

Hugh E. Shamburger  
Hugh Shamburger  
Paul Smith  
Paul Smith

Alan Bible  
Alan Bible

Donald Dondero  
Donald Dondero

Jerry Dondero  
Jerry Dondero  
LESSORS

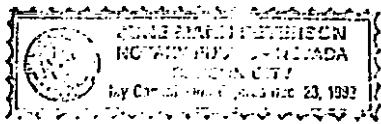
LESSEE

STATE OF NEVADA )  
COUNTY OF CARSON CITY ) SS

On this 12<sup>th</sup> day of AUGUST 1980, before me, the undersigned Notary Public for the State of NEVADA, personally appeared Hugh SHAMBERGER, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.

June Ann Peterson  
Notary Public for the State of NEVADA  
Residing at 1310 Palo Verde Drive, Carson  
My commission expires 12-23-82

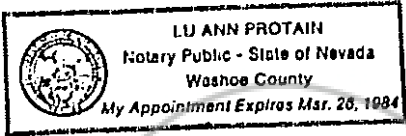


STATE OF Nevada )  
COUNTY OF Washoe ) SS

On this 15<sup>th</sup> day of August 1980, before me, the undersigned Notary Public for the State of Nevada, personally appeared Daniel Donahoe, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.

Lu Ann Protain  
Notary Public for the State of Nevada  
Residing at 70 Linden St.  
My commission expires Mar. 26, 1984

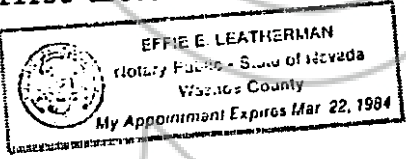


STATE OF Nevada )  
COUNTY OF Washoe ) SS

On this 15th day of August 1980, before me, the undersigned Notary Public for the State of Nevada, personally appeared Dale Smith, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.

Effie E. Leatherman  
Notary Public for the State of Nevada  
Residing at Beno  
My Commission expires \_\_\_\_\_

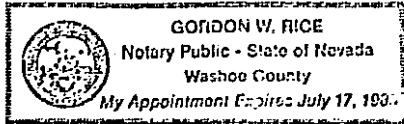




STATE OF Nevada )  
COUNTY OF Washoe ) SS

On this 15<sup>th</sup> day of August 1980, before me, the undersigned Notary Public for the State of Nevada, personally appeared Alan Poble, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.

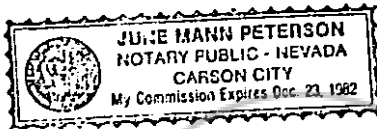


Gordon J. Rice  
Notary Public for the State of Nevada  
Residing at 214 Stewart Street, Reno  
My commission expires July 17, 1983

STATE OF NEVADA )  
COUNTY OF CARSON CITY ) SS

On this 12<sup>th</sup> day of AUGUST 1980, before me, the undersigned Notary Public for the State of NEVADA, personally appeared JERRY DONDERO, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.

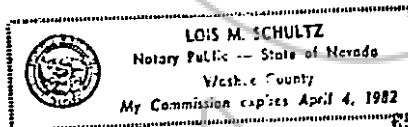


Julie Mann Peterson  
Notary Public for the State of NEVADA  
Residing at 1310 Palo Verde DR C.C.  
My commission expires 12-23-82

STATE OF Nevada )  
COUNTY OF Washoe ) SS

On this 18 day of August 1980, before me, the undersigned Notary Public for the State of Nevada, personally appeared Peter G. Balli, known to me personally to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal, the day and the year in this certificate first above written.



Lois M. Schultz  
Notary Public for the State of Nevada  
Residing at Reno Nevada  
My Commission expires April 4, 1982

RECORDED AT REQUEST OF  
Michael M. Calli  
BOOK 99 PAGE 358

81 DEC 3 8:32

OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
WILLIS A. DEPAOLI - RECORDER  
FILE NO. 82481  
FEE \$7.00

BOOK 99 PAGE 361