

MEMORANDUM OF MINING AGREEMENT WITH OPTION TO PURCHASE

NOTICE IS HEREBY GIVEN that LEO G. DAMELE and MARY C. DAMELE, husband and wife, (therein and hereinafter referred to as "Optionor"), and AMSELCO EXPLORATION INC., a Delaware corporation, (therein and hereinafter referred to as "Amselco") have entered into a Mining Agreement with Option to Purchase ("Agreement") dated the 15<sup>th</sup> day of April, 1983, 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 Amselco, for a period ending at midnight (Pacific Standard Time) on April 15, 1988, the exclusive possession of and right to enter upon the Subject Premises to explore for, develop, mine, remove and sell any or all ores, minerals and materials 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, plants and sites; and conducting mining and processing operations as Amselco in its sole discretion deems advisable for such purposes. Amselco shall have the right to use such resources of the Subject Premises, including to but not limited to timber and water, as Amselco in its sole discretion deems advisable for such purposes. Amselco shall have the right to use all existing roads, mines, open pits and cuts on or under the Subject Premises.

In addition, under the terms of the Agreement, Optionor has granted and hereby grants to Amselco for a period ending at midnight (Pacific Standard Time) on April 15, 1988, 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: Mr. and Mrs. Leo G. Damele, Post Office Box 461, Eureka, Nevada 89316 and AMSELCO EXPLORATION INC., 90 West Grove Street, Suite 100, Reno, Nevada 89509.

IN WITNESS WHEREOF, Amselco and Optionor have executed this Memorandum of Mining Agreement with Option to Purchase effective as of the 15<sup>th</sup> day of APRIL, 1983.

OPTIONOR

Leo G. Damele  
Leo G. Damele

Mary G. Damele  
Mary G. Damele

AMSELCO  
AMSELCO EXPLORATION INC.

By: A. P. Taylor  
A. P. Taylor, General  
Manager-Exploration

Attest: H. M. Lane  
H. M. Lane  
Assistant Secretary

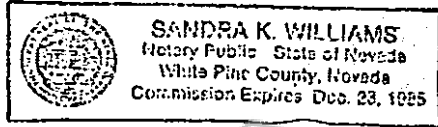


STATE OF NEVADA )  
COUNTY OF White Pine ) ss.

On this 17<sup>th</sup> day of May, in the year 1983, personally appeared before me, Sandra K. Williams, a notary public, LEO G. DAMELE, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed it.

My Commission Expires:  
Dec. 23, 1985

Sandra K. Williams  
Notary Public

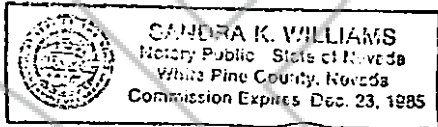


STATE OF NEVADA )  
COUNTY OF White Pine ) ss.

On this 17<sup>th</sup> day of May, in the year 1983, personally appeared before me, Sandra K. Williams, a notary public, MARY C. DAMELE, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed it.

My Commission Expires:  
Dec. 23, 1985

Sandra K. Williams  
Notary Public



STATE OF NEVADA )  
COUNTY OF WASHOE ) ss.

On this 16<sup>th</sup> day of June, in the year 1983, before me JACQUELINE I. HALE, a notary public, personally appeared A.P. TAYLOR, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as the General Manager-Exploration of AMSELCO EXPLORATION INC., a Delaware corporation, and on behalf of the corporation therein named and acknowledged to me that said corporation executed it.

My Commission Expires:  
Dec. 28, 1985

Jacqueline I. Hale  
Notary Public



EXHIBIT A

DESCRIPTION OF SUBJECT PREMISES

Attached to and made a part of that certain Memorandum of Mining Agreement with Option to Purchase dated the 15<sup>th</sup> day of April, 1983, by and between Leo G. Damele and Mary C. Damele (Optionor) and Amselco Exploration Inc. (Amselco) with respect to the following described unpatented mining claims situated in the Northwest Quarter (1/4) and the Southwest Quarter (1/4) of Section Twenty-two (22), Township Eighteen (18) North, Range Fifty-three (53) East, 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 NMC Numbers set opposite the names of the respective mining claims as follows:

<u>Claim Name</u>	<u>County</u>		<u>BLM NMC Number</u>
	<u>Book</u>	<u>Page</u>	
Alpha	64	163	23398
Alpha No. 1	64	164	23397

RECORDED AT REQUEST OF  
*Amselco Exploration Inc.*  
BOOK 111 PAGE 128

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OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. 87712  
FEE \$ 7.00