

101894

MEMORANDUM OF OPTION AGREEMENT

This Memorandum of Option Agreement is made and entered into effective the 21st day of November, 1985, by and between ARISTA GOLD & SILVER, INC. whose address is 5727 West Sixth Avenue, Lakewood, Colorado 80214 (hereinafter "Arista") and PLACER U.S. INC. whose address is One California Street, Suite 2500, San Francisco, California 94111 (hereinafter "Placer").

WITNESSETH

WHEREAS, contemporaneously herewith Arista did execute and deliver to Placer a certain Option Agreement of even date herewith (hereinafter the "Option"); and

WHEREAS, pursuant to the terms of the Option, Arista has granted to Placer an exclusive option to acquire an undivided interest in certain patented and unpatented mining claims for the purpose of exploration, development, and production of all minerals, ores or mineral substances found on said claims, with said mining claims being located in Eureka County, Nevada and more particularly described in Exhibit "A" attached hereto and incorporated herein (hereinafter the "Property"); and

WHEREAS, the Option provides for a term of four (4) years from the date hereof; and

WHEREAS, it is the desire of Arista and Placer to execute this Memorandum of Option Agreement for the purpose of recordation in the records of the County Clerk of Eureka County, Nevada in order to provide notice to all persons of the existence of the Option and the rights and privileges of Placer thereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants contained in the Option and the sum of One Dollar (\$1.00) and other good and valuable consideration, cash in hand paid, by Placer to Arista, the receipt and sufficiency of which is hereby acknowledged, Arista does hereby adopt, ratify and confirm the Option and all of its terms and provisions, and does hereby grant unto Placer the right to acquire an undivided interest in the Property, which terms and provisions are incorporated herein by reference as if fully and completely set forth herein. Arista declares that the Option and all of its terms and provisions are binding upon it and that the Option is a valid and subsisting agreement according to its terms.

Should any person have any questions or desire any information regarding the Option, said questions or inquiries should be directed to Placer at the following address:

Placer U.S. Inc.  
One California Street  
Suite 2500  
San Francisco, California 94111

Attention: Corporate Secretary

IN WITNESS WHEREOF, this Memorandum of Option Agreement is  
executed and effective as of the date first above written.

ARISTA GOLD AND SILVER, INC.

By: *John K. Zarwick*

PLACER U.S. INC.

By: *J. B. Bush*

J. B. Bush, Vice President

State of Colorado )  
County of Teller ) ss.

On this the 2nd day of January, 1986,  
before me, the undersigned Notary Public, personally appeared  
John K. Zarwick, personally known to me to be the person  
that executed this instrument as President of Arista Gold &  
Silver, Inc., and acknowledged to me that the corporation executed it.

WITNESS my hand and official seal.

*Thomas G. Aro*  
Notary's Signature

My Commission Expires June 14, 1988



THOMAS G. ARO  
NOTARY PUBLIC  
STATE OF COLORADO

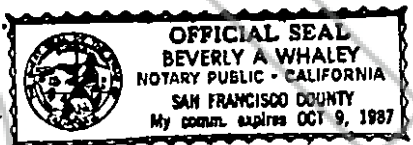
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State of California       )  
                                  ) ss.  
County of San Francisco )

On this the 13<sup>th</sup> day of January, 19 86,  
before me, the undersigned Notary Public, personally appeared  
... T. B. Bush ..., personally known to me to be the person  
that executed this instrument as Vice President of Placer U.S.  
Inc., a California corporation, and acknowledged to me that the  
corporation executed it.

WITNESS my hand and official seal.

Beverly A. Whaley  
Notary's Signature



# EXHIBIT "A"

All of those certain mining claims situate in Eureka County, Nevada described as follows:

<u>Claim Name</u>	<u>Book</u>	<u>Page</u>	<u>BLM Serial Number</u>
West 1	79	315	NMC 144234
West 2	79	316	NMC 144235
West 3	79	317	NMC 144236
West 4	79	318	NMC 144237
West 5	79	319	NMC 144238
West 6	79	320	NMC 144239
West 7	18	145	NMC 144520
West 8	18	147	NMC 144521
West 9	18	149	NMC 144522
West 10	18	151	NMC 144523
West 11	18	153	NMC 144524
West 12	34	150	NMC 144525
West 14	39	420	NMC 144526
Key R.U.	11	92	NMC 87527
O'Dair 1	79	326	NMC 144240
O'Dair 2	79	321	NMC 144241
O'Dair 3	79	322	NMC 144242
O'Dair 4	79	323	NMC 144243
R & E #1	79	324	NMC 144244
R & E #2	11	90	NMC 87531
R & E #3	79	325	NMC 144245
Keystone Ext.	33	144	NMC 87530
North Key	11	88	NMC 87529
Key #2	25	257	NMC 87528
Hope #1	42	465	
Hope #2	42	466	
Hope #3	42	467	
Hope #4	47	192	
Hope #5	47	193	
Hope #6	47	194	
Hope #7	47	195	
Hope #8	47	196	
Hope #9	47	197	
Hope #10	47	198	
Hope #11	47	199	
Hope #12	47	200	
K 1-6	89	176-181	NMC 145659-145664
Z 1-38	87	515-552	NMC 167426-167463
Sidney			NMC 115754
Sidney #1			NMC 115755
Sidney #2			NMC 115756
Sidney #3			NMC 115757
Sidney #4			NMC 115758
O'Dair Extension			NMC 115760

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RECORDED AT REQUEST OF  
Placer U.S. Inc.  
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86 JAN 21 P 1:03

OFFICIAL RECORD  
EUREKA COUNTY, NEVADA  
V.M. BODALEY, RECORDER  
FILE NO. 101894  
FEE \$ 9.00

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