

MEMORANDUM OF AGREEMENT

ELNA EL ERS AMP
ELEANOR RUTH

NOTICE IS HEREBY GIVEN that ELMER F. SCHROEDER and ELEANOR RUTH SCHROEDER, his wife, (hereinafter referred to as "OWNER") and FREEPORT-McMoRan GOLD COMPANY, a Delaware corporation, (hereinafter referred to as "FREEPORT") have entered into an Agreement dated as of June 20, 1986, (hereinafter referred to as the "Agreement") covering certain properties located in the State of Nevada, more particularly described in Schedule A attached hereto and made a part hereof (hereinafter referred to as the "Property").

Said Agreement, in consideration of the payments and other covenants and agreements set forth therein, provides that OWNER has leased exclusively to FREEPORT, and FREEPORT has the exclusive right to enter upon and take immediate possession of the Property, to explore and prospect for all metals, ores, minerals, mineral substances and materials of all kinds from the Property. OWNER has granted FREEPORT the exclusive option to purchase the Property at any time while this Agreement is in effect.

The term of said Agreement commenced on the date thereof and shall continue for a period of ten (10) years unless sooner terminated. FREEPORT has the right at any time to terminate said Agreement on ten (10) day's notice in writing to OWNER.

Said Agreement further provides that if OWNER should receive a bona fide offer to purchase the Property at any time during the term of the Agreement, OWNER shall give notice to FREEPORT of such fact and FREEPORT shall have the option for a period of two (2) months after such notice to

purchase the Property from OWNER on the terms and conditions specified in the original notice to FREEPORT from the Selling Party. Any assignment by OWNER of any interest in the Property shall be subject and subordinate to FREEPORT's right of first refusal and to the other rights and interests of FREEPORT under said Agreement.

Copies of said Agreement are in the possession of OWNER, whose address is P. O. Box 6, Crescent Valley, Nevada 89821, and FREEPORT, at its address of P. O. Box 41330, Reno, Nevada 89504.

IN WITNESS WHEREOF, this Memorandum of Agreement has been executed this 26th day of June, 1986.

FREEPORT:

FREEPORT-McMoran GOLD COMPANY

By: William M. Arch
Vice President

OWNER:

Elmer F. Schroeder
Elmer F. Schroeder

Eleanor Ruth Schroeder
Eleanor Ruth Schroeder
KNAEB EPS AMCP

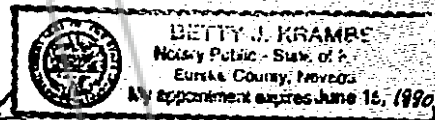
STATE OF Nevada)
COUNTY OF Eureka) SS

The foregoing instrument was acknowledged before me this 20th day of June, 1986, by ELMER F. SCHROEDER and ELEANOR RUTH SCHROEDER, his wife. *ELMER F. SCHROEDER ERS ANW*

Witness my hand and official seal.

My Commission expires: 6-15-90

Betty J. Kramps
Notary Public



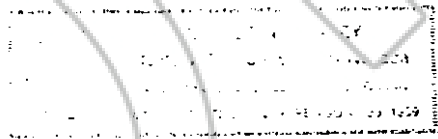
STATE OF NEVADA)
COUNTY OF WASHOE) SS

The foregoing instrument was acknowledged before me this 25th day of June, 1986, by Allan M. Park, as Vice President of Freeport-McMoRan Gold Company, a Delaware corporation, on behalf of the corporation.

Witness my hand and official seal.

My Commission expires: MY APPOINTMENT EXPIRES JUNE 26, 1989

Allan M. Park
Notary Public



SCHEDULE A
 TO THE
 MEMORANDUM OF MINERAL LEASE AGREEMENT
 BETWEEN *ELMER F. SCHROEDER ERS AMP*
 ELMER F. SCHROEDER AND ELEANOR RUTH SCHROEDER
 AND
 FREEPORT-McMoRan GOLD COMPANY

"Property"

Claim Name	Location Date	Eureka County		BLM Serial Number
		Book	Page	
E&E # 1	03/02/80	81	218	N MC 152328
E&E # 2	03/02/80	81	219	N MC 152329
E&E # 3	03/02/80	81	220	N MC 152330
E&E # 4	03/02/80	81	221	N MC 152331
E&E # 5	03/28/86	143	218	N MC 363952
E&E # 6	03/28/86	143	219	N MC 363953
E&E # 7	03/28/86	143	220	N MC 363954
E&E # 8	03/28/86	143	221	N MC 363955
E&E # 9	03/28/86	143	222	N MC 363956
E&E #10	03/28/86	143	223	N MC 363957
E&E #11	03/28/86	143	224	N MC 363958
E&E #12	03/28/86	143	225	N MC 363959
E&E #13	06/20/80	84	512	N MC 161033
E&E #14	06/20/80	84	513	N MC 161034
E&E #15	06/20/80	84	514	N MC 161035
E&E #16	06/20/80	84	515	N MC 161036
E&E #17	06/20/80	84	518	N MC 161037
E&E #18	06/20/80	84	519	N MC 161038
E&E #19	06/20/80	84	520	N MC 161039
E&E #20	07/24/80	84	521	N MC 161040
E&E #21	07/24/80	84	522	N MC 161041
E&E #22 Frac.	07/28/80	84	516	N MC 161042
E&E #23 Frac.	07/28/80	84	517	N MC 161043
E&E #24 Frac.	07/28/80	84	523	N MC 161044
E&E #25	07/28/80	84	524	N MC 161045
E&E #26	07/28/80	84	525	N MC 161046

RECORDED AT REQUEST OF
Freeport - McMoRan
 Book 146 Page 407.

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OFFICIAL RECORDS
 EUREKA COUNTY, NEVADA
 MINERAL & ALL RECORDS
 FILE NO. 103806
 Fee \$ 8.00