

MEMORANDUM OF AGREEMENT

NOTICE IS HEREBY GIVEN that ELMER F. SCHROEDER and ^{ELNA EL ERS AMP} 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 20th day of June, 1986.

FREEPORT:

FREEPORT-McMoran GOLD COMPANY

By: William M. Rich
Vice President

OWNER:

Elmer F. Schroeder
Elmer F. Schroeder

Eleanor Ruth Schroeder
Eleanor Ruth Schroeder
KNAES E.P.S. AMP

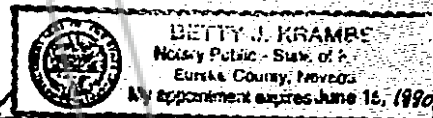
STATE OF Nevada)
COUNTY OF Eureka) SS

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

Witness my hand and official seal.

My Commission expires: 6-15-90

Betty J. Krambs
Notary Public



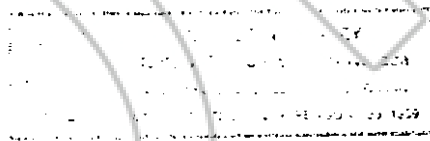
STATE OF NEVADA)
COUNTY OF WASHOE) SS

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 Book	Page	BLM Serial Number
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
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. HEDLEY ATT. RECORDER
FILE NO. **103806**
Fee \$ 8.00

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