

WHEN RECORDED RETURN TO:
Hill, Caswell, de Liptau & Erwin
P. O. Box 2760
Reno, NV 89603

110703

MINE48:jsp

1 MEMORANDUM OF MINING EXPLORATION AND LEASE AGREEMENT

2 NOTICE IS HEREBY GIVEN that EDWARD L. DEVENYNS and DAVID
3 R. ERNST, hereinafter collectively referred to as "Lessor", and
4 KERADAMEX INC., a California corporation, hereinafter referred to
5 as "Keradamex", have entered into a Mining Exploration and Lease
6 Agreement, hereinafter referred to as the "Agreement", whereby
7 Lessor has granted to Keradamex certain rights to explore, develop
8 and mine minerals located on and under the Line Nos. #1 - #63,
9 inclusive, unpatented mining claims (the "Premises") located in
10 Sections 8, 17, 20, 29 and 32, Township 26 North, Range 48 East
11 M.D.B. & M., Eureka County, State of Nevada, the BLM filing
12 information for which is more particularly described as BLM Nos.
13 384806-384868, inclusive.

14 Keradamex has the right to transfer and assign its interest in the
15 Agreement subject to the rights of Lessor to be paid the minimum
16 payments and production royalty described in the Agreement.
17 Lessor's right to assign or transfer its interest in the Agreement
18 is limited by the terms and conditions of the Agreement, and
19 Keradamex has the right of first refusal to purchase all of the
20 right, title and interest of Lessor pursuant to the Agreement.

21 For purposes of the Agreement and this Memorandum of
22 Mining Exploration and Lease Agreement, the addresses of the
23 parties are:

24 Edward L. Devenyns
25 15900 Caswell
26 Reno, Nevada 89511

27 David R. Ernst
28 1000 Beck #254
29 Reno, Nevada 89509


30 Keradamex Inc.
31 50 Freeport Blvd., Suite 20
32 Sparks, Nevada 89431

and a copy to:

Counsel for Keradamex Inc.
Kerr-Addison Mines Ltd.
P. O. Box 91
Commerce Court West
Toronto, Ontario Canada M5L 1C7

IN WITNESS WHEREOF, the parties have executed this
Memorandum of Mining Exploration and Lease Agreement effective
this 2nd day of July, 1987.

LESSOR


EDWARD L. DEVENYNS


DAVID R. ERNST

1.

KERADAMEX INC.



By [Signature]
Title: President

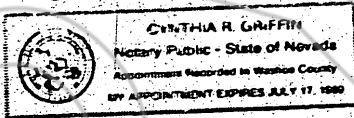
And [Signature]
Title: Secretary

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STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this 2nd day of July, 1987, before me, the under-
signed, a Notary Public in and for the County of Washoe, State of
Nevada, duly commissioned and sworn, personally appeared EDWARD L.
DEVENYNS who acknowledged to me that he executed the above
Memorandum of Mining Exploration and Lease Agreement.

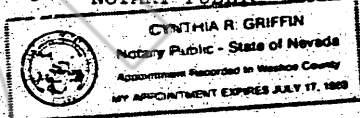
[Signature]
NOTARY PUBLIC



STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this 2nd day of July, 1987, before me, the under-
signed, a Notary Public in and for the County of Washoe, State of
Nevada, duly commissioned and sworn, personally appeared DAVID R.
ERNST, who acknowledged to me that he executed the above
Memorandum of Mining Exploration and Lease Agreement.

[Signature]
NOTARY PUBLIC



CITY OF TORONTO)
) ss.
PROVINCE OF ONTARIO)

On this 10th day of July, 1987 personally appeared before me,
a Notary Public, I.D. Bayer and J.B. Sage, who acknowledged that he
executed the above Memorandum of Mining Exploration and Lease
Agreement in his capacity as President and Secretary of
KERADAMEX INC., as indicated above, and on behalf of said
corporation and that the corporation executed the above Memorandum
of Mining Exploration and Lease Agreement.

[Signature]
NOTARY PUBLIC



RECORDED AT THE REQUEST OF
Will Cass's desk & Edwin
BOOK 161 PAGE 455

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBALEA
FILE NO. 116703
FEE \$ 6.60