

MEMORANDUM OF EXPLORATION LICENSE

An Exploration License, dated and effective as of May 27, 1986, has been executed by and between Santa Fe Pacific Mining, Inc. (formerly Santa Fe Mining, Inc.), a Kansas corporation ("SFPM"), and SFP Minerals Corporation, a Delaware corporation ("SFP").

Under the Exploration License, SFP has granted to SFPM the right to conduct mineral exploration and development activities on Subject Lands described on attached Exhibit I in Eureka County, State of Nevada, subject to superior rights of third persons in and to minerals in the Subject Lands and pursuant to SFP's rights under Exploration Agreement dated August 1, 1985 between SFP and Southern Pacific Land Company. At any time SFPM may elect to lease a designated portion of the Subject Lands using a form of Minerals Sublease attached as an exhibit to the Exploration License. The Exploration License shall be in full force and effect beginning as of the effective date and ending on December 31, 2014, the termination date of the aforementioned Exploration Agreement.

A true and correct executed copy of the Exploration License is available at the offices of the parties thereto:

Santa Fe Pacific Mining, Inc.
6200 Uptown Boulevard, N.E.
Albuquerque, New Mexico 87110

or

SFP Minerals Corporation
6200 Uptown Boulevard, N.E.
Albuquerque, New Mexico 87110

BOOK 1-67 PAGE 345

IN WITNESS WHEREOF, this Memorandum of Exploration License has been executed effective as of May 27, 1986 for the purpose of giving public notice of the existence of the Exploration License. This Memorandum of Exploration License shall not in any manner alter the provisions of or rights and obligations of the parties under the Exploration License.

SANTA FE PACIFIC MINING, INC.

By *K. Sage*
K. Sage

SFP MINERALS CORPORATION

By *P. F. Weber*
P. F. Weber

STATE OF NEW MEXICO)
) : S.S.
County of Bernalillo)

The foregoing instrument was acknowledged before me this 2nd day of June, 1986 by K. Sage as Vice President of Santa Fe Pacific Mining, Inc., a Kansas corporation, on behalf of that corporation.

My Commission Expires:

9-20-1990

SEAL
Affixed

Blaine E. Martin
Notary Public

STATE OF NEW MEXICO)
) : S.S.
County of Bernalillo)

The foregoing instrument was acknowledged before me this 2nd day of June, 1986 by P. F. Weber as Vice President of SFP Minerals Corporation, a Delaware corporation, on behalf of that corporation.

My Commission Expires:

9-20-1990

SEAL
Affixed

Blaine E. Martin
Notary Public

BOOK 67 PAGE 346

NA. EXHIBIT I

EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA EUREKA COUNTY	SEC-TWP-RGE	PARCEL DESCRIPTION	RECORD ACRES
	MEM		
	01-32N-48E	W1/2 OF NE1/4 & W1/2 EXCEPT 25.89 ACRES IN R/W.	375.780
	03-32N-48E	ALL	659.840
	05-32N-48E	ALL, EXCEPT A PARCEL 100' X 100' OUT OF LOT 4.	669.390
	09-32N-48E	ALL	640.000
	11-32N-48E	ALL	640.000
	13-32N-48E	NW1/4 OF NE1/4, W1/2 OF SW1/4, W1/2 OF NW1/4 AND SW1/4 OF NW1/4.	240.000
	15-32N-48E	ALL	640.000
	17-32N-48E	ALL	640.000
	21-32N-48E	ALL	640.000
	23-32N-48E	ALL, EXCEPT E1/2 OF SE1/4.	560.000
	27-32N-48E	W1/2, SW1/4, NW1/4 OF SE1/4	520.000
	29-32N-48E	ALL	640.000
	33-32N-48E	ALL	643.080
	33-33N-48E	E1/2 EXCEPT 10.00 AC. SOLD TO THORNTON, AND EXCEPT 17.60 AC IN R/W.	265.560
	35-33N-48E	W1/2	317.680
	03-34N-48E	NW1/4	160.980
	05-34N-48E	SE1/4	160.000
	09-34N-48E	NW1/4	160.000
	17-34N-48E	W1/2 OF NW1/4.	80.000
	01-35N-48E	ALL	652.930
	13-35N-48E	ALL	574.090
	21-35N-48E	ALL	640.000
	23-35N-48E	ALL	589.320
	27-35N-48E	ALL	598.660
	29-35N-48E	ALL	640.000
	33-35N-48E	ALL	605.970
	25-36N-48E	SE1/4	160.000
	35-36N-48E	SE1/4	160.000
	05-28N-49E	ALL	641.400
	17-28N-49E	ALL	640.000

BOOK 167 PAGE 347

MA. EXHIBIT I

EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA
EUREKA COUNTY

SEC-TWP-RGE	PARCEL DESCRIPTION	RECORD ACRES
	MEM	
05-29N-49E	S1/2, NE1/4	568.350
17-29N-49E	ALL	640.000
29-29N-49E	ALL	640.000
05-30N-49E	NE1/4	161.378
09-30N-49E	ALL	640.000
21-30N-49E	ALL	640.000
33-30N-49E	ALL	640.000
03-31N-49E	SW1/4	161.338
07-31N-49E	SE1/2	320.000
17-31N-49E	SE1/2	320.000
19-31N-49E	SE1/2	320.000
29-31N-49E	SE1/2	320.000
31-31N-49E	NE1/4	160.000
13-32N-49E	ALL	640.000
33-32N-49E	SE1/4	160.000
01-35N-49E	ALL	644.000
19-36N-49E	ALL	646.760
31-36N-49E	NE1/4	160.170
35-36N-49E	SE1/4	160.000
01-31N-50E	ALL, EXCEPT 17.00 AC. IN WP R/W & EXCEPT 17.63 AC. IN SP. R/W.	617.770
07-31N-51E	ALL, EXCEPT 43.34 ACRES IN R/W	477.250
01-32N-51E	ALL	795.120
03-32N-51E	ALL	797.200
05-32N-51E	ALL	803.980
09-32N-51E	ALL	640.000
11-32N-51E	ALL	640.000
13-32N-51E	ALL	640.000
15-32N-51E	ALL	640.000
17-32N-51E	ALL EXCEPT 2.07 ACRES	641.210
21-32N-51E	ALL	640.000
23-32N-51E	ALL	640.000

BOOK 167 PAGE 348

MA. EXHIBIT I
EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA EUREKA	COUNTY	PARCEL DESCRIPTION	RECORD ACRES
		NON	
25-32N-51E		N1/2, SW1/4, NW1/4 OF SE1/4 AND S1/2 OF SE1/4 EXCEPT 45.61 AC. IN R/W.	554.390
27-32N-51E		ALL	640.000
29-32N-51E		ALL	646.800
33-32N-51E		ALL	640.000
35-32N-51E		E1/2 EXCEPT 4.80 AC. IN THE TOWNSITE OF PALISADE AND ALSO EXCEPT 1.64 AC. IN SPTCO. R/W.	313.400
35-32N-51E		LOTS 4 & 5 OF BLOCK 1	
01-33N-51E		ALL	634.720
05-33N-51E		ALL	646.780
09-33N-51E		ALL	640.000
11-33N-51E		ALL	640.000
13-33N-51E		ALL	640.000
15-33N-51E		ALL	640.000
17-33N-51E		ALL	650.920
21-33N-51E		ALL	640.000
23-33N-51E		ALL	640.000
25-33N-51E		ALL	640.000
27-33N-51E		ALL	640.000
29-33N-51E		ALL	651.600
33-33N-51E		ALL	640.000
35-33N-51E		ALL	640.000
27-34N-51E		NEL/4	160.000
17-35N-51E		N1/2	320.000
09-28N-52E		N1/2.	320.000
03-29N-52E		N1/2	319.400
09-29N-52E		E1/2	320.000
15-29N-52E		N1/2	320.000
21-29N-52E		E1/2 & SW1/4.	480.000
33-29N-52E		ALL	640.000
07-32N-52E		ALL	644.740
19-32N-52E		ALL, EXCEPT 29.26 AC. IN. WP. R/W AND 32.60 AC. IN SP R/W.	583.940
31-32N-52E		LOTS 3 TO 14 INCL.	467.350

BOOK 167 PAGE 349

MA. EXHIBIT I
EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA
EUREKA COUNTY

SEC-TWP-RGE	PARCEL DESCRIPTION	RECORD ACRES
NM		
07-33N-52E	ALL	625.200
19-33N-52E	ALL	635.760
31-33N-52E	ALL	631.680

RECORDED AT THE REQUEST OF
S.F.P. Minerals Corporation
BOOK 167 PAGE 345

87 NOV -5 A9:17

OFFICE REC'D
EUREKA COUNTY, NEVADA
FILE NO. 113560
FEE \$ 20.00

BOOK 167 PAGE 350