

115734

MEMORANDUM OF MINING EXPLORATION, LEASE AND OPTION AGREEMENT

NOTICE IS HEREBY GIVEN that RICHARD L. GERISH and LEISA B. GERISH, husband and wife, and BERNARD PONTE and BARBARA PONTE, husband and wife, hereinafter collectively referred to as "LESSOR" and KERADAMEX INC., a California corporation, hereinafter referred to as "KERADAMEX", have entered into a Mining Exploration and Lease Agreement, hereinafter referred to as the "Agreement" whereby LESSOR has granted to KERADAMEX certain rights to explore, develop and mine minerals located on and under the patented and unpatented mining claims (the "Property") located in Sections 14, 15, 22, 23 & 27, Township 18 North, Range 53 East M.D.B. & M., Eureka County, State of Nevada, the county recordation and BLM filing information for which is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. LESSOR has granted to KERADAMEX the option to purchase the Property on the terms and conditions described in the Agreement.

KERADAMEX has the right to transfer and assign its interest in the Agreement subject to the rights of LESSOR, to be paid the minimum payments and production royalty described in the Agreement, so long as KERADAMEX is not in default of the Agreement and so long as KERADAMEX first obtains the written consent of LESSOR, which consent shall not be withheld unreasonably. LESSOR'S right to assign or transfer its interest in the Agreement is limited by the terms and conditions of the Agreement, and KERADAMEX has the right of first refusal to purchase all of the right, title and interest of LESSOR pursuant to the Agreement.

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

LESSOR

Richard L. Gerish
Leisa B. Gerish
1629 Tumbleweed Road
Fallon, Nevada 89406

Bernard Ponte
Barbara Ponte
943 West Williams
Fallon, Nevada 89406

with a copy to: TAKE OUT

Michael J. Morrison
6121 Lakeside Drive #250
Reno, Nevada 89511

KERADAMEX

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

with a copy to:

Kerr-Addison Mines Limited
P.O. Box 91
Commerce Court West, Suite 3770
Toronto, Ontario
CANADA M5L 1C7

IN WITNESS WHEREOF, the parties have executed this Memorandum of Mining Exploration, Lease and Option Agreement effective this 6th day of DECEMBER, 1987.

LESSOR

Richard L. Gerish
Richard L. Gerish

Leisa B. Gerish
Leisa B. Gerish

Bernard Ponte
Bernard Ponte

Barbara Ponte
Barbara Ponte

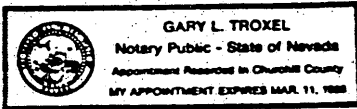
KERADAMEX, INC.

By: [Signature]
Title: President

By: [Signature]
Title: Secretary

STATE OF NEVADA)
) SS.
COUNTY OF CHURCHILL)

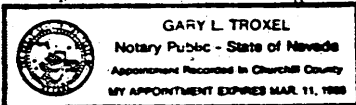
On this 6th day of DECEMBER, 1987, before me, the undersigned, a Notary Public in and for the County of CHURCHILL, State of Nevada, duly commissioned and sworn, personally appeared Richard L. Gerish, who acknowledged to me that he executed the above Mining Exploration and Lease Agreement.



Gary L. Troxel
NOTARY PUBLIC

STATE OF NEVADA)
) SS.
COUNTY OF CHURCHILL)

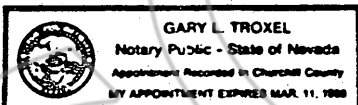
On this 6th day of DECEMBER, 1987, before me, the undersigned, a Notary Public in and for the County of CHURCHILL, State of Nevada, duly commissioned and sworn, personally appeared Leisa B. Gerish, who acknowledged to me that he executed the above Mining Exploration and Lease Agreement.



Gary L. Troxel
NOTARY PUBLIC

STATE OF NEVADA)
) SS.
COUNTY OF CHURCHILL)

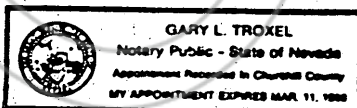
On this 6th day of DECEMBER, 1987, before me, the undersigned, a Notary Public in and for the County of CHURCHILL, State of Nevada, duly commissioned and sworn, personally appeared Bernard Ponte, who acknowledged to me that he executed the above Mining Exploration and Lease Agreement.



Gary L. Troxel
NOTARY PUBLIC

STATE OF NEVADA)
) SS.
COUNTY OF CHURCHILL)

On this 6th day of DECEMBER, 1987, before me, the undersigned, a Notary Public in and for the County of CHURCHILL, State of Nevada, duly commissioned and sworn, personally appeared Barbara Ponte, who acknowledged to me that he executed the above Mining Exploration and Lease Agreement.



Gary L. Troxel
NOTARY PUBLIC

CITY OF TORONTO)
PROVINCE OF ONTARIO) ss.

On this 8 day of JANUARY, 1987, personally appeared before me, a Notary Public, IAN BAYER, who acknowledged that he executed the above Mining Exploration and Lease Agreement in his capacity as President of KERADANEX, INC., as indicated above, and on behalf of said corporation and that the corporation executed the above Mining Exploration and Lease Agreement.

Jeffrey A. Snow
NOTARY PUBLIC

CITY OF TORONTO)
PROVINCE OF ONTARIO) ss.

On this 8 day of JANUARY, 1987, personally appeared before me, a Notary Public, JOHN SAGE, who acknowledged that he executed the above Mining Exploration and Lease Agreement in his capacity as Secretary of KERADANEX, INC., as indicated above, and on behalf of said corporation and that the corporation executed the above Mining Exploration and Lease Agreement.

Jeffrey A. Snow
NOTARY PUBLIC

EXHIBIT "A"

To the Agreement dated 6th day of DECEMBER, 1987, between Richard L. Gerish, Leisa B. Gerish, Bernard Ponte, and Barbara Ponte; and Keradamex, Inc..

"Property"

Sections 14, 15, 22, 23, and 27, Township 18 North, Range 53 East, MDB&M, Eureka County, Nevada.

A. UNPATENTED MINING CLAIMS

Claim Name	<u>Original</u>		<u>Amendment</u>		BLM NMC No.
	Book	Page	Book	Page	
Badger	0	19	81	574	11890
Stockton # 1	0	18			11891
Stockton # 2	17	534-535	62	116	11892
Stockton # 3	17	536-537	62	117	11893
Stockton # 4	17	538-539	62	118	11894
Stockton # 5	17	540-541	62	119	11895
Stockton # 6	17	542-543	62	120	11896
			81	573	11896
Stockton # 7	17	544-545	62	121	11897
Stockton # 8	17	546-547	62	122	11898
Stockton # 9	17	548-549	62	123	11899
Stockton #10	17	550-551	62	124	11900
Stockton #11	17	552-553	62	125	11901
Stockton #12	17	554-555	62	126	11902
Stockton #13	17	556-557	62	127	11903
Stockton #17	76	368			132317
Stockton #18	76	369			132318
Stockton #22	76	370			132319
Stockton #23	76	371			132320
Stockton #24	76	372			132321
Stockton #25	76	373			132322
Stockton #26	76	374			132323
Stockton #27	76	375			132324
Stockton #36	76	376			132325
Stockton #37	76	377			132326
Stockton #14	78	431			139500
Stockton #15	78	432			139501
Stockton #16	78	433			139502
Stockton #19	78	434			139503
(Tailings)					
Stockton #20	78	435			139504
Stockton #28	78	436			139505
Stockton #29	78	437			139506
Stockton #30	78	438			139507
Stockton #31	78	439			139508
Stockton #32	78	440			139509
Stockton #33	78	441			139510
Stockton #34	78	442			139511
Stockton #35	78	443			139512
Stockton #21	81	569			154155
Stockton #38	81	570			154156
Stockton #39	81	571			154157
Stockton #40	81	572			154158
Great Western	0	17			11889
GB #1	95	75			216957

B. PATENTED CLAIMS

The Stockton Lode Mining Claim designated by the Surveyor General as Lot No. 70, embracing a portion of the unsurveyed public domain in the SECRET CANON MINING DISTRICT, issued by the United States of America, on October 31, 1885.

The Hodgdon Lode Mining claim designated by the Surveyor General as Lot No. 290, embracing a portion of the unsurveyed public domain in the SECRET CANON MINING DISTRICT, issued by the United States of America, on February 2, 1888.

The Geddes No. 4 Lode Mining Claim designated by the Surveyor General as Lot No. 69, embracing a portion of the unsurveyed public domain in the SECRET CANON MINING DISTRICT, issued by the United States of America, on March 4, 1891.

RECORDED AT THE REQUEST OF
Navadomex - Nuisan
BOOK 171 PAGE 463

'88 JAN 22 AM 57

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBALEA, CLERK
FILE NO. 11574
FEE \$ 10.00