

117729

MEMORANDUM OF MINING EXPLORATION AND LEASE AGREEMENT

NOTICE IS HEREBY GIVEN that Dean Stitzel and Carol R. Davis (hereinafter referred to as "LESSOR") and PACTOLUS CORPORATION, a Nevada corporation (hereinafter referred to as "PACTOLUS"), have entered into a Mining Exploration and Lease Agreement, hereinafter referred to as the "Agreement", whereby LESSOR has granted to PACTOLUS certain rights to explore, develop and mine minerals located on and under the Premises located in Sections 20 and 29, Township 31 North, Range 51 East, M.D.B.&M., Unknown Mining District, Eureka County, State of Nevada, the recordation and BLM filing information for which is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

PACTOLUS 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. LESSOR's right to assign or transfer its interest in the Agreement is limited by the terms and conditions of the Agreement, and PACTOLUS has the right of first refusal to purchase all of the right, title and interest of LESSOR pursuant to the Agreement.

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

Carol R. Davis / Dean Stitzel  
1050 Dotta Dr.  
Elko, Nevada 89801

Pactolus Corporation  
1545 South Wells Avenue, Suite 210  
Reno, Nevada 89502

IN WITNESS WHEREOF, the parties have executed this Memorandum of Mining Exploration and Lease Agreement effective this 1st day of April, 1988.

LESSOR:

Dean Stitzel  
Dean Stitzel

Carol R. Davis  
Carol R. Davis


PACTOLUS:

PACTOLUS CORPORATION

By Barry Horowitz  
BARRY HOROWITZ, President

STATE OF Nevada ) ss  
COUNTY OF Elko )


On this 29th day of March, 1988, personally appeared before me, a Notary Public, Dean Stitzel, who acknowledged that he executed the foregoing Memorandum of Mining Exploration and Lease Agreement.

 **JOAN A. NELSON**  
Notary Public - State of Nevada  
Elko County, Nevada  
Commission Expires MAY 23, 1991

Joan A. Nelson  
Notary Public

STATE OF Nevada ) ss  
COUNTY OF Elko )

On this 29th day of March, 1988, personally appeared before me, a Notary Public, Carol R. Davis, who acknowledge that she executed the foregoing Memorandum of Mining Exploration and Lease Agreement.

 **JOAN A. NELSON**  
Notary Public - State of Nevada  
Elko County, Nevada  
Commission Expires MAY 23, 1991

Joan A. Nelson  
Notary Public

STATE OF Nevada ) ss  
COUNTY OF Washoe )

On this 6th day of April, 1988 personally appeared before me, a Notary Public, BARRY HOROWITZ, who acknowledged that he executed the foregoing Memorandum of Mining Exploration and Lease Agreement in his capacity as President of PACTIOLUS CORPORATION, as indicated above, and on behalf of said corporation, and that the corporation executed the foregoing Memorandum of Mining Exploration and Lease Agreement.

Rebecca J. White  
Notary Public


 **REBECCA J. WHITE**  
Notary Public - State of Nevada  
Appointed to be Notary Public in Washoe County  
BY APPOINTMENT EXP. 12/31/90 DEC 11, 1988

EXHIBIT "A"

Claim No.	Book	Page	NMC #	Date
Muff 1	79	309	147057	Feb. 24, 1980
Muff 2		310	147058	
Muff 3		311	147059	
Muff 4		312	147060	
Muff 5		313	147061	
Muff 6		314	147062	
Muff 7	124	384	312772	May 11, 1984
Muff 8		385	312773	

RECORDED AT THE REQUEST OF  
*Raymond A. W. H. Kopp*  
BOOK 175 PAGE 571

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OFFICIAL RECORDS  
DOUGLAS COUNTY, NEVADA  
M.M. REBALEATI, RECORDER  
FILE NO. \_\_\_\_\_  
FEE \$ 2.00

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