

127106

MEMORANDUM OF MINING LEASE

NOTICE IS HEREBY GIVEN that, effective November 20, 1988, a Mining Lease (this "Lease") was entered into between the following parties, containing the following terms:

1. Properties Subject to Lease. The properties to this Lease are those described in Exhibit A hereto (the "Leased Premises").

2. Parties to Lease.

A. Lessors: Aaron & Ethel Buffington, except as to the Big Joker claim listed in Exhibit A, which is owned by Aaron T. Buffington, Walter C. Baumann, Randy E. Buffington and S. Kibb Buffington.

B. Lessee: Tonkin Springs Gold Mining Company.

3. Term of Lease. Unless sooner terminated or surrendered, this Lease shall remain in effect for an initial term of ten (10) years from the date hereof, renewable at Lessee's option for an additional five (5) year term, and continuing for so long thereafter as minerals are being mined, processed or marketed from the Leased Premises on a continuous basis.

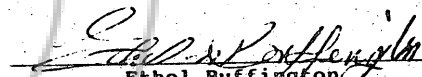
4. Rights and Privileges Granted. Lessors hereby grant to Lessee the exclusive right to explore, develop and mine the Leased Premises for all minerals of any nature whatsoever, including but not limited to metallic and non-metallic minerals, and also sand gravel, aggregate, building stone, limestone, and geothermal resources.

5. Interests Reserved by Lessors. Lessors hereby reserve advance royalties to be paid by Lessee and production royalties to be paid by Lessee, based on the value of minerals sold by Lessee from the Leased Premises.

IN WITNESS WHEREOF, Lessors and Lessee have executed this Memorandum of Mining Lease to be effective as of the date first above written.

LESSORS:

  
Aaron Buffington

  
Ethel Buffington

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See BK 263 pg. 467 for Assignment & Assumption Agreement  
See BK 263 pg. 470 for Assignment & Assumption Agreement

Aaron Buffington  
Walter E. Baumann  
by Aaron Buffington under Power  
of Attorney dated Jan. 31, 1987

Aaron Buffington  
Randy E. Buffington  
by Aaron Buffington under Power  
of Attorney dated March 10, 1987

Aaron Buffington  
S. Kibb Buffington  
by Aaron Buffington under Power  
of Attorney dated December 16, 1988 March 23, 1989

LESSEE:

TONKIN SPRINGS GOLD MINING COMPANY

By: David C. Reid  
David C. Reid  
Senior Vice President

[SEAL]

ACKNOWLEDGEMENTS

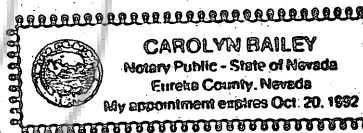
STATE OF Nevada ) ss.  
COUNTY OF Eureka )

Subscribed and sworn to before me this 30<sup>th</sup> day  
of March, 1989 by Aaron Buffington, as Lessor.

WITNESS my hand and official seal.

My commission expires: October 20, 1992

Carolyn Bailey  
Notary Public  
P.O. Box 29 Eureka, Nev. 89316

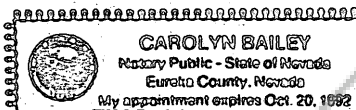


STATE OF Nevada  
COUNTY OF Eureka ) ss.

Subscribed and sworn to before me this 30<sup>th</sup> day  
of March, 1989 by Ethel Buffington, as Lessor.

WITNESS my hand and official seal.

My commission expires: October 20, 1992



Carolyn Bailey  
Notary Public

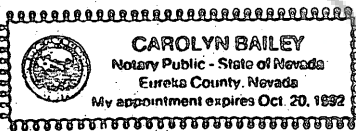
THIS MEMORANDUM OF DEED is executed on behalf of the  
named co-owners by Aaron Buffington under Power of Attorney  
dated January 31, 1989.

March 10, 1989  
March 23, 1989  
STATE OF NEVADA )  
COUNTY OF EUREKA ) ss.

On this 3<sup>rd</sup> day of March, 1989, before me, a  
notary public, personally appeared Aaron Buffington, known to me  
to be the person whose name is subscribed to the within  
instrument as the attorney-in-fact of Walter E. Baumann and  
acknowledged to me that he subscribed the name of said Walter E.  
Baumann thereto, as principal, and his own name as attorney in  
fact, freely and voluntarily and for the uses and purposes  
therein mentioned.

Carolyn Bailey  
Notary Public

My commission expires: October 20, 1992

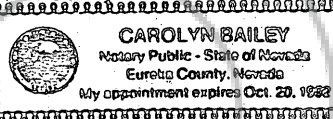


STATE OF NEVADA )  
 ) ss.  
COUNTY OF EUREKA )

On this 30<sup>th</sup> day of March, 1989, before me, a notary public, personally appeared Aaron Buffington, known to me to be the person whose name is subscribed to the within instrument as the attorney-in-fact of Randy E. Buffington and acknowledged to me that he subscribed the name of said Randy E. Buffington thereto, as principal, and his own name as attorney in fact, freely and voluntarily and for the uses and purposes therein mentioned.

Carolyn Bailey

Notary Public

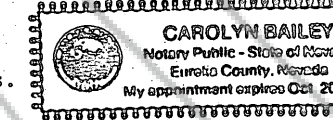


STATE OF NEVADA )  
 ) ss.  
COUNTY OF EUREKA )

On this 30<sup>th</sup> day of March, 1989, before me, a notary public, personally appeared Aaron Buffington, known to me to be the person whose name is subscribed to the within instrument as the attorney-in-fact of S. Kibb Buffington and acknowledged to me that he subscribed the name of said S. Kibb Buffington thereto, as principal, and his own name as attorney in fact, freely and voluntarily and for the uses and purposes therein mentioned.

Carolyn Bailey

Notary Public



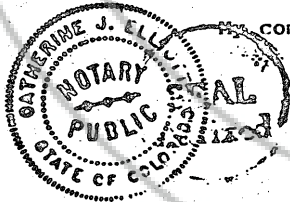
STATE OF Colorado )  
 ) ss.  
COUNTY OF Denver )

On the 10<sup>th</sup> day of April, 1989, before me personally appeared David C. Reib, in his capacity as Senior Vice President of Tonkin Springs Gold Mining Company, who, being first duly sworn, acknowledged that he executed the foregoing instrument in the name of said entity, that he had the authority to execute the same, and that he executed the same as the act and deed of said entity for the uses and purposes therein stated.

Witness my hand and official seal.

commission expires: July 8, 1992

Catherine J. Edgett  
Notary Public



POWER OF ATTORNEY

I, S. Kibb Buffington, agree to authorize Aaron Buffington to act on my behalf in the matter of the lease between Aaron Buffington and Tonkin Springs Gold Mining Company regarding the Big Joker mining claim owned jointly by Aaron Buffington, Randy Buffington, Steven K. Buffington, and Walter Baumann, heir to Earnest Baumann.

I agree to the Mining Lease submitted by Tonkin Gold, to be effective as of November 20, 1988. The only stipulation being that ores from the Big Joker Claim will be kept separate on computing royalties from said claim.

Dated 3-22, 1989.

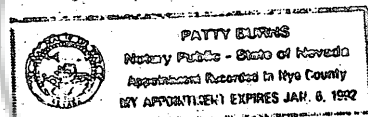
Signed: S. Kibb Buffington  
S. Kibb Buffington

STATE OF Nevada )  
COUNTY OF NYE ) ss.

On the 23rd day of MARCH, 1989, before me personally appeared S. Kibb Buffington, known to me to be the person who signed the foregoing instrument and who acknowledged the same to be his free act and deed. The said Kibb Buffington, being first duly sworn, states, by his execution of the foregoing document, that the statements contained herein are true to the best of his knowledge, information and belief.

Witness my hand and official seal.

My commission expires: 1-6-92



Patty Burns  
Notary Public

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POWER OF ATTORNEY

I, Walter E. Baumann, agree to authorize Aaron Buffington to act on my behalf in the matter of the lease between Aaron Buffington and Tonkin Springs Gold Mining Company regarding the Big Joker mining claim owned jointly by Aaron Buffington, Randy Buffington, Steven K. Buffington, and Walter Baumann, heir to Earnest Baumann.

I agree to the Mining Lease submitted by Tonkin Gold, to be effective as of November 20, 1988. The only stipulation being that ores from the Big Joker Claim will be kept separate on computing royalties from said claim.

Dated 1/31, 1989.

Signed: Walter E. Baumann  
Walter E. Baumann

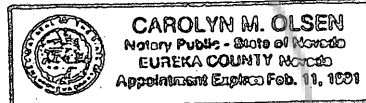
STATE OF Nevada )  
COUNTY OF Eureka ) ss.

On the 31<sup>st</sup> day of January, 1989, before me personally appeared Walter E. Baumann, known to me to be the person who signed the foregoing instrument and who acknowledged the same to be his free act and deed. The said Walter E. Baumann, being first duly sworn, states, by his execution of the foregoing document, that the statements contained herein are true to the best of his knowledge, information and belief.

Witness my hand and official seal

My commission expires: Jan. 1, 1991

Carolyn M. Olsen  
Notary Public



BOOK 196 PAGE 311

POWER OF ATTORNEY

I, Randy E. Buffington, agree to authorize Aaron Buffington to act on my behalf in the matter of the lease between Aaron Buffington and Tonkin Springs Gold Mining Company regarding the Big Joker mining claim owned jointly by Aaron Buffington, Randy Buffington, Steven K. Buffington, and Walter Baumann, heir to Earnest Baumann.

I agree to the Mining Lease submitted by Tonkin Gold, to be effective as of November 20, 1988. The only stipulation being that ores from the Big Joker Claim will be kept separate on computing royalties from said claim.

Dated 3/10, 1989.

Signed: Randy E. Buffington  
Randy E. Buffington

STATE OF Arizona )  
COUNTY OF Pima ) ss.

On the 10<sup>th</sup> day of March, 1989, before me personally appeared Randy E. Buffington, known to me to be the person who signed the foregoing instrument and who acknowledged the same to be his free act and deed. The said Randy E. Buffington, being first duly sworn, states, by his execution of the foregoing document, that the statements contained herein are true to the best of his knowledge, information and belief.

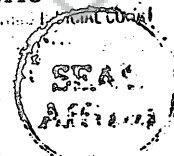
Witness my hand and official seal.

My commission expires: 1-1-91

Jan. Shandic  
Notary Public

RECORDED AT THE REQUEST OF  
BOOK 196 PAGE 306  
Tonkin Springs Gold Mining  
APR 21 1989

DEPARTMENT OF REVENUE  
MINERAL RIGHTS DIVISION  
FILE NO. 11100  
127106



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