

RECORDING REQUESTED BY
and RETURN TO:
Reynolds Metals Exploration, Inc.
Attn: Corporate Secretary
6601 West Broad Street
Richmond, Virginia 23230 132581

MEMORANDUM OF MINERAL LEASE

~~May~~ THIS MEMORANDUM OF MINERAL LEASE effective this 6th day of ~~May~~, 1990, is filed of record in accordance with the provisions contained in a MINERAL LEASE (the "Agreement") of even date herewith, wherein CAROL R. DAVIS and JERRY A. DAVIS, whose address is 1263 Mountain View, Elko, Nevada 89801 (the "Lessor") has granted and hereby grants to REYNOLDS METALS EXPLORATION, INC., a Delaware corporation authorized to transact business in Nevada, with an office address at 6601 West Broad Street, Richmond, Virginia 23230 (the "Lessee") an exclusive lease of unpatented mining claims and any fixtures or improvements thereon (the "Property") located in Eureka County, Nevada, the Property being identified on Exhibit A (attached hereto and made a part hereof). The Property is leased by Lessor to Lessee for the consideration and subject to all of the terms and conditions contained in the Agreement, which terms and conditions include, but are not limited, to the following:

1. **GRANT OF RIGHTS.** Lessor granted and hereby grants to Lessee an exclusive lease of the Property, including all ores, metals, minerals, tailings, concentrates and mineral products (the "Minerals") and all water rights appurtenant to the Property, together with the exclusive right to enter upon, possess, and use the Property for exploration, development, mining, extraction, processing and marketing of all Minerals and for all such other purposes related to such operations on other properties adjacent to or in the vicinity of the Property, subject only to a production royalty reservation in Lessor, and subject to the paramount title of the United States.

2. **TERM.** The Agreement is granted for an initial term of 20 years and so long thereafter as Lessee is exercising the rights granted in the Agreement and continues to make the minimum advance royalty payments (the "Minimum Payments") set forth in the Agreement.

3. **MINIMUM PAYMENTS AND PRODUCTION ROYALTY PAYMENTS.**

A. In lieu of any obligation on the part of Lessee to explore, develop or mine the Property or perform any other activities thereon, Lessee shall pay to Lessor Minimum Payments in the amounts set forth in the Agreement.

B. Under the terms of the Agreement, Lessor shall receive a Production Royalty on the Minerals mined from the Property and sold by Lessee from any portion of the Property.

4. ASSIGNMENT. All of the terms and conditions of the Agreement shall be binding upon and inure to the benefit of the parties and their heirs, successors, and assigns.

5. INFORMATION REGARDING AGREEMENT. Information regarding the Agreement may be obtained from Lessee's office and place of business at 6601 West Broad Street, Richmond, Virginia 23230.

IN WITNESS WHEREOF, the parties have executed this MEMORANDUM OF MINERAL LEASE effective as of the day and year first above written.

LESSOR:

LESSEE:

REYNOLDS METALS EXPLORATION,
INC.

Carol R. Davis (SEAL)
Carol R. Davis

Jerry A. Davis (SEAL)
Jerry A. Davis

Douglas D. Jinks
Douglas D. Jinks
Vice President

EXHIBIT A

The IB Claim Group consisting of 36 unpatented lode claims all located within Section 16, of Township 34 North, Range 50 East, Eureka County, Nevada.

<u>Claim Name</u>	<u>Claim Number</u>	<u>County</u>		<u>BLM Serial Number</u>
		<u>Book</u>	<u>Page</u>	
IB	1	137	39	343409
IB	2	137	40	343410
IB	3	137	41	343411
IB	4	137	42	343412
IB	5	137	43	343413
IB	6	137	44	343414
IB	7	137	45	343415
IB	8	137	46	343416
IB	9	137	47	343417
IB	10	137	48	343418
IB	11	137	49	343419
IB	12	137	50	343420
IB	13	137	51	343421
IB	14	137	52	343422
IB	15	137	53	343423
IB	16	137	54	343424
IB	17	137	55	343425
IB	18	137	56	343426
IB	19	137	57	343427
IB	20	137	58	343428
IB	21	137	59	343429
IB	22	137	60	343430
IB	23	137	61	343431
IB	24	137	62	343432
IB	25	137	63	343433
IB	26	137	64	343434
IB	27	137	65	343435
IB	28	137	66	343436
IB	29	137	67	343437
IB	30	137	68	343438
IB	31	137	69	343439
IB	32	137	70	343440
IB	33	137	71	343441
IB	34	137	72	343442
IB	35	137	73	343443
IB	36	137	74	343444

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 211 PAGE 162
Reynolds Metals
90 JUN 21 P2:09
EUREKA COUNTY, NEVADA
M.M. REBALEATI, RECORDER
FILE NO. 132581
Company
FEE \$95

ACKNOWLEDGEMENT

STATE OF ~~NEVADA~~ ^{Virginia})
COUNTY OF ~~Henrico~~) ss.

On June 6, 1990, personally appeared before me, a Notary Public, Douglas D. Jinks, Vice President of Reynolds Metals Exploration, Inc., who acknowledged that he executed the annexed instrument for and on behalf of the corporation.

Cecilia S. Johnson
Notary Public

My commission expires: 2-28-93

ACKNOWLEDGEMENT

STATE OF NEVADA)
ELKO) ss.
COUNTY OF ~~CANDLER~~)

On May 29, 1990, personally appeared before me, a Notary Public, Jerry A. Davis & Carol R. Davis known to me to be the person described in and who acknowledged to me that s/he executed the foregoing instrument for the uses and purposes therein mentioned.

Rose Marie Yraguen
Signature

My commission expires: 7-25-92



ACKNOWLEDGEMENT

STATE OF NEVADA)
COUNTY OF _____) ss.

On _____, 1990, personally appeared before me, a Notary Public, _____ of Reynolds Metals Exploration, Inc., who acknowledged that s/he executed the annexed instrument for and on behalf of the corporation.

Notary Public

My commission expires: _____