

After Recording, Return to:

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185 South State Street, Suite 1300  
P. O. Box 11019  
Salt Lake City, Utah 84147

136501

MEMORANDUM OF MINERAL LEASE AGREEMENT WITH OPTION TO PURCHASE  
COAL CANYON PROPERTY

NOTICE IS HEREBY GIVEN that H. WALTER SCHULL, whose address is 316 California Avenue, Suite 4C, Reno, Nevada 89509 (therein and hereinafter referred to as LESSOR), and GREAT BASIN EXPLORATION AND MINING COMPANY, INC., a Nevada corporation, whose address is 3400 Kauai Court, Suite 208, Reno, Nevada 89509, (therein and hereinafter referred to as LESSEE) have entered into a Mineral Lease Agreement with Option to Purchase ("Agreement") effective as of the 19th day of February, 1991 with respect to the real property described as follows:

Property: 68 unpatented mining claims

Claim Names: Coal Canyon (C.C.) Nos. 1-68

BLM Numbers: NMC 353694 - 353753;  
513108 - 513113; and  
570135 - 570136.

Recorded in Eureka County Records: BK 140 PG 327-386 and BK 184 PG 556-561; and BK 203 PG 216-217.

Located in: Sections 17, 20, 29 T25N R49E, unknown Mining District, Eureka County, Nevada

(therein and hereinafter referred to as the "Premises.")

Under the terms of the Agreement, LESSOR has granted, demised, leased and let the Premises exclusively unto LESSEE and its successors and assigns, including all mineral rights and water rights, for the purpose of exploration, development and mining of ores, minerals and materials.

In addition, LESSOR has granted and hereby grants to LESSEE, for a period of 99 years, the sole exclusive and irrevocable option to purchase the Premises, all upon the terms and conditions set forth in the Agreement.

The Agreement shall continue in force for so long as LESSEE continues to make certain payments to LESSOR, as more specifically set forth in the Agreement.

Any assignment of interest under the Agreement shall be made expressly subject to the Agreement and shall require the assignee to assume and agree in writing to perform all the obligations of the assignor under the Agreement as related to the interest assigned.

The provisions of the Agreement shall inure to the benefit of and be binding upon the parties and their successors and assigns. No assignment shall be effective as between the parties until the first day of the next month following the delivery to the non-assigning party of satisfactory evidence of such assignment.

The Agreement is incorporated herein by this reference and made a part hereof. Copies of the Agreement are in the possession of the parties at the addresses as shown on the first page of this Memorandum.

IN WITNESS WHEREOF, this MEMORANDUM OF MINERAL LEASE AGREEMENT WITH OPTION TO PURCHASE has been executed this 22nd day of April, 1991.

LESSOR:

H. W. Schull  
H. Walter Schull

LESSEE:

GREAT BASIN EXPLORATION AND MINING  
COMPANY, INC., a Nevada Corporation

By:

A. P. Taylor  
A. P. Taylor, President

STATE OF NEVADA )  
 :SS  
COUNTY OF WASHOE )

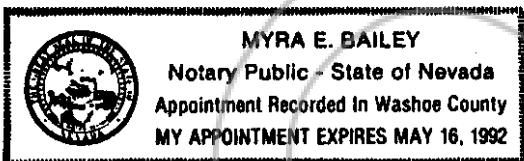
On this 2nd day of April, 1991, personally appeared before me, a Notary Public, H. Walter Schull, personally known (or proven) to be the person whose name is subscribed to the above instrument, who acknowledged to me that he executed the instrument.



Myra E. Bailey  
Notary Public

STATE OF NEVADA )  
 :SS  
COUNTY OF WASHOE )

On this 5th day of April, 1991, personally appeared before me, a Notary Public, A. P. Taylor, personally known (or proven) to be the person whose name is subscribed to the above instrument, who acknowledged to me that he executed the instrument.



Myra E. Bailey  
Notary Public

BOOK 222 PAGE 169  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
Great Basin  
'91 APR 29 P2:20.  
Exploration & Mining  
EUREKA COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEE \$700  
**136501**