

RECORDING REQUESTED BY AND RETURN TO:
SFP Minerals Corporation
ATTN: Lease Records
Box 27019
Albuquerque, NM 87125

143509

MEMORANDUM OF MINING SUBLEASE

Under the terms of that certain Mining Sublease dated effective as of the 28th day

of July, 1992, by and between SFP MINERALS CORPORATION, a Delaware corporation (herein and hereinafter referred to as "Lessor", whether one or more) and HEMLO GOLD MINES (USA) INC., a Delaware corporation (herein and hereinafter referred to as "Lessee"),

Lessor has granted, demised, leased and let and does hereby grant, demise, lease and let unto Lessee that property described in Exhibit A attached hereto and made a part hereof (the "Leased Premises"), including without limitation all ores, minerals and mineral rights and together with all water and water rights in, upon and under the Leased Premises, exclusively

unto Lessee, its successors and assigns, with the right and privilege to explore for, develop, mine (by open pit, strip, underground, solution mining, or any other method, including any method hereafter developed), extract, mill, store, process, remove and market therefrom all

ores, minerals and materials of whatsoever nature or sort, all on the terms and conditions and subject to the payments to be made to Lessor, as fully set forth in the said Lease, which Lease is by this reference incorporated herein. Unless sooner terminated in the manner therein

provided, the term of the said Lease is for a period of 15 years commencing on the effective date thereof and continuing for as long thereafter as mining, development or processing operations are being conducted thereunder or the Lease term is extended pursuant to the

force majeure and suspensions of operations provisions thereof, all as more fully set forth in the Lease. Copies of the said Lease are in the possession of Lessor, c/o Santa Fe Pacific Mining, Inc., Box 27019, Albuquerque, New Mexico 87125, and in the possession of Lessee,

c/o Hemlo Gold Mines (USA) Inc., P. O. Box 15638, Denver, Colorado 80215.

IN WITNESS WHEREOF, this Memorandum of Mining Sublease has been executed

effective as of the date first above set forth.

LESSOR: SFP MINERALS CORPORATION

By

[Signature]

Its

Vice President

LESSEE: HEMLO GOLD MINES (USA) INC.

By

[Signature]

Its

Vice President - *[Signature]*

By

Its



BOOK 243 PAGE 194

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO }
} ss.
} The foregoing instrument was acknowledged before me this 30th day of
November, 1992, by K. W. Sageser, Vice President of SFP MINERALS
CORPORATION, a Delaware corporation, on behalf of said corporation.

My Commission Expires: September 03, 1996

9/28/96

Bonnie G. Diamond
Notary Public

PROVINCE OF ONTARIO }
} ss.
} CITY OF TORONTO }
The foregoing instrument was acknowledged before me this 10th day of
December, 1992, by Ian Atkinson, R.P. - Exploration of
HEMLO GOLD MINES (USA) INC., a Delaware corporation, on behalf of said corporation.

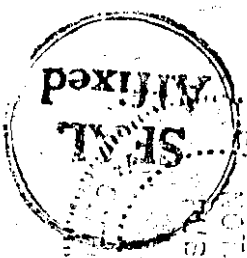
My Commission Expires: DOES NOT



PROVINCE OF ONTARIO }
} ss.
} CITY OF TORONTO }
The foregoing instrument was acknowledged before me this 10th day of
December, 1992, by Joseph Boyles, Vice-President of
HEMLO GOLD MINES (USA) INC., a Delaware corporation, on behalf of said corporation.

My Commission Expires: DOES NOT

[Signature]
Notary Public



BOOK 243 PAGE 195

EXHIBIT A

EXHIBIT A to Memorandum of Mining Sublease by and between SFP MINERALS

CORPORATION, a Delaware corporation ("Lessor") and HEMLO GOLD MINES (USA) INC.,

a Delaware corporation ("Lessee") and pertaining to the following described real property

situated in Eureka County, State of Nevada:

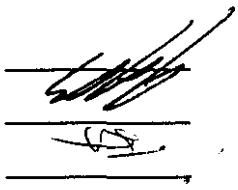
Township 33 North, Range 51 East

| | | |
|---------------|-----|-----------------------|
| Section 15: | All | 640.00 acres |
| Section 21: | All | 640.00 acres |
| Section 23: | All | 640.00 acres |
| Section 27: | All | 640.00 acres |
| TOTAL: | | 2,560.00 acres |

SUBJECT TO:

1. Taxes, if any, which may constitute a lien, but which are not yet due and payable;
2. Rights-of-way, if any, for roads, telephone and telegraph lines and pipelines of record in the office of the Clerk or Recorder of the county in which the above described property is situated; and
3. Reservations contained in the United States Patents thereto.

BOOK 243 PAGE 194
 OFFICIAL RECORDS
 RECORDED AT THE REQUEST OF
 SFP Minerals Corp.
 93 JAN 11 P 2:25
 EUREKA COUNTY, NEVADA
 M.N. REBALATI, RECORDER
 FILE NO. 143509
 FEES \$ 700

Initial for Identification


BOOK 243 PAGE 196