150704

ASSIGNMENT AND QUITCLAIM DEED

THIS ASSIGNMENT AND QUITCLAIM DEED ("Conveyance"), dated effective as of the 2nd day of February, 1994 (the "Effective Date") is from Placer Dome U.S. Inc., a California corporation ("PDUS"), having an address of One California Street, Suite 2500, San Francisco, California 94111, to Idaho Resources Corporation, a Nevada corporation ("Idaho"), having an address of P. O. Box 2183, Grand Junction, Colorado 81502.

For good and valuable consideration, PDUS does hereby convey, remise, assign and forever quitclaim all of PDUS' right, title and interest in and to the leasehold estate and contract rights, interests and obligations of that certain Mining Lease with Option to Purchase more fully described in Exhibit "A" (the "Lease"), attached hereto and by this reference made a part hereof, a Memorandum of which is recorded in Book 248, Page 15 of the records of the Eureka County, Nevada Recorder's Office, including, without limitation, the unpatented mining claims, mineral estate interests, surface estate interest pertaining thereto, together with all of the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

To have and to hold the Lease unto Idaho, its successors and assigns.

PDUS makes no warranties whatsoever with respect to the unpatented claims covered by said Mining Lease with Option to Purchase (the "Claims), either expressed or implied, but does hereby convey , transfer and assign to Idaho, its successors and assigns, to the extend so transferable, the benefit of and the right to enforce the covenants and warranties, if any, which PDUS is entitled to enforce with respect to the Claims against PDUS' predecessors in title to the Claims.

Idaho hereby assumes and agrees to be responsible for the discharge of any obligations of the Lessee under the Lease which accrue subsequent to the date of the Assignment, and, also, responsibility for the performance of any required restoration or reclamation work arising from activities of Idaho under the Lease subsequent to the said date of this Assignment.

This Conveyance shall bind and inure to the benefit of PDUS and Idaho and their respective successors and assigns.

Executed this 2nd day of February, 1994, to be effective for all purposes as of the Effective Date.

PLACER DOME U.S. INC.

By: Dennis Lee
Dennis Lee
Land/Legal Manager

IDAHO RESOURCES CORPORATION

By: WZ Wilson

Its: President

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STATE OF Nevada)
) ss.
COUNTY OF Washoe)

On this 2nd day of February, 1994, before me Bridgette Gamroth a Notary Public duly commissioned, qualified and acting within and of the said State, appeared in person the within named Dennis Lee, to me personally known, who stated that he is the Land/Legal Manager of Placer Dome U.S. Inc., a corporation, and was duly authorized in his capacity to execute the foregoing instrument for and in the name and on behalf of said corporation, and further stated and acknowledged that he so signed, executed and delivered said foregoing instrument for the uses and purposes therein mentioned and set forth. In witness Whereof, I have hereunto set my hand and official seal this 2nd day of February, 1994.

Bridgette M. Gamroth
Notary Public

BRIDGETTE M. GAMROTH
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES AUG. 15, 1995

Residing at: 363 Moraine Way
Reno, NV 89503

My commission expires: 8/15/95

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

On this 10th day of February, 1994, before me MARY CARTER, a Notary Public duly commissioned, qualified and acting within and of the said State, appeared in person the within named W. L. Wilson, to me personally known, who stated that he is the President of Idaho Resources Corporation, a corporation, and was duly authorized in his capacities to execute the foregoing instrument for and in the name and on behalf of said corporation, and further stated and acknowledged that he so signed, executed and delivered said foregoing instrument for the uses and purposes therein mentioned and set forth. In witness Whereof, I have hereunto set my hand and official seal this _____ day of February, 1994.

Mary Carter
Notary Public

Residing at: 7932 E. HEATHERBRAE
SCOTTSDALE, AZ 85251

SEAL
Affixed

My commission expires: 1-24-95

EXHIBIT "A"

Attached to and made a part of that certain Assignment and Quitclaim Deed from Placer Dome U.S. Inc. to Idaho Resources Corporation dated effective February 2, 1994.

MINING LEASE WITH OPTION TO PURCHASE

THIS MINING LEASE WITH OPTION TO PURCHASE is made effective the 15th day of February, 1993 by and among RONALD and ARLENE DAMELE, husband and wife, CHARLES and PATRICIA DAMELE, husband and wife, STEPHEN and PAULINE DAMELE, husband and wife, and YVONNE HAGER, a widow, (herein known collectively as "Lessor"), and PLACER DOME U.S. INC., a California corporation qualified to do business in Nevada, (herein known as "Lessee").

W I T N E S S E T H:

For and in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Rights Granted

1.1 Grant of Lease. Lessor hereby grants, demises and leases exclusively unto Lessee those certain unpatented mining claims (the "Property") located in the County of Eureka, State of Nevada, as more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein, together with all mines, ores, minerals, and mineral deposits of every kind and character whatsoever in, on or under the lands encompassed within the Property (subject to the exceptions, if any, noted in Exhibit "A"); all mineral interests now and hereafter acquired by Lessor in the Property or lands encompassed within the Property; the exclusive right to enter upon and to use the Property for the purpose of surveying, exploring for, and defining the extent and quality of all minerals and all mineral deposits in, on or under the Property, and for developing, mining, stockpiling, milling, processing, removing, shipping and marketing such minerals and mineral deposits by whatever methods Lessee may deem appropriate, including, without limitation, surface or solution mining; the right to dispose of and deposit on the Property ore, waste minerals and overburden from the Property or from nearby properties owned or controlled by Lessee; the right to construct and use buildings, roads, power and communication lines, tailing ponds and other improvements determined by Lessee as appropriate for the full enjoyment of the Property; the right to construct and use tunnels, adits or workings now or hereafter located in, on or under the Property as may be reasonably necessary, convenient or suitable for or incidental to any of the rights or privileges of Lessee hereunder; the right to use all or a portion of the surface of the Property and all easements and rights-of-way appurtenant thereto in such manner as may be reasonably necessary, convenient or suitable for or incidental to any of the rights or privileges of Lessee hereunder or otherwise reasonably necessary or appropriate to effect the purpose of this Lease; and together with all water rights, easements and all rights-of-way for ingress or egress to and from the Property to which Lessor may be entitled.

1.2 Use in Connection With Other Lands. The rights granted to Lessee in this Lease to use the surface of the Property and to construct and use buildings, roads, power and communication lines, tailings ponds, tunnels, adits, workings and other improvements located in, or under the Property, including appurtenances thereto, may be exercised by Lessee in connection with mineral rights in and under lands in the general vicinity of the Property which are owned, acquired by or leased to Lessee, as well as in connection with mineral rights owned by Lessor and leased to Lessee hereunder.

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2. Term. The term of this Lease shall be for five (5) years from the date hereof. This Lease may be earlier terminated but only pursuant to Paragraphs 4.6, 8 or 9.

3. Title

3.1 Warranty. Lessor represents that, to the best of Lessor's knowledge, it owns the full and undivided interest in and to the mining claims comprising the Property described in Exhibit "A", free and clear of all liens claims and encumbrances whatsoever, subject only to the paramount interest of the United States of America and the exceptions, if any, set-forth on Exhibit "A"; that it has not assigned or encumbered its interest in the Property; that all said mining claims have been validly located and are in good standing under the applicable mining laws of the State of Nevada and of the United States pertaining to unpatented mining claims; that all required notices of certificates of location and all necessary affidavits of assessment work have been recorded in the office of the Eureka County Recorder on a timely basis; that the said mining claims were filed with the Nevada State office of the Bureau of Land Management (BLM) on a timely basis; that the annual assessment work has been performed for the year ending September 1, 1992 and proofs thereof filed with the Eureka County Recorder and the Nevada BLM; that there are no present outstanding preferential rights to acquire all or a portion the Property granted or are required to be granted by Lessor to others; that all taxes, if any, which may be applicable, have been paid; that the Property is not in any manner encumbered as a result of any conduct or activity of Lessor; that Lessor has no knowledge of, and has received no notice of, any claims against Lessor's title as warranted herein or of any claims to the ground in conflict with the valid location of any of the said mining claims, except as set forth in this Paragraph 3.1 and that there may be overlapping exterior boundaries for purpose of precluding the existence of claim fractions; that Lessor has full and complete authority to execute this Lease and grant the rights herein conferred.

Lessor warrants and will forever defend the above warranted title and rights of Lessee, its successors and assigns, in the Property against all claims and demands of any entity, person or persons whatsoever.

3.2 No Liability for Loss of Claims. Lessee shall not be held liable for loss of any claims comprising the Property by virtue of invalid location or maintenance by Lessor. Lessee shall not be held liable for the loss of any claims due to any act of governmental agencies, provided that Lessee had taken all reasonable means to protect and maintain said mining claims. Lessee shall comply timely with any current and future laws or regulations, both state and federal, affecting title, location requirements, and maintenance of the said mining claims.

3.3 Title Examination and Curative Work.

3.3.1 Title Examinations. Subject to the provisions of Paragraph 3.1, Lessee shall have one (1) year from the date hereof in which to conduct a title examination of the Property. If such examination reveals defects in the title to the Property as warranted, Lessee may notify Lessor within said one (1) year period of such defects and Lessor shall thereafter refund to Lessee all funds paid to Lessor hereunder.

3.3.2 Curative Work. Subject to the provisions of Paragraph 3.1, Lessee may, but in no event shall be required to, take any and all actions necessary to cure title defects, defects in the location, staking or recording of the mining claims comprising the Property, or other circumstances which violate any of Lessor's warranties of title or which are a cloud on title to the Property. Any such actions shall be in Lessor's name and at the expense of Lessor. In the event that Lessee determines that any actions are needed to make Lessor's title to the Property good and safe for mining purposes, then Lessee may deduct the reasonable cost of such curative work from the royalties to be paid to Lessor pursuant to this Lease. Lessee, at its option, may pay and discharge any taxes, mortgages or other liens existing, levied or assessed on or against the Property, and shall be subrogated to the right of any holder or holders thereof, and may reimburse itself for any such expenditures out of the royalties to be paid to Lessor pursuant to this Lease or by enforcement of subrogated rights against Lessor in any court of competent jurisdiction. Lessor shall cooperate with Lessee in performing such title curative work. Lessee, in its discretion and at its own expense, may repair or replace any mining claim location monuments or markers which may become wholly or partially obliterated or destroyed.

3.4 Information and Data. Upon execution of this Lease, Lessor shall deliver to Lessee all records, data and information in its possession or reasonably available to it relating to title to the Property, and all maps, surveys, technical reports, drill logs, mine, mill and smelter records and other technical data pertaining to the Property in its possession or reasonably available to it.

3.5 Lesser Title. All rental and/or royalty payments are based upon the herein assumption that Lessor owns a one hundred percent (100%) interest in the Property. If it is determined that Lessor holds less than a one hundred percent (100%) interest in the Property, and if this Lease is not terminated as provided herein, then all royalty payments and other benefits to which Lessor is entitled shall be reduced proportionally.

4. Royalties. Lessee shall pay Lessor the following royalties:

4.1 Advance Minimum Royalties. During the term of this Lease, Lessee shall pay to Lessor the following advance minimum royalties:

Date of Payment	Minimum Royalty Payment
Upon the First Anniversary of this Lease (February 15, 1994)	$10,000
Second Anniversary Date (February 15, 1995)	$30,000
Third Anniversary Date (February 15, 1996)	$100,000
Fourth Anniversary Date (February 15, 1997)	$150,000
Fifth Anniversary Date (February 15, 1998)	$210,000

The "Anniversary Date" shall mean the date one or more years following the effective date of this Lease.

Once commercial production has commenced on the Property, production royalties shall be paid to Lessor by Lessee in lieu of advance minimum royalties; however, if production royalties should not equal in any year the amount that would otherwise be payable to Lessor as advance minimum royalties pursuant to this Paragraph 4.1, or if production is suspended pursuant to Paragraph 5.2 below, then Lessee shall pay to Lessor an additional sum so that total payments to Lessor in such year equal the advance minimum royalty that would have been paid to Lessor if there were no production on the Property. Such additional sum shall be paid to Lessor at the time Lessee makes the final production royalty payment to Lessor for such year.

4.2 Production Royalties

4.2.1 Calculation of Royalties. During the term of this Lease, Lessee agrees to pay to Lessor a production royalty equal to Three Percent (3%) of the Net Smelter Returns, as defined below, from the production of mineral products mined on the Property.

4.2.2 Definition. "Net Smelter Returns" (NSR) are defined as the revenues attributed to the sale by Lessee of mineral products produced in Lessee's plant, mill or other facility servicing the Property, including ores, dore bullion, metals, minerals or mineral substances (herein "mineral products"), less (a) all costs to Lessee of handling, weighing, sampling, determining moisture content, insuring, and packaging such material and transporting it from said plant, mill or facility to the point of sale; (b) ad valorem taxes, severance taxes and such other taxes as are imposed, based or calculated upon Lessee's production, but not income taxes; and (c) all smelting, refining and treatment charges and penalties charged by an independent smelter or other independent purchaser for such production. In the event smelting and/or refining are carried out in facilities owned or controlled by Lessee, charges, costs and penalties for such operation, including transportation, shall mean the actual costs incurred which shall not exceed the amount that would be incurred if such operations were carried out at an independent commercial smelter and/or refinery.

The revenues attributed to the sale of mineral products shall be determined on a market value basis, being the gross value of the mineral production, determined as the total ounces of mineral products delivered to Lessee's account at the refiner multiplied by (1) for gold, the average daily P.M. price fixing for gold by the London Bullion Association as reported in the Wall Street Journal or any other agreed upon successor publication for the applicable calendar quarter, (2) for all other metals, the average daily market price for such metal as reported in Metals Week or any other agreed upon successor publication for the applicable calendar quarter, and (3) for any other mineral products, the actual price received by Lessee for the sale of such mineral products.

4.3 Time of Payment; Report; Inspection of Records. All production royalties shall be computed and paid, or notice of a credit against production royalties as provided herein shall be given, to Lessor on or before thirty (30) days following the close of the calendar quarter during which mineral products shall have been transported to the refiner and credited to the account of Lessee for sale or other disposition. At the time of making each such payment, Lessee shall deliver to Lessor a statement showing the amount of such production royalties and the manner in which it was determined. All records relating to the calculation of production for such production royalties shall be available for an inspection by an authorized representative of Lessor at all reasonable times for the purpose of confirming the accuracy of such statements. Any such inspection shall be for a reasonable length of time during regular business hours, at a mutually convenient time, upon reasonable notice by Lessor. Any complaint, notice to inspect, or objection which Lessor may wish to raise with respect to processing and production royalties payable hereunder shall be made by Lessor to Lessee in writing within one hundred eighty (180) days after the end of the calendar year in which such payment was paid to Lessor or in which credit was applied against production royalties. Any complaint, notice to inspect or objection not timely made by Lessor shall be deemed to have been waived by Lessor.

4.4 Credit for Minimum Royalty Payments. Credit shall be cumulatively allowed against any production royalties otherwise payable to Lessor for any and all advance minimum royalty payments paid by Lessee to Lessor hereunder and not previously recovered as credits against production royalties.

4.5 Payments; Where Made. All payments hereunder shall be delivered to Lessor in the manner and at the addresses for notices stated in Paragraph 14. The date of placing such payment in the regular United States mail by Lessee, addressed to such addresses, shall be the date of such payment.

4.6 Option to Purchase. At any time during the term of this Lease, Lessee shall have the option to purchase the Property for the sum of Five Hundred Thousand Dollars ($500,000) less all cumulative royalties and other payments previously paid, payable upon exercise of the option. All sums paid Lessor pursuant to Paragraph 4.1 above, shall, in addition to being consideration for the mining Lease granted herein, be consideration for the option to purchase granted herein.

If Lessee elects to exercise its option to purchase, it shall give notice to Lessor of such election, and shall deliver a check for the balance of the purchase price to Lessor at the same time and in exchange for Lessor delivering to Lessee an appropriate deed vesting title to the Property in Lessee. Thereafter, this Lease shall terminate, and Lessee shall be under no further obligation to Lessor except that Lessor shall retain a Three Percent (3%) NSR after the sale and transfer of the Property from Lessor to Lessee.

5. Conduct of Operations. Lessee shall exercise its rights under this Lease in accordance with the following terms:

5.1 Assessment Work. Prior to September 1 of each year, Lessee shall perform assessment work and pay any fees legally required to maintain the unpatented mining claims comprising the Property and timely record notices thereof with the County Recorder and with the Bureau of Land Management unless it terminates this Lease prior to June 1 of an assessment year. Lessee shall not be liable in damages or otherwise for failure to perform assessment work if it has expended sufficient money on work that had customarily been accepted in the mining industry as assessment work. Nothing herein shall require Lessee to improve title beyond the condition it existed at the commencement of this Lease. In the event of any revision of or addition to the general mining laws of the United States which allows or requires the payment of fees to the United States in lieu of, or in addition to, the performance of annual assessment work, Lessee shall undertake to abide by such laws as may be reasonably necessary to maintain the rights of the parties hereto in and to the lands encompassed by the Property, and if given the choice by any such new law, Lessee may perform annual assessment work or make in lieu payments to the United States as Lessee may in its sole discretion deem appropriate or desirable.

Pursuant to Paragraph 9 of this Lease, Lessee reserves the right to drop any mining claims at its sole discretion except for the original eighty-four (84) claims, (i.e. Zeke 1-18, 21-23, 25-26, 29-78, and 80-90), and PDUS agrees to make the BLM required rental payments (to a maximum of $200 per claim) on the original eighty-four (84) claims on or before August 31, 1993. Lessees' agreement to pay this $200 per claim BLM rental fee on or before August 31, 1993, is Lessees' initial consideration to Lessor for granting this Lease. Before dropping any claims during the term of this Lease, Lessee will notify Lessor of its decision on or before June 1 of any year. Lessee will perform and file annual assessment work (if any annual assessment work is required) and pay annual claim filing or rental fees (if required) on all unpatented claims, unless the Lease or claims are terminated as described above.

5.2 Operations. Lessee shall conduct all operations on the Property in accordance with good mining practices. Lessee may use or employ all such methods of exploration, development and mining as it may desire or find most profitable and economical and may, when it deems it necessary or desirable, discontinue operations entirely so long as it shall meet its obligations hereunder to make the payments provided for in Paragraph 4.1 when due, provided that Lessee shall not be required to mine, preserve or protect in its mining operations any ores, minerals or mineral substances which under good mining practices cannot be mined or shipped at a profit to Lessee at the time encountered. Lessee's rights under this paragraph to discontinue operations on a temporary basis is in addition to its right to suspend whatsoever operations under Paragraph 13. Lessee shall have no obligation to begin or prosecute mining operations on the Property, to mine and remove all or any portion of the minerals therein, or once commenced, to continue the same, and there shall be no implied covenants whatsoever to do so.

5.3 Ore Processing. All determinations with respect to: (a) whether ore will be beneficiated, processed or milled by Lessee or sold in a raw state, (b) the methods of beneficiating, processing or milling any such ore, (c) the constituents to be recovered therefrom, and (d) the purchasers to whom any mineral products may be sold, shall be made by Lessee in its sole and absolute discretion.

5.4 Ore Samples. The mineral content of all ore mined and removed from the Property and the quantities of constituents recovered by Lessee shall be determined by Lessee or, with respect to such ore which is sold, by the mill or smelter to which the ore is sold, in accordance with standard sampling and analysis procedures.

5.5 Commingling. Lessee shall have the right of commingling all ores, minerals or mineral substances which are mined by Lessee under this Lease with other ores, minerals or mineral substances from other properties owned or controlled by Lessee, provided that the commingling is accomplished only after the volume or weight of all such ores, minerals or mineral substances, as the case may be, has been fairly and accurately measured and all such ores, minerals or mineral substances have been sampled. An accurate record of the weight or volume, along with the results of the sampling of all such ores, minerals or mineral substances which are to be commingled shall be kept and made available to Lessor at all reasonable times.

5.6 Insurance; Compliance with Laws. Lessee agrees to carry such insurance, covering all persons working in or on the Property for Lessee, as will fully comply with the requirements of the Statutes of the State of Nevada pertaining to Workmen's Compensation and occupational disease and disabilities as are now in force or as may be here after amended or enacted.

In addition, Lessee agrees to carry liability insurance with respect to its operations in reasonable amounts in accordance with acceptable industry practices.

Further, Lessee agrees to do and perform all of its operations in material compliance with all valid and applicable laws, rules and regulations of the United States, the State of Nevada and any department or political subdivision thereof having jurisdiction in the matter, including without limitation, such laws, rules and regulations pertaining to social security, unemployment compensation, wages and hours and conditions of labor, and Lessee shall indemnify and hold Lessor harmless for payment of any damages occasioned by Lessee's failure to comply with said laws.

5.7 Inspections. Lessor and its authorized agents who are experienced in mining operations, at Lessor's sole risk and expense, shall have the right, exercisable during regular business hours, at a mutually convenient time, and in a reasonable manner conforming to Lessee's safety rules and regulations and so as not to interfere with Lessee's operations, to go on the Property for the purpose of confirming that Lessee is conducting its operations in the manner required by this Lease. Lessor shall hold Lessee harmless from all claims for damages arising out of any death, personal injury or property damage sustained by Lessor or Lessee, and their respective agents or employees, while in or upon the Property pursuant to this paragraph, which death, injury or damage does not result from Lessee's negligence and is occasioned by Lessor's exercise of its inspection rights.

5.8 Liens and Encumbrances. Lessee shall keep the title to the Property free and clear of liens and encumbrances resulting from its operations hereunder, provided that Lessee may refuse to pay any claims asserted against it which it disputes in good faith. At its sole cost and expense, Lessee shall promptly contest any suit commenced to enforce such a claim, and, if the suit is decided against Lessee, shall promptly pay the judgment and shall post any bond and take all other action necessary to prevent any sale of the Property, or any part thereof.

5.9 Reclamation

5.9.1 By Lessee. Lessee shall reclaim the Property in compliance with all applicable statutes, regulations and other provisions of this Agreement with regard to only Lessee's business activities on the Property. Such reclamation may be complied with after termination of this Agreement, and Lessee shall have access to the Property after termination of this Agreement in order to satisfy such obligations.

5.9.2 Residue in Tailings. All residue or tailings remaining after the initial processing or milling of the crude ores mined from the Property shall be the sole and exclusive property of Lessee; provided that if any such residue or tailings remain on the Property for a period of one (1) year after this Lease is terminated, then all such tailings shall be the sole and exclusive property of Lessor free and clear of any rights, claims or obligations of Lessee. Notwithstanding any of the foregoing to the contrary, Lessee shall at all times remain responsible for all environmental conditions, reclamation and liabilities associated with any such tailings.

5.10 Environmental Conditions. Lessor hereby represents and warrants to Lessee as follows:

(A) That Lessor has no knowledge of any environmental problem or condition which exists on the Property as of the date of execution of this Agreement, including, but not limited to (i) the existence of any release of any hazardous substance on or within the Property, (ii) any condition which constitutes a violation of the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Air Act, the Clean Water Act, or any applicable state or local environmental law, rule or regulation, or (iii) the existence of any surface or subsurface disturbance which has not been properly reclaimed or restored pursuant to any applicable laws, rules, regulations or orders of any federal, state or governmental agency or body (hereinafter collectively referred to as an "Environmental Condition"); and

(B) That Lessor has received no notification from any local, state or federal governmental agency or body that any Environmental Condition may exist upon the Property; and

(C) That Lessor has heretofore disclosed to Lessee all past Environmental Conditions associated with the Property known to Lessor, whether or not any such problem or condition may have been remedied as of the date of execution of this Agreement.

Lessor shall defend, indemnify and hold harmless Lessee, its parent, subsidiary and affiliate corporations, officers, directors, employees and agents from and for any and all causes of action, costs, claims, demands, liabilities and expenses, including attorneys' fees, which may be associated in any manner with the existence of any Environmental Condition upon the Property which constitutes a breach of the warranties and representations give herein.

6. Indemnity. Except as to damages sustained by Lessor while on the Property pursuant to Paragraph 5.7 and the provisions of Paragraph 5.10, Lessee agrees to indemnify, defend and hold Lessor harmless from and against any loss, liability, expense or damage which Lessor may sustain as a result of negligence on the part of Lessee or its agents in the exercise of any of its rights pursuant to this Agreement, provided that Lessor or any person or instrumentality acting on Lessor's behalf shall not have been a contributing cause to the event giving rise to such claim, loss or damage. Lessee shall in no manner be responsible for any liabilities arising from conditions existing on the Property prior to or subsequent to Lessee's control thereof that are not caused by Lessee.

7. Title Disputes. Notwithstanding anything herein to the contrary, if a title dispute arises or develops with respect to all or any portion of the Property, the following agreements and conditions shall be operative and covered:

7.1 Relinquishment of Disputed Areas. Lessee shall have the right, at its sole option, to relinquish to Lessor the disputed portions or areas of the Property which are affected by said title dispute. In the event of any such relinquishment, the advance minimum royalty set forth in Paragraph 4.1, and the option purchase price set forth in Paragraph 4.6, shall be reduced proportionately on an acreage basis to reflect such relinquishment.

7.2 Reimbursement; Retention of Payments. In the event that Lessee has already mined ore from the disputed areas and has paid to Lessor any payments under Paragraph 4.2, but is later required by court order to pay damages or otherwise reimburse third party claimants for or with relation to such ore, Lessor shall be obligated to reimburse Lessee for all such damages and reimbursements which Lessee is required to pay such third party claimants for ore mined from the disputed area.

In the event that Lessor shall fail to reimburse Lessee as herein above provided in this Paragraph 7.2 within thirty (30) days following delivery to Lessor of written notice that Lessee has been required by court order to make any such payment, Lessee shall have the right, exercisable in its sole discretion, to retain all payments to be paid to Lessor as provided in Paragraph 4, which thereafter become due hereunder, until such time as it has recovered from said retained payments an amount equal to the amount for which Lessor is obligated to reimburse Lessee as aforesaid, together with interest on the unpaid balance thereof at the rate of ten percent (10%) per annum compounded quarterly. The provisions of the immediately foregoing sentence shall not be deemed to limit or restrict in any manner the rights of Lessee to bring legal action against Lessor to recover the amounts for which Lessor is obligated to reimburse Lessee as provided in this Paragraph 7.2, it being understood that the rights of Lessee pursuant to this Paragraph 7.2 shall be cumulative and not alternative or restrictive.

Retention by Lessee of the payments provided for in Paragraph 4 pursuant to this Paragraph 7.2 shall not, under any circumstances, be deemed to constitute a default by Lessee hereunder, and the amount so retained or applied by Lessee shall, for all purposes of determining compliance by Lessee with the provisions of this Lease, be deemed to have been paid to Lessor or expended upon the Property at the time said payments would, except for such retention, have been payable to Lessor.

7.3 Retention of Production Royalties. Additionally, upon notice of any title dispute concerning the Property, Lessee shall have the right, if it so elects, to retain all payments under Paragraph 4.2, which become due and payable hereunder with relation to any ore removed from the disputed portions or areas of the Property, until such time as Lessee has received from Lessor written evidence satisfactory to Lessee that said title dispute has been resolved and that Lessor is legally entitled to receive such payments attributable to such ore. Retention of the payments pursuant to this paragraph shall not, under any circumstances, be deemed to constitute a default by Lessee hereunder, and Lessee shall not be obligated to pay any interest with relation to amounts so retained by Lessee.

7.4 Subsequent Title Disputes; Miscellaneous. The foregoing procedure shall govern as to each title dispute and the disposition of one title dispute shall not affect subsequent title disputes or adjustments. Lessee shall not be required to make any payment under Paragraph 4.2 to Lessor concerning any ore mined from disputed areas which are ultimately determined to be properties owned by third parties.

8. Default

8.1 Termination by Lessor. In the event of a default hereunder on the part of Lessee, Lessor shall give to Lessee written notice specifying in detail the particular default or defaults asserted and Lessee shall have ninety (90) days after the receipt of said notice within which to either cure such specified default, or to undertake and diligently proceed to such actions as are reasonably deemed necessary to cure the same, including, but not limited to, the right to make up any deficiencies in Lessee's advance minimum royalty payments or by paying such sums to Lessor. In the event of such a cure by Lessee, this Lease shall continue in full force and effect as though no default had occurred. In the event such curative action is not so completed or diligent efforts to cure such defaults are not undertaken within such ninety (90) day period, Lessor may elect to terminate this Lease by giving notice to Lessee as provided in Paragraph 14. The sole liability of Lessee to Lessor for any default under the terms of this Lease shall be such termination and the retention by Lessor of any payments previously made to Lessor hereunder, and Lessee shall have no further obligations hereunder or liability to Lessor by way of damages of any kind or otherwise, except with respect to: (a) payments to Lessor pursuant to Paragraph 4 accrued prior to termination; and (b) the obligations as provided in Paragraphs 5.1, 5.9, 10, 11, and 12.

8.2 Dispute as to Default. If there is a bona fide dispute as to whether an event of default exists, or whether a default has been cured, then there shall be no termination unless, after an adverse final determination by a court of competent jurisdiction as to such default, Lessee fails to cure such default within the same time periods as specified in Paragraph 8.1.

9. Termination. Subject to Paragraph 5.1, Lessee shall have the right to terminate, surrender and relinquish this Lease, or all or any portion thereof as it may relate to all or any portion of the Property, at any time by giving written notice to Lessor of such election as provided in Paragraph 14. Such termination shall be effective when such notice is effective as provided in Paragraph 14 below. Upon termination by Lessee under this paragraph as to all of the Property, Lessee shall have no further liability or obligations under this Lease with respect to the Property, or to any portion thereof, to which such termination applies, except with respect to: (a) payments to Lessor pursuant to Paragraph 4, accrued prior to the effective date of such notice; and (b) the obligation as provided in Paragraphs 5.1, 5.9, 10, 11, and 12. In the event Lessee terminates this Lease as to all of the Property pursuant to this Paragraph 9, Lessor shall retain any payments previously made to Lessor hereunder as full consideration for the rights granted herein and as liquidated damages for reasonable impairments of the surface and improvements from activities authorized by this Lease.

10. Return of Data. Promptly upon the termination of this Lease as to all of the Property, Lessee shall return to Lessor all title, metallurgical, geological, geophysical, milling and other data furnished to Lessee by Lessor. At such time, Lessee shall make available to Lessor for examination and copying all survey maps, drill hole logs, sample locations, and assays (but no interpretive data) developed by Lessee with respect to the Property during the term of this Lease and not previously delivered to Lessor. Lessor shall at all times during the term of this Lease and after termination indemnify and hold Lessee harmless against any and all claims by third parties to whom Lessor has shown any data produced by Lessee.

11. Release. Upon termination of this Lease as to all or any portion of the Property, Lessee will, at the written request of Lessor, provide Lessor with a written release and relinquishment, in recordable form, of its rights hereunder with respect to the portion of the Property to which such termination applies.

12. Surrender of Possession and Removal of Equipment. Upon termination of this Lease as to all or any portion of the Property, Lessee shall surrender possession of the Property,

or that portion thereof to which such termination applies, subject to the condition that Lessee shall have the right at any time within one (1) year after the surrender or termination of this Lease as to such Property to remove all Lessee's machinery, supplies, fixtures, buildings and other structures placed on the Property by Lessee. Title to such property not removed within one (1) year shall pass to Lessor, free and clear of any rights, claims or obligations of Lessee.

13. Force Majeure

13.1 Effect of Occurrence. In the event Lessee is rendered unable, wholly or in part, by force majeure applying to it, to carry on its obligations under this Lease, it is agreed that such obligations of Lessee, so far as they are affected by such force majeure, shall be suspended during the continuance of any liability so caused, but not for a longer period; that the various periods and terms provided for herein shall be extended for a period equivalent to such period for force majeure; and, such cause shall, so far as possible, be remedied with all reasonable dispatch. Lessee will promptly notify Lessor of the commencement and termination of any event of force majeure.

13.2 Definition. The term "force majeure," as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, accidents, uncontrollable delays in transportation, inability to obtain necessary materials in the open market, lack of a reasonable market for such of the materials and mineral products as are developed by Lessee on the Property, application of any state or federal laws, regulations or requirements (expressly including inability to obtain necessary governmental approvals, licenses and permits on terms reasonably acceptable to Lessee), or other matters beyond the reasonable control of Lessee, whether similar to matters herein specifically enumerated or not which delay Lessee's exercise of its rights under this Lease; provided, however, that performance shall be resumed within a reasonable period of time after such cause has been removed; and provided further that Lessee shall not be required against his will to adjust any labor dispute or to question the validity of or to refrain from judicially testing the validity of any state or federal order, regulation or law.

14. Notices

14.1 Method of Delivery. Any notice or delivery of information herein contemplated to be given to Lessee shall be given in writing by personal delivery, electronic facsimile transmission, or by certified mail, return receipt requested, and addressed to:

Placer Dome U. S. Inc.
240 South Rock Blvd., Suite 117
Reno, Nevada 89502
Attention: Land/Legal Manager
FAX: (702) 856-7509

With a copy to:
Placer Dome U.S. Inc.
One California Street
Suite 2500
San Francisco, CA 94111-5472
Attention: Corporate Secretary
FAX: (415) 397-0747

Or to such other address or addresses as Lessee may from time to time designate in writing pursuant to this Paragraph 14. Any notice or delivery of information herein contemplated to be given to Lessor, with the exception of reports required under Paragraph 4, shall be given in writing by personal delivery, electronic facsimile transmission, or by certified mail, return receipt requested, and addressed to:

Ronald and Arlene Damele
P.O. Box 342
Eureka, Nevada 89316

Charles and Patricia Damele
HCO 30, Box 42
Elko, Nevada 89801

Stephen and Pauline Damele
892 E. 820 N.
Richfield, Idaho 83349

Yvonne Hager
P.O. Box 6
Winnemucca, Nevada 89445

Or to such other address or addresses as Lessor may from time to time designate in writing pursuant to this Paragraph 14.

Payments of monies to Lessor pursuant to Paragraph 4 shall be by personal delivery, or by mail and addressed to:

Ronald and Arlene Damele
P.O. Box 342
Eureka, Nevada 89316

Charles and Patricia Damele
HCO 30, Box 42
Elko, Nevada 89801

Stephen and Pauline Damele
892 E. 820 N.
Richfield, Idaho 83349

Yvonne Hager
P.O. Box 6
Winnemucca, Nevada 89445

Or to such other address or addresses as Lessor may from time to time designate in writing.

14.2 Effectiveness. Except as otherwise provided herein, service of notice of delivery of information shall be effective and complete upon personal delivery, or upon the deposit thereof in the United States mail, certified return receipt requested, and with postage prepaid and addressed as aforesaid.

15. Tax Payment. During the term of this Lease, Lessee shall pay when due all general ad valorem taxes and assessments assessed against the Property, and all other lawful public taxes and assessments, whether general, specific or otherwise, assessed and levied upon or against the Property. Lessee, at its sole cost and expense, shall have the right in good faith to contest any of the above taxes and assessments, but shall not permit or suffer the Property or any part thereof, or any minerals mined thereon, to be sold at any time for such taxes or assessments. Lessee shall not be liable for any special assessment for local improvements or benefits which are not attributable to or benefit Lessee's operations.

Lessor shall cause to be sent to Lessee all tax or assessment statements, bills or notices, issued by any governmental authority concerning the Property promptly upon receipt of the same and prior to a payment due date.

16. Further Documents. At Lessee's request, Lessor shall execute and deliver to Lessee a memorandum form of this Lease suitable for recording purposes and any further instruments, agreements, documents, or other papers reasonably required by Lessee to effect the purposes of this Lease.

17. Entire Agreement. This writing sets forth the entire agreement and understanding between the parties, there being no oral agreements, promises or representations which are or may be incidental or supplementary to the provisions hereof. No changing, addition to, or waiver of any of the provisions of this Lease shall be binding upon the parties hereto unless in writing signed by an authorized representative of the party to be bound. No waiver by any party or a breach of any of the provisions of this Lease shall be construed as a waiver of any subsequent breach, whether of the same or of a different character.

18. Inurement. This Lease is, and shall be, binding upon and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto.

19. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of Nevada except insofar as it may become necessary to comply with federal statutes rules or regulations.

20. Assignment

20.1 By Lessee. Lessee may not assign this Lease without giving Lessor advance written notice thereof, and no assignment by Lessee shall be binding or effective until notice thereof has been given to Lessor. Otherwise, Lessee may assign this Lease without reservation to any financially responsible third party.

20.2 By Lessor. Lessor shall not sell, assign, encumber or otherwise dispose of any or all of its interest in the Property or in this Lease without first giving written notice (the "Notice") to Lessee of the receipt of a bona fide third party offer. The Notice shall be in writing and state the price, terms and conditions of any proposed sale or transfer, identify the proposed transferee and include copies of any written offer signed by Lessor and the proposed transferee. Within sixty (60) days after the receipt of the Notice, Lessee may elect in writing to purchase the interests of Lessor in the Property on the same terms and conditions as contained in the Notice. Any such sales, assignments, encumbrances, or disposal by Lessor shall be made subject to Lessee rights in the Property under this Lease.

21. Confidentiality. Lessor shall not, without the prior written consent and approval of Lessee, knowingly disclose to any third party any such information or data which is not generally available to the public; provided, however, that upon not less than ten (10) days prior written notice to Lessee setting forth the nature and content of a proposed disclosure, Lessor may disclose information or data pertaining to the Property: (i) if required for compliance with applicable laws, rules,regulations or orders for a governmental agency or stock exchange having jurisdiction; (ii) to any third party to whom Lessor in good faith, anticipates selling or assigning Lessor's interest hereunder; or (iii) to a prospective lender to whom an interest in payments to be made to Lessor hereunder has been granted as security, provided that Lessee shall have been provided with a confidentiality agreement executed by such third party or lender, which agreement shall include the confidentiality provisions of this Paragraph 21.

22. Headings. The headings used in this Lease are inserted for convenience only and shall not be considered a part of this Lease or used in its interpretation.

23. Recording. If Lessee so elects, it may record a summary Memorandum of the Lease to give record notice of the Lease, describe the terms, parties or Property without giving further details.

24. Authority. Each signatory to this Lease warrants that he is authorized to execute this Lease on behalf of the entity for which he is signing.

25. Litigation Costs. If any action is brought by either party for the enforcement, interpretation, or declaration of rights of the parties with respect to this Lease, the negotiation of this Lease or the operations conducted hereunder, the prevailing party shall be entitled to reasonable attorney fees in addition to any other relief awarded to the prevailing party.

26. Division of Royalty Payments. All monies paid to Lessor herein represent the total amount to be paid to Lessor as a collective entity. However, since Lessor is comprised of seven (7) separate parties, and each party owns the following undivided interest in the Property, it is agreed that all royalty payments due to Lessor (collectively) under this Lease will be divided as follows:

Party	Share (by percentage) of the Payments Under this Lease
Ronald and Arlene Damele	26.7%
Charles and Patricia Damele	26.7%
Stephen and Pauline Damele	26.6%
Yvonne Hager	20%

27. Counterparts. This Lease may be executed in counterparts, each of which constitute an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Mining Lease with Option to Purchase to be effective as of the day and year first written above.

LESSOR: RONALD DAMELE

Ronald Damele

Ronald Damele
Social Security Number [redacted]

LESSOR: ARLENE DAMELE

Arlene Damele

Arlene Damele
Social Security Number [redacted]

LESSOR: CHARLES DAMELE

Charles Damele

Charles Damele
Social Security Number [redacted]

LESSOR: PATRICIA DAMELE

Patricia Damele

Patricia Damele
Social Security Number [redacted]

LESSOR: STEPHEN DAMELE

Stephen D. Damele

Stephen Damele
Social Security Number [redacted]

LESSOR: PAULINE DAMELE

Pauline Damele

Pauline Damele
Social Security Number [redacted]

LESSOR: YVONNE HAGER

Yvonne Hager

Yvonne Hager
Social Security Number [redacted]

LESSEE: PLACER DOME U.S. INC.

RICHARD G. DUNCAN
Vice President, Exploration

STATE OF Nevada)
) ss.
COUNTY OF Eureka)

On this 5th day of May 1993, personally appeared before me, the undersigned, a Notary Public, RONALD DAMELE, who acknowledged that he executed the above Mining Lease with Option to Purchase.

NOTARY PUBLIC

JOAN SHANG
Notary Public - State
Appointment Recorded
MY APPOINTMENT EXPIR

STATE OF Nevada)
) ss.
COUNTY OF Eureka)

On this 5th day of May 1993, personally appeared before me, the undersigned, a Notary Public, ARLENE DAMELE, who acknowledged that she executed the above Mining Lease with Option to Purchase.

NOTARY PUBLIC

JOA
Notary Pu
Nevada
Appointme
County
MY APPOIN
0, 1993

STATE OF NEVADA)
) ss.
COUNTY OF ELKO)

On this 3 day of MAY, 1993, personally appeared before me, the undersigned, a Notary Public, CHARLES DAMELE, who acknowledged that he executed the above Mining Lease with Option to Purchase.

NOTARY PUBLIC

KATHLEEN GLANDON
Notary Public - State of Nevada
Appointment Recorded Elko County
MY APPOINTMENT EXPIRES JUNE 9, 1994

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STATE OF Nevada)
) ss.
COUNTY OF Elko)

On this 3 day of May, 1993, personally appeared before me, the undersigned, a Notary Public, PATRICIA DAMELE, who acknowledged that she executed the above Mining Lease with Option to Purchase.

Kathleen Glandon
NOTARY PUBLIC

KATHLEEN GLANDON
Notary Public - State of Nevada
Appointment Recorded in Elko County
MY APPOINTMENT EXPIRES JUNE 9, 1994

STATE OF Idaho)
) ss.
COUNTY OF Lincoln)

On this 29 day of April, 1993, personally appeared before me, the undersigned, a Notary Public, STEPHEN DAMELE, who acknowledged that he executed the above Mining Lease with Option to Purchase.

Kathryn E. Johnson
NOTARY PUBLIC

STATE OF Idaho)
) ss.
COUNTY OF Lincoln)

On this 29 day of April, 1993, personally appeared before me, the undersigned, a Notary Public, PAULINE DAMELE, who acknowledged that she executed the above Mining Lease with Option to Purchase.

Kathryn E. Johnson
NOTARY PUBLIC

STATE OF Nevada)
) ss.
COUNTY OF Humboldt)

On this 17 day of May, 1993, personally appeared before me, the undersigned, a Notary Public, YVONNE HAGER, who acknowledged that she executed the above Mining Lease with Option to Purchase.

Sherril Rackley
NOTARY PUBLIC

SHERRIL RACKLEY
Notary Public - State of Nevada
Appointment Recorded in Humboldt County
MY APPOINTMENT EXPIRES DEC. 22, 1995

CERTIFICATE FOR USE BY CALIFORNIA NOTARIES

STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF SAN FRANCISCO)

On June 1, 1993, before me, Andrea Kawai, personally appeared RICHARD DUNCAN, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(seal) Andrea Kawai

OFFICIAL SEAL
ANDREA KAWAI
Notary Public-California
SAN FRANCISCO COUNTY
My Commission Expires
June 1, 1994

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EXHIBIT "A"

The "Property"

One hundred and twenty-eight (128) unpatented Zeke lode mining claims located in or about Sections 5, 6, 7, and 18, Township 27 North, Range 49 East; and Sections 1 and 12, Township 26 North, Range 48 East, M.D.M., Eureka County, Nevada and described as follows:

Claim Name	BLM NMC Number
Zeke 1-18	140112-14029
Zeke 21-23	140130-140132
Zeke 25-26	140133-140134
Zeke 29-78	303126-303175
Zeke 80-90	303177-303187
Zeke 103-136	400781-400814
Zeke 139-148	419628-419637
Zeke 15A	563812
Zeke 17A	563813
Zeke 18A	563814

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
W. L. Wilson
'94 FEB 11 P1:20

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEE $27.00

150704

Exhibit "A" to Mining Lease with Option to Purchase and Memorandum of Mining Lease with Option to Purchase, by and among RONALD and ARLENE DAMELE, husband and wife, CHARLES and PATRICIA DAMELE, husband and wife, STEPHEN and PAULINE DAMELE, husband and wife, and YVONNE HAGER, a widow, and PLACER DOME U.S. INC.