

Recording requested by and after
recording please return to:
Echo Bay Exploration Inc.
Attention: Land Department
6400 S. Fiddler Green Circle
Suite 1000
Englewood, Colorado 80111

163198

MEMORANDUM OF MINING LEASE AGREEMENT

THIS MEMORANDUM OF MINING LEASE AGREEMENT ("Memorandum") effective as of the 15th day of February, 1996 ("Effective Date"), is by and between is by and between CARL PESCIO and JANET PESCIO, husband and wife, whose address is P.O. Box 5831, Elko, Nevada 89802 ("PESCIOS"), and ECHO BAY EXPLORATION INC., a Delaware corporation authorized to do business in the State of Nevada, whose address is 6400 South Fiddlers Green Circle, Suite 1000, Englewood, Colorado 80111-4957 ("ECHO BAY").

RECITALS:

WHEREAS, PESCIO and ECHO BAY have entered into a MINING LEASE AGREEMENT of even date herewith ("Agreement"); and,

WHEREAS, PESCIO and ECHO BAY have agreed to record this Memorandum to reflect the interests in land affected by that Agreement;

NOW, THEREFORE, PESCIO and ECHO BAY state as follows:

For a good and valuable consideration and in consideration of the mutual covenants contained in the Agreement, PESCIO hereby grant, lease, and assign exclusively to ECHO BAY those certain unpatented lode mining claims situated in Eureka County, Nevada, which mining claims are more particularly described in Exhibit "A", attached hereto and made a part hereof ("Property"), all surface rights, water rights, if any, easements and appurtenances incident thereto, together with all minerals and mineral deposits, ores, concentrates, metals, materials, tailings, dumps and mine wastes, in, on and under the Property, ("Leased Substances"), and all personal property and improvements thereon; the right to explore for, develop, mine, stockpile, process for market, ship and sell for its account, all of the Leased Substances, employing currently recognized or subsequently developed technology and methods that ECHO BAY may, in its sole judgement, deems necessary, convenient or desirable to ECHO BAY in conducting its Operations, as herein defined, on the Property and adjacent neighboring lands; the right to construct facilities and improvements on the Property which ECHO BAY may consider necessary or desirable; and, all other rights and privileges not specifically described herein which may be necessary or convenient to ECHO BAY to effectuate the purposes of this Agreement.

The above mentioned MINING LEASE AGREEMENT may be unrecorded but is made a part of this Memorandum by this reference for all purposes as if fully set forth herein.

BOOK 297 PAGE | 24

THE PARTIES, INTENDING TO BE LEGALLY BOUND, have executed this Memorandum effective the day and year first above written.

PECIOS:

By: Carl Pescio
CARL PESCIO

By: Janet Pescio
JANET PESCIO

By: Donald E. Ranta
DONALD E. RANTA
Vice President/Exploration

ECHO BAY EXPLORATION INC.:
a Delaware corporation
with offices in Englewood, Colorado

BOOK 297 PAGE 125

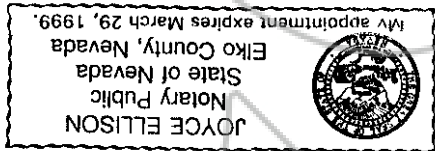
PRO

Y

STATE OF NEVADA
COUNTY OF ELKO
)
) ss.
)

On this day personally appeared before me CARL PESCIO and JANET PESCIO to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 9th day of May, 1996.

Joyce Ellison
Notary Public



My commission expires: 3/29/99

STATE OF COLORADO
COUNTY OF DENVER
)
) ss.
)

On this 16th day of May, 1996, before me, personally appeared Donald E. Ranta, who acknowledged himself to be the Vice President/Exploration of ECHO BAY EXPLORATION INC., a Delaware corporation, and that he, as such Vice President/Exploration being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as Vice President/Exploration.
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Lucia O. Meagher
Notary Public

My commission expires: 4-29-00

EXHIBIT "A"
TO
MEMORANDUM OF MINING LEASE AGREEMENT
DATED FEBRUARY 15, 1996, BETWEEN CARL PESCIO and JANET PESCIO
and ECHO BAY EXPLORATION INC.

PROPERTY

Those certain unpatented lode mining claims situated in Sections 2, 3, 4, 9, 10, 15 and 16, Township 26 North, Range 52 East, M.D. B.&M., Eureka County, Nevada, which mining claims are more particularly described as follows:

| <u>CLAIM NAME AND NUMBER</u> | <u>BOOK</u> | <u>PAGE</u> | <u>BLM SERIAL NUMBER</u> |
|------------------------------|-------------|-------------|--------------------------|
| MH #1 | 294 | 161780 | 735762 |
| MH #2 | 294 | 161781 | 735763 |
| MH #3 | 294 | 161782 | 735764 |
| MH #4 | 294 | 161783 | 735765 |
| MH #5 | 294 | 161784 | 735766 |
| MH #6 | 294 | 161785 | 735767 |
| MH #7 | 294 | 161786 | 735768 |
| MH #8 | 294 | 161787 | 735769 |
| MH #9 | 294 | 161788 | 735770 |
| MH #10 | 294 | 161789 | 735771 |
| MH #11 | 294 | 161790 | 735772 |
| MH #12 | 294 | 161791 | 735773 |
| MH #13 | 294 | 161792 | 735774 |
| MH #14 | 294 | 161793 | 735775 |
| MH #15 | 294 | 161794 | 735776 |
| MH #16 | 294 | 161795 | 735777 |
| MH #17 | 294 | 161796 | 735778 |
| MH #18 | 294 | 161797 | 735779 |
| MH #19 | 294 | 161798 | 735780 |
| MH #20 | 294 | 161799 | 735781 |
| MH #21 | 294 | 161800 | 735782 |
| MH #22 | 294 | 161801 | 735783 |
| MH #23 | 294 | 161802 | 735784 |
| MH #24 | 294 | 161803 | 735785 |

BOOK 297 PAGE 127

CLAIM NAME
AND NUMBER

MH #25
MH #26
MH #27
MH #28
MH #29
MH #30
MH #31
MH #32
MH #33
MH #34
MH #35
MH #36
MH #37
MH #38
MH #39
MH #40
MH #41
MH #42
MH #43
MH #44

| BOOK | PAGE | BLM SERIAL NUMBER |
|------|--------|-------------------|
| 294 | 161804 | 735786 |
| 294 | 161805 | 735787 |
| 294 | 161806 | 735788 |
| 294 | 161807 | 735789 |
| 294 | 161808 | 735790 |
| 294 | 161809 | 735791 |
| 294 | 161810 | 735792 |
| 294 | 161811 | 735793 |
| 294 | 161812 | 735794 |
| 294 | 161813 | 735795 |
| 294 | 161814 | 735796 |
| 294 | 161815 | 735797 |
| 294 | 161816 | 735798 |
| 294 | 161817 | 735799 |
| 294 | 161818 | 735800 |
| 294 | 161819 | 735801 |
| 294 | 161820 | 735802 |
| 294 | 161821 | 735803 |
| 294 | 161822 | 735804 |
| 294 | 161823 | 735805 |

BOOK 297 PAGE 128

163198

BOOK 297 PAGE 124
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
John Galt Mills
96 MAY 24 AM 11:45
EUREKA COUNTY HEVADA
M.N. REBALATI, RECORDER
FEES /1.00
FILE NO.

