

TERMINATION AND RELEASE OF MINING LEASE

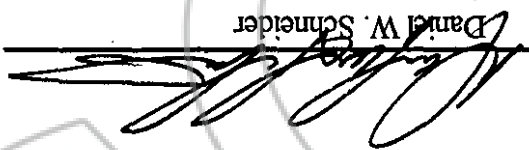
For valuable consideration, HEMLO GOLD MINES (USA) INC. ("Hemlo"), METALS, INC. all of Hemlo's right, title and interest in certain unpatented mining claims located in Eureka County, Nevada, to wit:

See Exhibit "A" attached hereto

This Termination and Release of Mining Lease acknowledges the termination of Hemlo's rights, title and interest in the unpatented mining claims specifically described on Exhibit "A" as granted to Hemlo Gold Mines (USA) Inc. as a result of the Mining Lease dated effective November 29, 1994 (hereinafter the "Mining Lease"), by and between Hemlo Gold Mines (USA) Inc. and Atlas Precious Metals, Inc., a Memorandum of which was recorded at Book 282, Page 480-490 in the official records of Eureka County, Nevada.

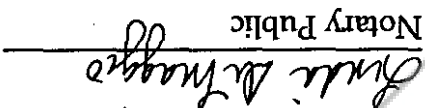
Dated this 24th day of July, 1996.

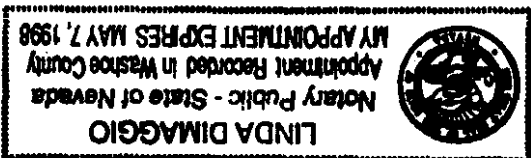
HEMLO GOLD MINES (USA) INC.

By:  Daniel W. Schneider
Agent

STATE OF NEVADA
COUNTY OF WASHOE

This instrument was acknowledged before me on the 24th day of July, 1996, by Daniel W. Schneider as Agent of Hemlo Gold Mines (USA) Inc.

 Linda Dimaggio
Notary Public



My commission expires: May 7, 1998

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EXHIBIT "A"

Attached to that certain TERMINATION AND RELEASE OF MINING LEASE by and between Hemlo Gold Mines (USA) Inc. and Atlas Precious Metals, Inc.

Claim Name	County Recording	BLM Serial No.
GP #35	268:111	NM/C 698626
GP #36	268:112	NM/C 698627
GP #38	268:114	NM/C 698629
GP #39	268:115	NM/C 698630
GP #40	268:116	NM/C 698631
GP #42	268:118	NM/C 698633
GP #43	268:119	NM/C 698634
GP #44	268:120	NM/C 698635
GP #47	268:123	NM/C 698638
GP #48	268:124	NM/C 698639
GP #49	268:125	NM/C 698640
GP #52	268:128	NM/C 698643
GP #53	268:129	NM/C 698644
GP #54	268:130	NM/C 698645
GP #55	268:131	NM/C 698646
GP #56	268:132	NM/C 698647
GP #57	268:133	NM/C 698648
GP #58	268:134	NM/C 698649
GP #59	268:135	NM/C 698650
GP #60	268:136	NM/C 698651
GP #61	268:137	NM/C 698652
GP #62	268:138	NM/C 698653
GP #63	268:139	NM/C 698654
GP #64	268:140	NM/C 698655
GP #65	268:141	NM/C 698656
GP #66	268:142	NM/C 698657
GP #67	268:143	NM/C 698658
GP #68	268:144	NM/C 698659
GP #69	268:145	NM/C 698660
GP #70	268:146	NM/C 698661
GP #71	268:147	NM/C 698662

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Claim Name

County Recording

BLM Serial No.

GP #72
 GP #73
 GP #74
 GP #75
 GP #76
 GP #77
 GP #78
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 GP #80
 GP #81
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 GP #85
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NMC 698663
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 NMC 698702
 NMC 698703

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Claim Name

County Recording

BLM Serial No.

GP #113
 GP #114
 GP #115
 GP #116
 GP #117
 GP #118
 GP #119
 GP #120
 GP #121
 GP #122
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 OFFICIAL RECORDS
 RECORDED AT THE REQUEST OF
Attorney General
 96 AUG 12 AM 8:56
 EUREKA COUNTY NEVADA
 M.M. REBELEATI, RECORDER
 FEES 10.08