

MEMORANDUM OF AGREEMENT

KNOW ALL BY THESE PRESENTS:

That the undersigned have executed and delivered their Purchase Agreement in writing bearing an effective date of August 13, 1997 ("Agreement"), containing terms and conditions, all of which are hereby made a part hereof as fully and completely as if herein specifically set out in full, whereby NEWMONT EXPLORATION LIMITED ("Newmont"), a Delaware corporation, and TOUCHSTONE RESOURCES COMPANY ("Touchstone"), a Nevada corporation, agreed to terminate that Venture Agreement between Newmont and Touchstone, dated June 23, 1992, a Memorandum of which was recorded with the Recorder of Elko County, Nevada on June 25, 1992 at Book 787, Page 838, and with the Recorder in Eureka County, Nevada on June 25, 1992 at Book 236, Page 137. Newmont also agreed to complete certain reclamation activities and to convey to GREAT BASIN GOLD INC., a Nevada corporation, Newmont's entire interest in certain real property owned by Newmont under that Venture Agreement.

This Memorandum of Agreement may be executed in one or more counterparts, each of which shall be deemed an original for filing in the records of Elko, Eureka, and Lander Counties, Nevada, and which shall together constitute one and the same instrument. IN WITNESS WHEREOF, this memorandum has been executed as of the dates stated below.

NEWMONT EXPLORATION LIMITED

BY:

[Handwritten Signature]

STATE OF COLORADO

CITY AND COUNTY OF DENVER

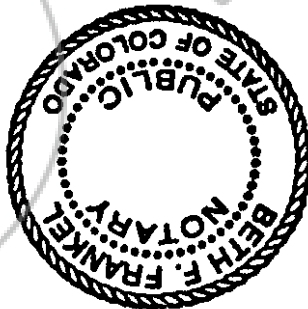
)
)
)
ss.

The foregoing instrument was acknowledged before me this 13th day of August, 1997, by Alexander G. Krol as President of Newmont Exploration Limited.

Witness my hand and official seal.

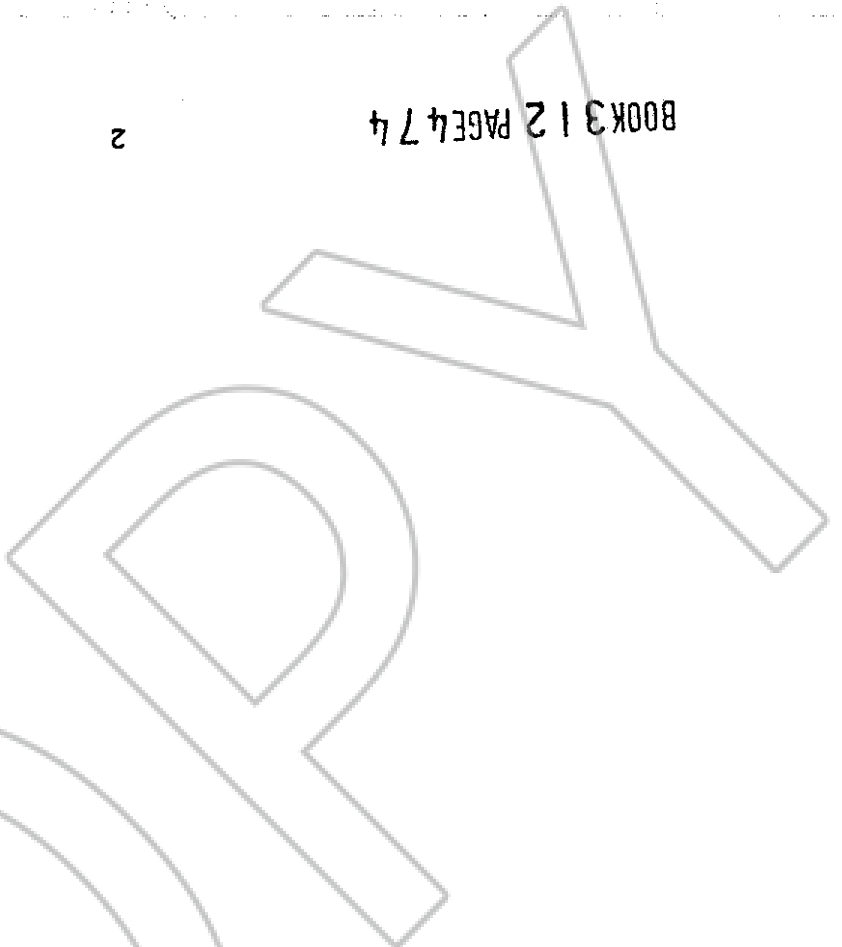
My commission expires: 8-2-99

[SEAL]



Notary Public

Beth F. Frankel



TOUCHSTONE RESOURCES COMPANY

By: [Signature]

COUNTRY OF CANADA

) PROVINCE OF BRITISH COLUMBIA

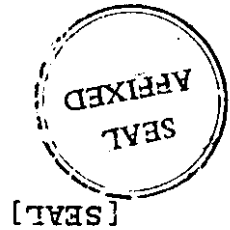
) ss.)

The foregoing instrument was acknowledged before me this 12th day of August, 1997, by [Signature] as President of Touchstone Resources Company.

Witness my hand and official seal.

does not appear My commission expires:

[Signature]
Notary Public



GREAT BASIN GOLD INC. By: 

COUNTRY OF CANADA)
)
) ss.)
)
) PROVINCE OF BRITISH COLUMBIA)

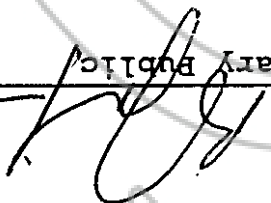
The foregoing instrument was acknowledged before me this 17th day of August, 1997, by David Cooper as Director of Great Basin Gold Inc.

Witness my hand and official seal.

My commission expires:

BERNHARD ZINKHOFER
Barrister & Solicitor
& Notary Public
LANG MICHENER LAWRENCE & SHAW
1500 - 1055 WEST GEORGIA STREET
P.O. BOX 11117
VANCOUVER, B.C. V6E 4N7
TELEPHONE: 604 688-9111




Notary Public

BOOK 312 PAGE 473
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Worshipful Gold Co.
97 SEP - 8 AM 11: 54
LIBERIA COUNTY NEVADA
M.H. REBELETTI, RECORDER
FILE NO. 168467
BOOK 312 PAGE 476

204035

OFFICIAL RECORDS
LANDER CO. NEV
RECORD REQUESTED BY
Worshipful Gold Co.
97 AUG 29 PM 3: 16
RAYE K. FAGG
RECORDER
FEE 10.00 DEP. MV