

Recorded at the request of
and when recorded return to:
Thomas P. Erwin
Erwin Thompson & Hascheff
One E. Liberty Street, Suite 424
Reno, Nevada 89504

Memorandum of Royalty Purchase Option Agreement

Metal Royalties Corporation, a corporation organized under the laws of the Province of Ontario ("MRC"), and Quest U.S.A. Resources Inc., a Nevada corporation ("Quest"), have entered into a Royalty Purchase Option Agreement dated effective June 5, 1998, in accordance with which Quest has granted to MRC the option to purchase all of the right, title and interest of Quest in and to the mineral production royalty granted by High Desert Mineral Resources, Inc., a Nevada corporation, to Bullion-Monarch Venture, a joint venture, under the Deed of Non-Participating Net Smelter Return Royalty dated effective August 7, 1990, recorded in the Office of the Eureka County Recorder on August 7, 1990, Document 133056, Book 212, Official Records, Pages 315-326, as corrected by the: (a) Correction Deed of Non-Participating Net Smelter Return Royalty dated effective August 7, 1990, granted by High Desert Mineral Resources of Nevada Inc., a Nevada corporation, to Westmont Gold Inc., a Delaware corporation, in respect of thirty percent (30%) of one percent (1%) of the net smelter returns (alternatively 0.3%), recorded in the Office of the Eureka County Recorder on December 18, 1991, Book 229, Official Records, Pages 185-197; and (b) Correction Deed of Non-Participating Net Smelter Return Royalty dated effective August 7, 1990, granted by High Desert Mineral Resources of Nevada Inc., a Nevada corporation, to The Petrol Oil & Gas Corporation, a Delaware corporation, in respect of thirty percent (31.2%) of one percent (1%) of the net smelter returns (alternatively 0.312%), recorded in the Office of the Eureka County Recorder on December 18, 1991, Book 229, Official Records, Pages 231-243. By Deed of Non-Participating Net Smelter Return Royalty dated effective November 16, 1990, recorded in the Office of the Eureka County Recorder on January 22, 1991, Document 135736, Book 219, Official Records, Pages 503-510, the Bullion-Monarch Venture conveyed to Westmont Gold Inc., a Delaware corporation, a thirty percent (30%) interest in the one percent (1%) net smelter return royalty and conveyed to The Petrol Oil & Gas Corporation, an undivided thirty-one and two tenths (31.2%) in the one percent (1%) net smelter return royalty, and by Special Warranty Deed and Assignment of Interest dated November 21, 1996, American Plastics & Chemicals Inc., a Delaware corporation formerly known as The Petrol Oil & Gas Corporation, conveyed to Quest all of the right, title and interest of American Plastics & Chemicals Inc. in and to the Deed of Non-Participating Net Smelter Return Royalty dated effective August 7, 1990, representing a thirty-one and two tenths (31.2%) of one percent (1%) (alternatively 0.312%) interest in the net smelter return royalty. Quest owns a sixty-one and two tenths (61.2%) interest in the one percent (1%) net smelter return royalty (alternatively 0.612%).

The addresses of MRC and Quest for purposes of the Agreement and this Memorandum are:

Quest U.S.A. Resources Inc.
5905 South Virginia Street, Suite 200
Reno, Nevada 89502

Metal Royalties Corporation
Suite 2400 PO Box 716
BCE Place 161 Bay Street
Toronto, Ont., Canada M5J 2S1

Dated effective June 5, 1998.

Quest U.S.A. Resources Inc.

By C. Joel Casburn
Title: V.P. Corporate Development

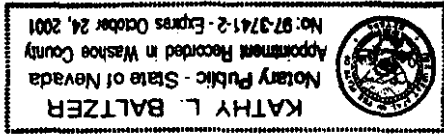
Metal Royalties Corporation

By R.W. Jackson
Robert W. Jackson, President

STATE OF NEVADA,)
ss.)
COUNTY OF WASHOE.)

This Memorandum of Royalty Purchase Option Agreement was acknowledged before me on June 8, 1998, by C. Joel Casburn as V.P. Corporate Develop. of Quest U.S.A. Resources Inc.

Kathy L. Baltzer
Notary Public

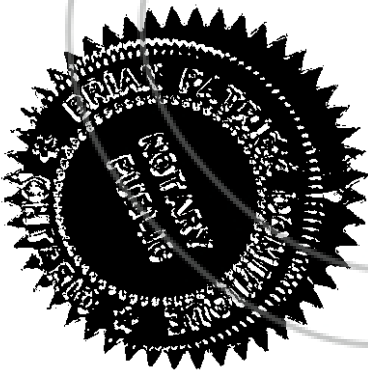


MUNICIPALITY OF TORONTO,
PROVINCE OF ONTARIO.

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ss.
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This Memorandum of Royalty Purchase Option Agreement was acknowledged before me on June 29, 1998, by Robert W. Jackson as President of Metal Royalties Corporation.

Notary Public



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EUREKA COUNTY NEVADA
M.N. REBALIATI, RECORDER
FILE NO. FEES \$9.00

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OFFICIAL RECORDS
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