

RECORDING REQUESTED BY AND RETURN TO:  
NEWMONT MINING CORPORATION  
Attn: Land Department  
555 Fifth Street  
Elko, Nevada 89801

BOOK 430 PAGE 210-212  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
Newmont Mining Corp  
2005 DEC 29 PM 1:00  
EUREKA COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. 203025  
FEES \$16.00

MEMORANDUM OF IRON ORE LEASE

Parties. A Lease was entered into on the 1<sup>st</sup> day of August, 2005 by and between Newmont Mining Corporation, a Delaware corporation, with an address of 555 Fifth Street, Elko, Nevada 89801 ("LESSOR") and Saga Exploration Co., a Nevada corporation, with an address of P.O. Box 6479, Reno, Nevada 89513 ("LESSEE");

Property. The real property is described in the Leased Premises attached as Exhibit "A" and incorporated herein.

Term. The original term of this Lease is ten (10) years commencing on the 1<sup>st</sup> day of August, 2005.

Additional Provisions. The Lease is subject to all of the provisions, terms, conditions, and obligations contained therein.

Dated this 19<sup>th</sup> day of December, 2005.

LESSOR:

Newmont Mining Corporation

By: Deland W. Kugensud

Name: Deland W. Kugensud

Title: Vice President

LESSEE:

Saga Exploration Co.

By: G. G. Austin

Name: Gregory G. Austin

Title: President

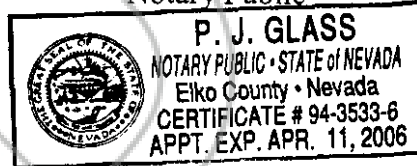
STATE OF NEVADA       )  
                                  ) ss.  
COUNTY OF ELKO       )

On this 19<sup>th</sup> day of December 2005 personally appeared before me, a Notary Public, Teland W. Krugnerud a duly qualified and acting officer of Newmont Mining Corporation, a Delaware corporation, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he executed the above instrument on behalf of said corporation.

P. J. Glass

Notary Public

My commission expires: 4/11/06



STATE OF NEVADA       )  
                                  ) ss.  
COUNTY OF WASHOE   )

On this 12 day of December 2005 personally appeared before me, a Notary Public, Cristian G. Austin a duly qualified and acting officer of Saga Exploration Co., a Nevada corporation, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he executed the above instrument on behalf of said corporation.

Michael R. Cadena  
Notary Public

My commission expires: 9/20/08

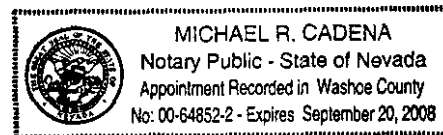


EXHIBIT A

(Attached to and forming a part of the Memorandum of Iron Ore Lease between  
Newmont Mining Corporation and Saga Exploration Co.)

LEASED PREMISES

Eureka County, Nevada

Township 31 North, Range 51 East, MDM

Section 7: Lots 3 and 4, excepting all that portion thereof lying within 200 feet on  
each side of the center line of Central Pacific Railway Company's main track as  
now constructed, containing 85.27 acres, more or less.

**203025**