No APN - unpatented mining claims

Recorded at the request of and when recorded return to: Earl W. Abbott Tornado Gold International Corp. 8600 Technology Way, Suite 118 Reno, Nevada 89521

The undersigned affirm that this document contains no social security numbers.

EUREKA COUNTY, HEVADA M.N. REBALEATURECORDER FEES 1600

206131

Memorandum of Mining Lease and Option to Purchase Agreement

Notice is given that Carl Pescio, doing business as Pescio Exploration, and Janet Pescio (collectively "Owner"), and Tornado Gold International Corp., a Nevada corporation ("TOGI"), have entered into the Mining Lease and Option to Purchase Agreement concerning the unpatented mining claims described in Exhibit A attached to and by this reference incorporated in this Agreement (the "Property"). In accordance with the Agreement, Owner has granted to TOGI the right to explore for minerals on the Property and to acquire ownership of the Property, subject to certain obligations of TOGI.

For purposes of the Agreement and this Memorandum, the addresses of the parties are:

Carl Pescio Janet Pescio Pescio Exploration PO Box 5831 Elko, NV 89802

Tornado Gold International Corp. 8600 Technology Way, Suite 118 Reno, NV 89521

Dated effective September 1, 2005.

Carl Pescio

Janet Pescio

Tornado International Gold Corp.

Earl W. Abbott, President

Walti Project

STATE OF NEVADA,)	Λ
COUNTY OF ELKO.	ss.	
	of Mining Lease and Option to Purchase August 31, 2006, hy. Carl Pescio. SHAWNA BEHUNIN Notary Public - State of Nevada Appointment Recorded in Elke Gount No: 05-98367-6 - Expires August 8, 2009 No: 05-98367-6 - Expires August 8, 2009	schuain
STATE OF NEVADA,		
COUNTY OF ELKO.	SS.)	
	of Mining Lease and Option to Purchase August 31, 2006, by Janet Pescio.	Agreement was
The state of the s	SHAWNA BEHUNIN Notary Public - State of Nevada Appointment Flecorded in Elixo County No: 05-9:3357-6 - Expires August 8, 2009 Notary Public	hunin
STATE OF NEVADA,		
EI LO COUNTY OF WASHOE.	SS.	
	of Mining Lease and Option to Purchase	
acknowledged before me on International Gold Corp.	August 31, 2006, by Earl W. Abbott as Presi	ident of Tornado

SHAWNA BEHUNIN
Notary Public - State of Neverte
Appointment Recorded in Elio County
No: 05-93367-6 - Expires August 8, 2009

Notary Public

Walti Project

Exhibit A Description of Property

Location:

The following 402 unpatented lode mining claims are situated in an unsurveyed portion of Township 24 North, Range 47 East and in Sections 7, 8, and 17 thru 20, Township 24 North, Range 48 East, Mount Diablo B&M, Lander County, Nevada and in Sections 15 and 16, Township 24 North, Range 48 East, Mount Diablo B&M, Eureka County, Nevada and

are further described as follows:

Claimant:

Carl Pescio P.O. Box 5831

Elko, Nevada 89802

Lander County		<u>BLM</u>
Book	Page	Serial Number
550	698-797	NMC 916696-916795
551	001-060	NMC 916796-916855
551	061-266	NMC 916857-917062
Eureka Cou	inty	BLM
Book	<u>Page</u>	Serial Number
430	243-277	NMC 917063-917097
430	278	NMC 916856
	Book 550 551 551 Eureka Cou Book 430	Book Page 550 698-797 551 001-060 551 061-266 Eureka County Page 430 243-277

91875.002 Walti 080506

206131