

April 9, 1988

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM, dated as of the 16th day of May, 1988, discloses of record that for the term and on the terms and conditions of that certain Lease Agreement of even date herewith whereby UNITED DELAMAR MINING COMPANY, a Nevada corporation, of Salt Lake City, Utah, referred to as "LESSOR," leased, and does hereby lease, for good and valuable consideration, to FISCHER-WATT GOLD COMPANY, INC., a Nevada corporation, of Reno, Nevada, referred to as "LESSEE," those certain mining claims generally located in Lincoln County, Nevada, more particularly described in Exhibit A attached hereto and made a part hereof, and any other real property interests of the LESSOR located in that certain Area of Interest described in Exhibit B attached hereto and made a part hereof.

The term of the Lease Agreement is for a TWO (2) year period, commencing on the date hereof, with the option, at the LESSEE's discretion, to renew for up to ONE (1) additional successive TWO (2) year period, unless sooner terminated, forfeited or surrendered, and so long thereafter as continuous commercial production continues uninterrupted for no more than EIGHT (8) months in succession.

The LESSEE, under the terms of the Lease Agreement, shall have the exclusive right to enter upon the property for mining, and related purposes and may erect and maintain buildings thereof, and such use is to continue through the term of the

April 9, 1988

Lease Agreement without further consideration, except as set forth in said Lease Agreement. All of the terms and conditions of the Lease Agreement are incorporated herein and made a part hereof as if set forth in full, and the consideration for such is recited therein.

A copy of the complete Lease Agreement shall be available for inspection by interested and qualified persons at the offices of UNITED DELAMAR MINING COMPANY's counsel:

Bible, Hoy, Miller, Trachok & Wadhams
Attention: John C. Miller, Esq.
Bløhm Building, Suite 201
Elko, NV 89801

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands as of the day and year first above written.

LESSOR:

UNITED DELAMAR MINING COMPANY,
a Nevada corporation

BY: *D. J. Burrows*

TITLE: *President*

April 9, 1988

LESSEE:

FISCHER-WATT GOLD COMPANY,
INC.,
a Nevada corporation

BY: A Watt

TITLE: C.E.O.

BY: W. Perry Durning
W. PERRY DURNING
President


STATE OF Utah)
COUNTY OF Salt Lake) SS.

On May 16, 1988, personally appeared before me, a Notary Public, David W. Bernal Co., known to me to be a duly qualified and acting officer of UNITED DELAMAR MINING COMPANY, who acknowledged to me that he executed the above instrument in that capacity.

Harriet Lawrence
NOTARY PUBLIC
Residing in Salt Lake City, Utah
Comm. Expires Nov 24, 1989

STATE OF NEVADA)
COUNTY OF WASHOE) SS.

On MAY 25, 1988, personally appeared before me, a Notary Public, TIM WATT, known to me to be a duly qualified and acting officer of FISCHER-WATT GOLD CO., INC., who acknowledged to me that he executed the above instrument in that capacity.

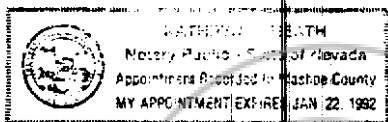
 KATHRYN A. HEATH
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES JAN 22, 1992

Kathryn A. Heath
NOTARY PUBLIC

April 9, 1988

STATE OF NEVADA)
) SS.
COUNTY OF LURSUME)

On MAY 25, 1988, personally appeared before me, a Notary Public, W. Perry Durning, known to me to be an agent of FISCHER-WATT GOLD CO., INC., who acknowledged to me that he executed the above instrument in that capacity.



Matthew A. Heath
NOTARY PUBLIC

April 9, 1988

EXHIBIT A
to
LEASE AGREEMENT
between

UNITED DELAMAR MINING COMPANY and FISCHER-WATT GOLD COMPANY, INC.

Those certain patented mining claims generally located within of Townships 5 and 6 South, Range 64 East, M.D.B.&M., Unknown (Delamar or Ferguson) Mining District, Lincoln County, Nevada, more particularly described as follows:

1. Properties originally held wholly or in part by United Delamar Mining Company ("UDM"):

<u>Name of Claim</u>	<u>Mineral Survey No.</u>	<u>Name of Claim</u>	<u>Mineral Survey No.</u>
Magnolia South Extension	Lot No. 37	Boss	1820
Jim Crow	1709	Flagstaff No. 2	1820
Lucky Bar	1711	Mona	1821
Princess	1712	Defender	1822
Cliff	1713	Lois	1837
Monitor	1713	Typewriter	1837
Monitor No. 2	1713	Stella	1841
April Fool	1718	Jim Crow No. 2	1846
Cliff No. 2	1718	Fetterman	1848
Dublin	1718	Extension No. 2	2001
Jumbo	1718	Extension No. 3	2001
Lookout	1718	Century	2016
Swifter	1718	Aspodel	2038
Naid Queen	1724	Gertrude	2038
Golden Eagle	1726	Gold Brick	2038
Montaire	1726	Pleides	2038
Gavilan	1728	Adam	2052-A
Gold Cup	1729	Hiko	2052-A
Jefferson	1730	John Brown	2052-A
Sally Ann	1730	Rose	2052-A
Magnolia	1731	Rich	2052-A
Ronnow	1744	Valley	2052-A
Lease	1746	Piute	2068
Jim Crow Extension No. 2	1793	Jim Crow No. 3	2071
Aetna	1800	Korkskreweue	2071
Candilero	1800	Toga	2104
Fierossa	1800	Cone	2103-A
Fierossa No. 5	1800	Doctor	2108
Hindray	1800	June	2108
Reliance	1800	Spider	2108
El Dorado	1809	Salvatore	2108
Toney	1818	Johnson	2113-A
Little Annie	1819	Dockel	2949
Apex	1820	Stitch	2949
		Sunbeam	2949

April 9, 1988

<u>Name of Claim</u>	<u>Mineral Survey No.</u>	<u>Name of Claim</u>	<u>Mineral Survey No.</u>
1/2 interest in Johnson Millsite	2113-B	1/2 interest in Salvatore Millsite	2113-B
1/2 interest in June Millsite	2113-B	1/2 interest in Cone Millsite	2113-B
2/3 interest in Millionaire 1710		5/6 interest in Richman	2062

Surface rights to 4.3 acres of land in the northwest corner of the Little Annie claim Lot #1819 and in the easterly portion of Piute Lode #2068.

2. Lode mining claims acquired by UDM from Marvil Exploration Company on April 11, 1961; situate and being in the County of Lincoln, State of Nevada, described as follows and being in the Ferguson Mining District:

<u>Name of Claim</u>	<u>Patent No.</u>	<u>Mineral Survey No.</u>	<u>Name of Claim</u>	<u>Patent No.</u>	<u>Mineral Survey No.</u>
Golden Fleece	28392	1746	Sunny South	44365	2089
Caribou	28392	1746	Brookland	"	2089
Eleanor	37586	2029	American Flag	"	2089
Gold Note	37586	2029	American Flag No. 2	"	2089
Ontario	37586	2029	Moonlight	"	2089
Richmond (5/6)	40450	2062	Red Bluff	"	2089
Tincup	40450	2062	Hill Top	"	2089
Gold Brick	44365	2089	Old Glory	"	2089
Deserate	"	2089	Misera Dream	"	2089
Tempest	"	2089	Cleveland	"	2089
Summit	"	2089	Sunrise	41363	2103-A
Mountain Top	"	2089	Rainbow	0500	3435
Boston	"	2089	Little Gem	"	3435

3. Lode mining claims acquired by UDM from the Anly Company on April 24, 1961, situate and being in the Ferguson Mining District, County of Lincoln, State of Nevada, as follows:

<u>Name of Claim</u>	<u>Patent No.</u>	<u>Mineral Survey No.</u>	<u>Name of Claim</u>	<u>Patent No.</u>	<u>Mineral Survey No.</u>
Dan	29065	1796	Summit	37117	1998
Donnerburg	29266	1808	Central	33002	1815
Hunter	38717	2045	Central Extension	33002	1815
Little Emma	38717	2045	Clara M.	29132	1795
Finch	37117	1998	Short	29595	1798

4. Together with all interest of UDM in and to any real property, or real property interests generally within the Ferguson Mining District, County of Lincoln, State of Nevada, that falls within the Area of Interest as described in Exhibit B, it being the intention of UDM to lease of the real

April 9, 1988

property and real property interests that it might have within the Area of Interest. Such to include, but not limited to, all water and water rights to which UDM may have a right or claim.

April 9, 1988

EXHIBIT B
to
LEASE AGREEMENT
between
UNITED DELAMAR MINING COMPANY and FISCHER-WATT GOLD COMPANY, INC.

AREA OF INTEREST:

Township 5 South, Range 64 East
Sections: 22 - 27, 34 - 36

Township 6 South, Range 64 East
Sections: 1 - 3, 10 - 15

Township 5 South, Range 65 East (unsurveyed)
Sections: 4 - 9, 16 - 18

Township 6 South, Range 65 East (unsurveyed)
Sections: 19 - 21, 28 - 33

No. 88958

FILED AND RECORDED AT REQUEST OF
Fischer-Watt Gold Co.

June 13, 1988

At 1 MINUTES PAST 1 O'CLOCK

P. M IN BOOK 80 OF OFFICIAL

RECORDS, PAGE 159 LINCOLN
COUNTY, NEVADA.

FRANK C. HULSE

COUNTY RECORDER

By Mara Condie, Deputy