

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 8 day of January 1991, between RAYMOND OSBORNE, KARIN OSBORNE, LYNDIA PACHECO, MELISSA A. MOORE, LYNN D. SELDOMRIDGE, ALTA SELDOMRIDGE, ROBERT ANDREWS, LINDA K. ANDREWS, RON MOORE, MELINDA MOORE, Collectively the "Claimholder" of 1162 Riverside Dr. Myrtle Creek, OR 97457, hereinafter known as "LESSOR"; and VAL TECH INC. of 15400 Old Hiway 99 Myrtle Creek, OR 97457, hereinafter known as "LESSEE.

WITNESSETH:

WHEREAS, the Lessor is the CLAIM HOLDER OF RECORD of certain Oregon Mining Claims located in of Township 27S, Range 7E, of the Willamette Meridian, of Klamath County, known as the Red Cone Claims 1 thru 10, found in Vol. M 90 beginning on Page 21964 thru 21973, and of which the Bureau of Land Management has issued the ORMC numbers 0132987 thru 0132996.

WHEREAS, the Lessee is interested in examining the property for the purpose of determining the feasibility of developing, mining, marketing, of the ore, minerals, metals, concentrates, or to sub-lease, or joint venture with reputable second parties at Lessee's discretion, for the same purpose;

THEREFORE, the parties hereto, in consideration of the terms and agreements set forth herein and the mutual benefits that may be derived therefrom, hereby agree and covenant as follows:

1768

IN WITNESS WHEREOF, the parties hereto have executed this Lease
AGREEMENT the day and year first above written.

LESSOR "-----" CLAIMHOLDER OF RECORD "-----"

Raymond Osborne

RAYMOND OSBORNE

Lynn D. Seldomridge

LYNN D. SELDOMRIDGE

Robert Andrews

ROBERT ANDREWS

Ron Moore

RON MOORE

Lynda Pacheco

LYNDA PACHECO

Karin Osborne

KARIN OSBORNE

Alta Seldomridge

ALTA SELDOMRIDGE

Lynda K. Andrews

LYNDA K. ANDREWS

Melinda A. Moore

MELINDA A. MOORE

Melissa A. Moore

MELISSA A. MOORE

"LESSEE" VAL-TECH--INC. REPRESENTATIVES:-----

Lynn D. Seldomridge

LYNN D. SELDOMRIDGE

O. Ronald Moore

O. RONALD MOORE

NOTARY PUBLIC:

On January 8, 1991, the above persons personally appeared before
me and acknowledged they executed the foregoing instrument.

(State of Oregon)

(County of Douglas)

Notary Public Colleen R. No Date: January 8, 1991

Commission Expires: May 26, 1991

-----PAGE 12 of 12-----

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Valtech, Inc. the 28th day
of Jan. A.D., 19 91 at 2:45 o'clock P. M., and duly recorded in Vol. M91,
of Mining Claims on Page 1767

Evelyn Biehn County Clerk
By Paula Mullins

FEE \$10.00

Return: Valtech, Inc.
P.O. Box 86
Dillard, Or. 97432

