

ACCESS AGREEMENT

THIS ACCESS AGREEMENT ("Agreement") dated as of Oct 18, 2006, is by and between FERNANDEZ COMPANY, LTD., a New Mexico limited partnership ("Fernandez"), and STRATHMORE RESOURCES (U.S.) LTD., a Nevada corporation, ("Strathmore").

RECITALS

A. Fernandez is the owner of the surface estate with respect to the following lands in McKinley County, New Mexico:

Township 13 North, Range 8 West, NMPM
Section 17: All
Section 20: All

(hereinafter referred to as the "Fernandez Lands").

B. Strathmore owns (i) a state mining lease covering Sections 16, Township 13 North, Range 8 West, NMPM, McKinley County, New Mexico; and (ii) unpatented lode mining claims located on Sections 9 and 10, Township 13 North, Range 8 West, NMPM, McKinley County, New Mexico. Strathmore's interests in the above-described lease and claims are herein referred to as the "Strathmore Properties."

C. Strathmore desires to acquire certain access rights across Fernandez Lands, and Fernandez desires to grant such access rights upon the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of their mutual promises, the parties agree as follows:

1. Right of Access. In consideration of \$10.00 and other consideration, the receipt of which is hereby acknowledged, Fernandez hereby grants to Strathmore, its employees, agents, contractors and representatives (collectively referred to as the "Strathmore Parties"), a non-exclusive right of entry over and across the Fernandez Lands in order that Strathmore may access Strathmore's Properties to perform exploration, prospecting, development and permitting activities for Uranium Minerals with respect to the Strathmore Properties. Strathmore's use of the Fernandez Lands is hereby expressly limited to the area indicated on Exhibit A attached hereto. Strathmore shall have the right to transport across the right-of-way herein provided all reasonably necessary material and equipment required to carry out the activities herein described, all subject to the terms and conditions provided herein. For purposes of this Agreement, "Uranium Minerals" shall mean uranium-bearing ores, including, without limitation, autunite, brannerite, carnotite, pitchblende, torbernite, tyuyamunite, uraninite and uranophane. Strathmore's use of the Fernandez Lands is expressly limited to Strathmore's exploration and prospecting activities with respect to the Strathmore Properties; it shall not extend to Strathmore's activities related to the production or processing of Uranium Minerals.

2. Term. The initial term of this Agreement shall run from the date of this Agreement until December 31, 2009. In the event Strathmore determines, in its sole discretion, that it requires continued non-exclusive right of entry over and across the Fernandez lands in order that Strathmore may access Strathmore's Properties to perform exploration, prospecting, development and permitting activities for Uranium Minerals, Strathmore shall provide Fernandez with written notice of its intent to extend the term of this Agreement on or before July 31, 2009. Strathmore shall have an option to extend the term of this Agreement for an additional three year term until December 31, 2012. The annual consideration for the extended term shall be negotiated and agreed upon by both parties; provided, however, the annual consideration shall in no event be less than the amount paid in the original term, plus a reasonable increase for an adjustment using the Consumer Price Index (CPI) and 2006 as the base year.
3. Grading. The parties agree that Strathmore shall have the right to perform grading on existing roads located on the Fernandez Lands with Fernandez's approval.
4. Regulatory Authorities. The parties agree and acknowledge that Strathmore's activities may be subject to inspection, review and oversight by federal and/or state regulatory authorities. Fernandez agrees that such regulatory authorities may use the right-of-way hereby granted for access, ingress and egress to the Strathmore Properties for the purpose of conducting such inspections, review and oversight of Strathmore's activities with respect to the Strathmore Properties.
5. Non-Exclusive Use. Strathmore's use of the right-of-way hereby granted shall be non-exclusive. Fernandez and its successors-in-interest and assigns shall have the right to use such right-of-way, so long as such use does not unreasonably interfere with Strathmore's use.
6. Right-of-Way. Strathmore shall limit its use of the Fernandez Lands to the right-of-way described on Exhibit A attached hereto. To the extent the right-of-way covers existing roads, Strathmore shall be responsible for the maintenance and repair of such roads during Strathmore's use thereof. Promptly after Strathmore has completed its use of the existing roads, it shall restore the roads, as nearly as possible, to their former condition. To the extent the right-of-way deviates from existing roads, Strathmore shall build new roads. Promptly after Strathmore has completed its use of the new roads, it shall restore the roads, as nearly as possible to their former condition. Activities and work performed by Strathmore and Strathmore Parties on the existing and new roads shall be done in a good and workmanlike manner, and shall not unreasonably interfere with the use and occupancy of the Fernandez Lands.
7. Indemnification. To the maximum extent allowed by law, Strathmore shall indemnify and hold harmless Fernandez, and its partners, employees, agents, contractors and representatives, from and against any and all claims, lawsuits, damages, losses and expenses (including attorneys' fees and court costs) arising in connection with a claim of any person or entity as a result of death, bodily injury or damage to property arising out of or related to the activities of Strathmore or Strathmore Parties. Fernandez shall provide Strathmore with notice of any such claim and will cooperate with Strathmore regarding the handling of the claim.

8. Miscellaneous. Strathmore hereby agrees to the following limitations, conditions and covenants regarding its use of the Fernandez Lands:

a. Strathmore shall not bring heavy equipment on the Fernandez Lands when adverse weather conditions are present that will cause undue damage to the surface of the Fernandez Lands, unless Fernandez gives its prior verbal approval to such entry.

b. Strathmore shall be responsible for keeping gates closed and repairing open fence resulting from Strathmore's activities, to keep livestock from escaping or straying. If livestock escape due to the acts of Strathmore, Fernandez will be reimbursed for time spent gathering and sorting livestock. Further, Strathmore promises and agrees not to install fencing along existing or new roads constructed, thus ensuring that the property remains open range. Strathmore promises and agrees to use only existing gates upon the Fernandez Lands unless otherwise agreed to in writing.

c. If Strathmore's actions result in death or injury to livestock, the owner of such livestock will be reimbursed at a fair value agreed upon by the owner of the livestock and Strathmore. If a fair value cannot be negotiated, a neutral arbitrator will be chosen by both parties and the owner of the livestock will be reimbursed for the value that the arbitrator determines.

d. Neither Fernandez nor any other livestock owner shall, unless grossly negligent, be responsible for (i) damage to Strathmore's equipment caused by livestock; (ii) injury or death of Strathmore's personnel while on the Fernandez Lands; or (iii) damage to Strathmore's property located on the Fernandez Lands.

e. The rights of Strathmore under this Agreement shall not be assigned by Strathmore, either in whole or in part, without the prior written consent of Fernandez, which shall not be unreasonably withheld.

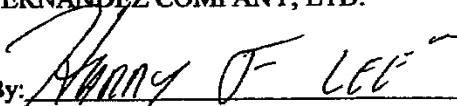
f. Strathmore's use of the Fernandez Lands is limited to a right-of-way from the public road to the Strathmore Properties. Strathmore (including the Strathmore Parties) shall not store or keep any property on the Fernandez Lands without the prior written consent of Fernandez.

g. This Agreement shall be construed and enforced in accordance with the laws of the state of New Mexico.


h. Any controversy or claim arising out of or relating to this Lease shall only be resolved by arbitration pursuant to the New Mexico Uniform Arbitration Act, using the then effective Commercial Arbitration Rules issued by the American Arbitration Association. Such arbitration shall be before a panel of one arbitrator, and shall be conducted exclusively in Albuquerque, New Mexico. The prevailing party in such arbitration shall be entitled to recover its reasonable attorneys' fees and costs incurred in such proceeding. Judgment upon the arbitration award rendered may be entered in any court having jurisdiction thereof.

This Agreement has been executed on the dates indicated hereinbelow in the acknowledgments.

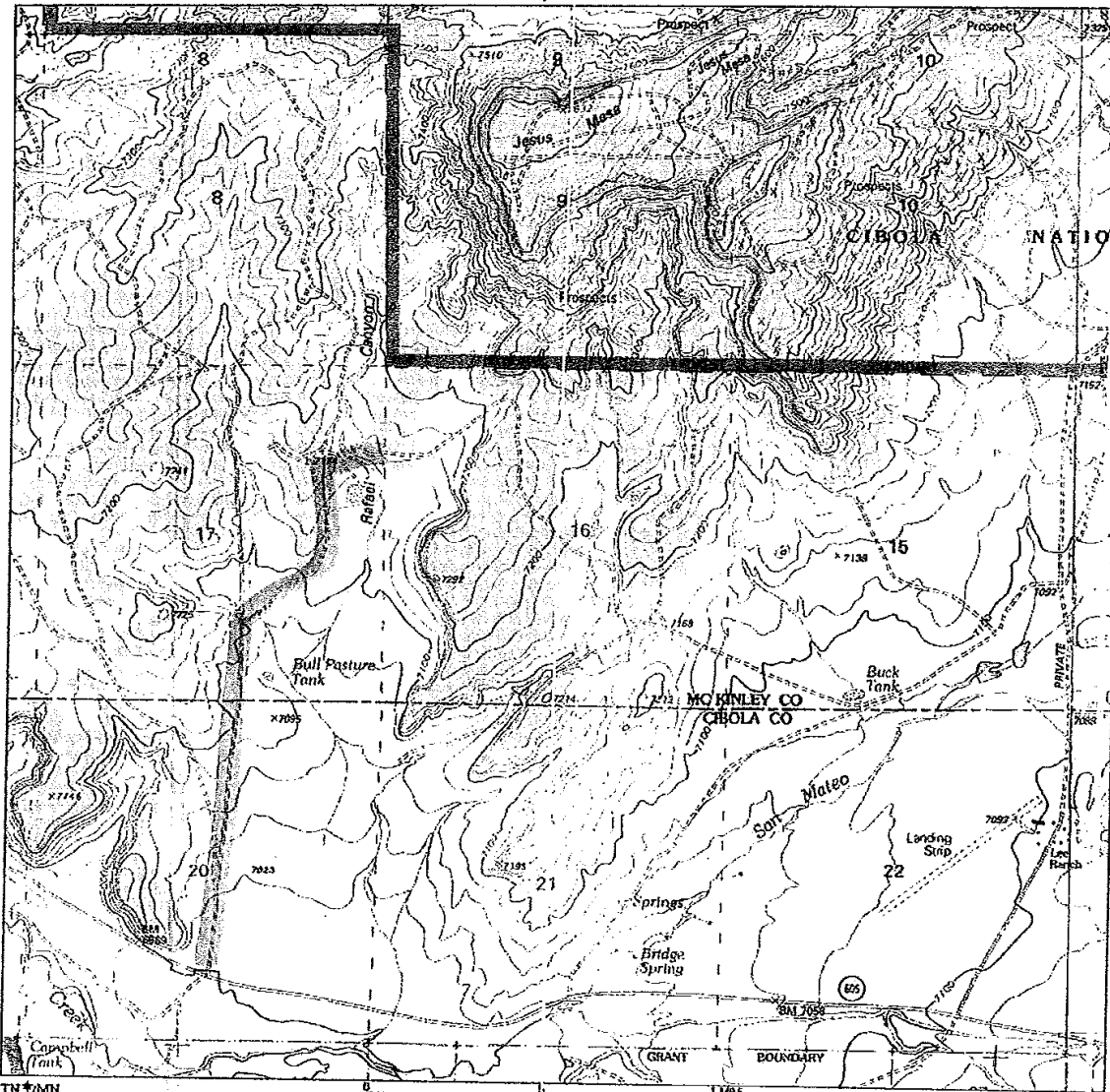
FERNANDEZ COMPANY, LTD.

By: 
Harry F. Lee, Jr., General Partner

STRATHMORE RESOURCES (U.S.) LTD.

By: 
Its: Vice President

THIS EXHIBIT A IS ATTACHED TO AND MADE
A PART OF ACCESS AGREEMENT DATED
Oct 18, 2006, BY AND BETWEEN
FERNANDEZ COMPANY, LTD. AND
STRATHMORE RESOURCES (U.S.) LTD.



TN MN
10 1/2°

0 1000 FEET 0 500 1000 METERS
Printed from TOPOI ©2001 National Geographic Holdings (www.topo.com)

No profile exists. Choose 'Build Profile' from the pop-up options menu of a route.