

Bullion Hill Mining Company }
to } option & lease
W. H. Foutledge

This mining option and lease, made and entered into this 24th day of October, A. D. 1912, by and between the Bullion Hill Mining Company, a corporation, duly organized and existing under and by virtue of the laws of the state of Nevada, party of the first part, and W. H. Foutledge, of the City and County of San Francisco, State of California, party of the second part.

Witnesseth:

That subject to the terms and provisions of this mining option and lease, and in consideration of the execution thereof and of the covenants and agreements therein contained, to be well and truly performed by the party of the second part, the party of the first part hereby gives and grants to the party of the second part, for and during the period of two (2) years from the date hereof, the exclusive right and option to purchase of and from the party of the first part three certain patented mining claims situate in the Cortez Mining District, County of Esmeralda, State of Nevada, hereinafter referred to and more particularly described, for the full sum of thirty-five thousand (\$35,000.00) dollars, to be well and truly paid to the party of the first part by the party of the second part at any time within said period of two years.

and that accordingly it is hereby mutually covenanted and agreed by and between the respective parties unto as follows and not otherwise:

1st: That the party of the second part will enter into full possession and actual enjoyment of said mining claims, and

each of them, ^{or} before the first day of January
 1912, and commencing on said last named date
 will then and there proceed to work, develop
 and mine said mining claims, and during the
 existence of this mining option and lease will
 continue to work, develop and mine the same
 and in so doing, will continuously cause to be
 engaged, employed and worked therein and
 thereon not less than 300 mining shifts during
 every 90 days from said last named date,
 which said shifts shall consist of at least
 eight hours of working time for and during
 each and every day from said last named
 date for the full term of this mining option
 and lease: that all work, development and
 mining in the premises shall be done in
 a workmanlike and minerlike fashion and
 no waste whatsoever shall be suffered or
 permitted of the property herein described,
 and all shafts, cuts and tunnels, and each
 of them, shall be of regulation size and
 dimensions and shall be fully timbered and
 strengthened by the party of the second part,
 conformable to good workmanlike and miner
 like mining and according to the custom and
 practice of the mining district aforesaid; that
 said party of the second part shall keep
 clean of rocks or other debris and all shafts,
 tunnels, cuts and other workings upon said
 mining claims, and said mining claims and
 the shafts, tunnels, cuts and other workings
 thereof, and each of them, shall be open to
 the full inspection and examination without
 let or hindrance, of the party of the first part,
 its attorneys and agents, at any and all times
 during the existence of this mining option and
 lease, and any and all work, development and
 mining done or caused to be done upon said
 mining claims, which is the possession or
 enjoyment of the party of the second part,
 shall be at the sole and absolute cost and
 expense of the party of the second part
 without recourse to or against the party
 of the first part, or said mining claims, or
 any of them, and to that end the party of
 the second part during the full term of
 this mining option and lease shall cause
 to be paid, with due diligence and dispatch
 all and singular, the aforesaid cost and

expense whether the same be for labor or material, or both, furnished or supplied to or used upon said mining claims, or any of them, and shall at all times keep said mining claims, and each of them, free and clear and discharged of and from any and all liens for such labor or materials, and shall for and on behalf of the parties hereto, and each of them, post and keep posted upon said mining claims notices in conspicuous places to the effect that the owner thereof, namely, the party of the first part, will not be responsible for any work, labor or material furnished or supplied to or upon said mining claims, or any of them, or any improvements erected thereon, and that said mining claims are being worked, developed and mined at the sole and absolute cost and expense of the party of the second part.

2nd: That this mining option and lease shall be assignable and said mining claims may be sub-let, only, however, subject to all and singular the terms and conditions hereof, and only after the written consent of the party of the first part first had and obtained.

3rd: That the party of the second part shall mine and extract from said mining claims the ores and precious metals found therein and from time to time as sufficient quantity thereof shall have been extracted and shall be on hand he shall cause the same to be reduced, smelted and concentrated and obtain and receive the proceeds thereof, and out of the gross proceeds, as soon as received or obtained, the party of the second part shall pay or cause to be paid to the party of the first part as follows, to-wit: 15% of such gross proceeds, whether reduced, smelted or concentrated upon the ground, or received from a reduction or ore treating works, after shipment thereof; but it is specially provided that all shipments of ore or concentrates, under this mining option and lease, shall be made in the name of The Union National Bank of Peru, and that when the proceeds of such shipments are received by it the same shall be disbursed in accordance with the terms and provisions hereof: that is to say, 15% thereof to the party of the first part and 85% thereof to the party of the second part, and

and the party of the second part shall likewise pay the Union National Bank of Reno 15% of the gross proceeds of all ore or concentrates worked or reduced on the ground.

4th: Should the party of the second part exercise his option herein contained to purchase said mining claims within the period of two years as aforesaid, then for the payment of the purchase price thereof, namely, \$25,000.00, the party of the first part shall execute and deliver and cause to be executed and delivered to the party of the second part a good and sufficient deed conveying a merchantable title of, in and for said mining claims, and such payment of \$25,000.00 therefor shall be made as follows:

(a) There shall be applied on account of said purchase price the total sum received from the party of the second part by the party of the first part on account of said gross receipts; and

(b) The balance thereof, namely, the difference between the purchase price aforesaid and said total amount of the gross proceeds received as aforesaid shall be paid in cash to the party of the first part by the party of the second part; and it is always intended, however, that the party of the second part ^{making} fulfilled, all and singular, the terms and conditions hereof, at any time within the period of two years aforesaid, shall have the right to purchase from and of the party of the first part said mining claims by the payment to the party of the first part of said sum of \$25,000.00 cash, even though no thing has been realized from the working, developing and mining of said mining claims as aforesaid:

5th. That the party of the second part may cumulate the shifts required to be worked on said mining claims during each 90 days as aforesaid by working more than the required number of shifts during any 90 day and for the succeeding 90 days he shall only be required to work the balance of shifts so that the average of shifts worked for the period including said succeeding 90 days will amount to at least 300 shifts during each 90 day throughout the period; but nothing herein shall permit the party of the second part to work less than 300 shifts in each of the aforesaid 90 days.

unless it is for the purpose of averaging 300 shifts for each 90 day therefore expired, but in the case of strikes, washouts, acts of God, or any other contingencies occurring over which the party of the second part has no control, the party of the second part shall not be required to work said mining claims until such strikes, washouts, acts of God, or other contingencies over which he has no control, cease and terminate.

6th: Each and every, all and singular the terms and conditions of this mining option and lease to be performed and kept by the party of the second part are of the essence of this instrument, and if the party of the second part shall fail in keeping or performing any of said terms and conditions, or violating any of the same, or fail to make any of the payments aforesaid, as the same become due and payable, whether the same are of or from said gross proceeds, or for or on account of said purchase price, this mining option and lease shall immediately cease and terminate and said party of the second part shall surrender up to and unto the party of the first part said mining claims and said party of the first part may enter upon the same and remove all persons therefrom and, in that event, all money paid to the party of the first part by the party of the second part, under the terms and provisions thereof, shall be and become the absolute property of the party of the first part and shall be forever forfeited to the party of the first part and the party of the second part shall have no claims or demand thereon or against the party of the first part, or against said mining claims therefor.

7th: The following is a particular description of the mining claims hereinbefore referred to and covered by this mining option and lease, to wit: The Benjamin Harrison, Aurora, Jumbo, Illinois, Cementock, Mayflower, White Horse, and Phoebe, Lode Mining Claims, situate, lying and being in the County Mining District, County of Cowles State of Nevada, named, known, located, recorded, and patented as aforesaid, and for a more particular description of which said Lode Mining Claims reference is hereby made to all and singular

J.P.
N.C.P.

the records of the district mining records office and County records office of said County of Esmeralda which in anywise appertain or refer to said mining claims or any of them.

In witness whereof, on the day and year first above written, and in duplicate, the respective parties here to have caused their name and seals to be hereunto affixed, said party of the first part, by and through its officers thereunto duly authorized by its board of directors in a resolution passed and adopted.

Bullion Hill Mining Company

By J. B. Minardi, Esq.
President

and by A. N. Salisbury, Esq.
Secretary

W. H. Foulledge, Esq.

Bullion Hill Mining Co.
Incorporated
June 16, 1916
Nevada

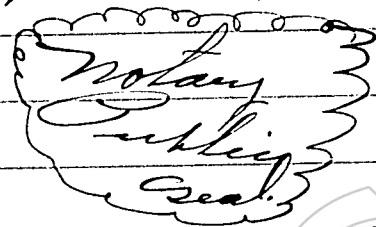
State of Nevada }
County of Washoe } ss

On this 24th day of October, A. D. 1912, personally appeared before me, Robert Richards, a Notary Public of the State of Nevada, in and for the County of Washoe, A. N. Salisbury, known to me to be the Secretary of the corporation that executed the foregoing instrument, and upon oath did depose and say that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

On this 24th day of October, A. D. 1912, personally appeared before me, Robert Richards, a Notary Public of the State of Nevada, in and for the County of Washoe, W. H. Foulledge, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

In witness whereof, I have hereunto set my hand and affixed my official seal at my office in the County of Washoe, State of Nevada, on the day and year in this

certificate first above written.



Robert Richards
 Notary Public of the State
 of Nevada, in and for the
 County of Washoe.

Recorded at the request of Boyd & Salisbury
 Oct. 29, 1912 at 35 mins past 4 P.M.

Edgar Carter, Recorder

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