

Geo. Wingfield,)
 to)
 Charles E. Carter, and)
 George H. Carter.)

LEASE

THIS INDENTURE OF LEASE, made and entered into this 15th day of March, 1922, by and between GEO. WINGFIELD of Reno, Washoe County, Nevada, the party of the first part, hereinafter called the lessor, and CHARLES E. CARTER and GEORGE H. CARTER, both of Eureka, Eureka County, Nevada, the parties of the second part, hereinafter called the lessees, WITNESSETH:

That the said lessor for and in consideration of the promises, covenants and agreements of the lessees hereinafter contained and by the said lessees to be kept and performed, does hereby grant, lease, let and demise unto the said lessees for the period of three (3) years, commencing on the 15th day of April, 1922, and expiring at noon on the 15th day of April, 1925, for the purpose of treating and reducing the tailing situate thereon in accordance with the terms of this agreement, those certain premises described as follows, to-wit:

That certain tailing dump situated and located upon the property at Buckhorn, Eureka County, Nevada, formerly owned and operated by the Buckhorn Mines Company and commonly known as the "Tailings Dump of the Buckhorn Mines Company", together with the land upon which said tailing dump is situated and any and all appropriate rights of ingress and egress for the proper and successful working and treating of said tailing.

It is hereby mutually understood and agreed by and between the parties hereto as follows, to-wit:

1. That the lessess shall enter upon said premises not later than the 15th day of April, 1922, and diligently treat and reduce said tailing and shall during each and every month of each year during the continuance hereof, beginning with the 15th day of April of each year and ending with the 15th day of October of each year, work upon said premises in the treatment and reduction of said tailing at least sixty (60) shifts during each calendar month except the months of April and October during which months there shall be performed upon said premises at least thirty (30) shifts.

2. It is expressly understood and agreed that the lessees shall during the term hereof have the right to retain the peaceable and undisturbed possession of said premises, provided, however, that the lessor shall, at all reasonable times, have the right and privilege, in person or by his duly authorized agents, to enter upon said premises for the inspection of said tailing dump, the working or treating of the same by the said lessees, and any machinery or appliances that may be installed thereon for the purpose of working or treating said tailing, and said

lessor shall further have the right, at all reasonable times, to examine any and all records, assay plans and books of account kept and maintained in connection with the operation of this lease.

3. It is understood and agreed that all bullion, concentrates or other product from the treatment or reduction of said tailing shall be shipped to the smelter or reduction works designated by the lessor and shall be shipped in the name of the lessor, and that all reduction returns shall be made to the lessor and that within ten (10) days after the receipt of any such reduction or smelter returns the lessor shall pay to the lessees eighty-five (85) per cent of the net smelter or reduction returns, it being understood and agreed that the lessor shall retain as royalty upon the product so shipped fifteen (15) per cent of said net smelter returns. The lessees shall notify the lessor by registered mail addressed to him at Reno, Nevada, at least five days prior to the shipment thereof, of any bullion, concentrates or other product which is ready for shipment.

4. The lessees shall not assign, transfer or sublet this lease or any part thereof, or any interest therein, without the written consent of the lessor.

5. The lessees agree that they will not permit any liens or encumbrances of any kind whatsoever for any claim created by them or either of them to be placed upon the property hereby demised or any part thereof, and that they will pay and discharge all obligations incurred by them as the same fall due; that they will post and maintain in a conspicuous place upon said property, in accordance with the laws of the State of Nevada, all necessary notices to relieve the lessor and the hereby demised premises from any liability for any obligation incurred by them.

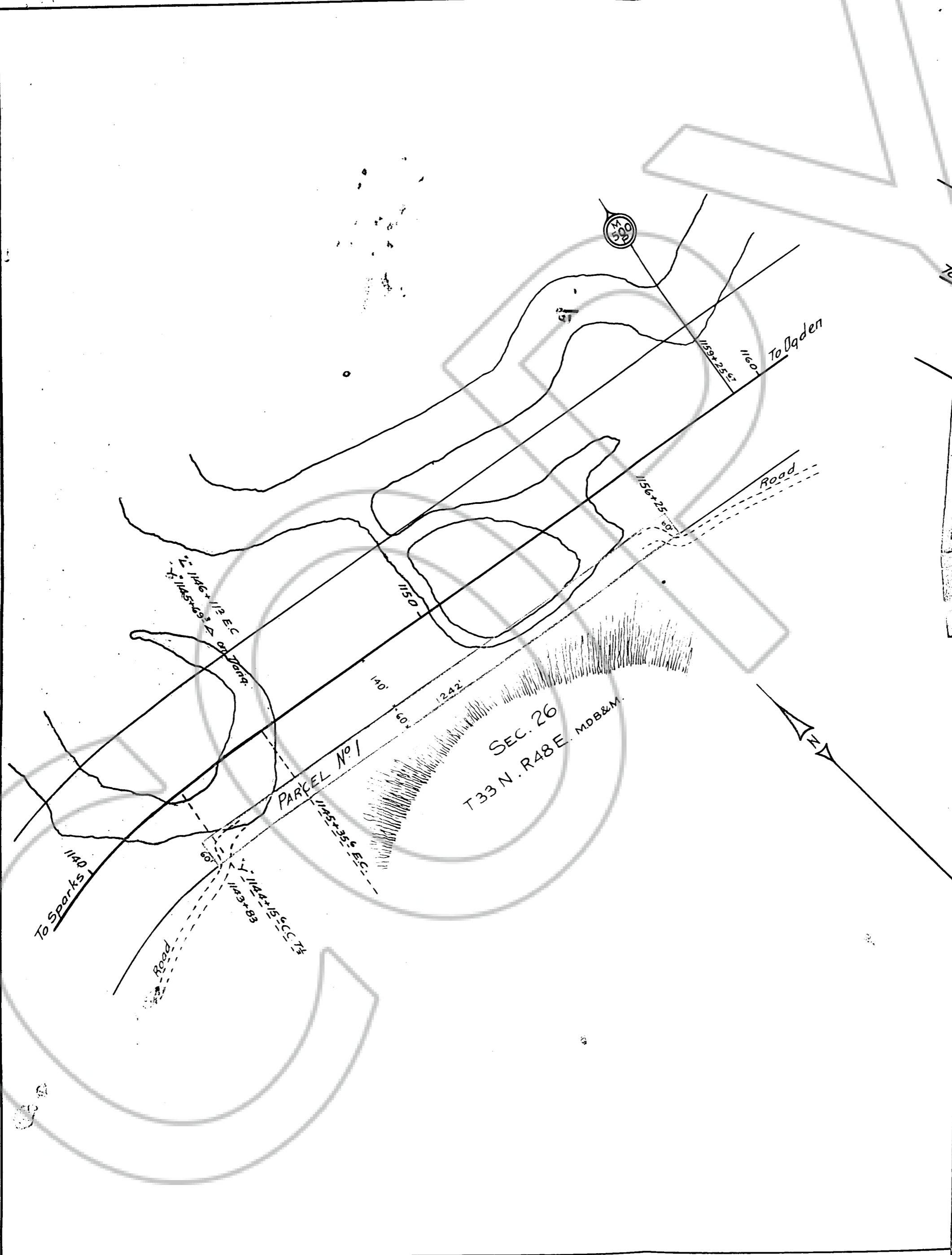
6. It is further expressly understood and agreed that all operations of the lessees hereunder shall be conducted in conformity with the laws of the State of Nevada and that the lessees shall accept the benefits of the law commonly known as the "Nevada Industrial Act" and shall pay all premiums to the Nevada Industrial Commission necessary to protect all persons employed by them in their operation under this lease.

7. It is further expressly understood and agreed that the lessees will pay all damages which may be sustained by injuries to persons, animals or property from poisonous solutions or otherwise in connection with the operation of said lease and will save and hold the lessor free and harmless from any liability or damages of any nature whatsoever in connection therewith.

8. In the event of the termination of this lease by forfeiture and also on the expiration of the term hereof, the lessees shall have the right to remove all machinery, equipment or supplies placed upon said premises by them, and they shall have the right for sixty days (60) after the termination hereof, by forfeiture or otherwise, to enter upon said premises for the purpose of removing such machinery, equipment or supplies.

9. In the event there shall occur any default on the part of the lessees in performing, keeping or complying with any covenant, condition, agreement or undertaking herein contained, this lease may, at the option of the lessor, terminate and end without notice to said lessees. In the event of any such termination of this lease, all rights of the said lessees shall be forfeited and it shall be lawful for the lessor with or without notice to the lessees, using all necessary force therefor, to enter upon and take possession of said premises and to dispossess all persons occupying the same, and in such event and also upon the termination of this lease by limitation, the lessees covenant and agree to deliver to the lessor the quiet and peaceable possession of said premises except that the lessor shall be entitled within sixty (60) days thereafter to remove any machinery, equipment or supplies placed thereon by them. It is further covenanted and agreed that no failure on the part of the lessor to declare or insist upon the forfeiture of this agreement for any default on the part of the lessees or for any breach by them of any provision of this agreement, shall operate as a waiver of any such provision or shall constitute or establish a custom of dealing between the parties hereto in derogation of any of the

...at all reasonable times, to examine any and all records.



terms hereof. It is further covenanted and agreed that each and every provision contained herein to be kept and performed by the lessees shall in law be deemed to be of equal importance and effect.

10. Time is of the essence of this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first hereinabove set forth.

Geo. Wingfield
Lessor.

Geo. H. Carter

Chas. E. Carter
Lessees.

Recorded at the request of Geo. Carter May 27, A.D. 1922 At 15 minutes past 3 P.M.

Edgar Eather---Recorder
By Peter Merialdo--Deputy.