

Alfred C. Hocking)
 with) OPTION AGREEMENT.
 John A. Burgess)

THIS AGREEMENT made this 4th day of November, 1926, between ALFRED C. HOOKING, of Peardale, Nevada County, California, party of the first part, and JOHN A. BURGESS, of San Francisco, California, party of the second part, WITNESSETH:

The party of the first part, for and in consideration of the sum of Five Dollars to him in hand paid by the party of the second part, the receipt whereof is hereby acknowledged, does by these presents grant unto the party of the second part and his assigns the exclusive right, privilege, and option to purchase for the price and on the terms and conditions hereinafter set forth those certain properties described as follows, to-wit:

Those certain unpatented lode mining claims situated in the Lone Mountain Mining District, Eureka County, State of Nevada, the names of which, together with the designations of the books and pages of mining locations in the county recorder of said Eureka County where their location notices are recorded, are as follows, to-wit:

Buena Vista	Recorded in Book H	Page 72.
Buena Vista No. 1	Recorded in Book H	Page 73.
Buena Vista No. 2	Recorded in Book H	Page 73.
Buena Vista No. 3	Recorded in Book H	Page 74.
Buena Vista No. 4	Recorded in Book H	Page 74.
Buena Vista No. 5	Recorded in Book H	Page 75.
Buena Vista No. 6	Recorded in Book H	Page 75.
Buena Vista No. 7	Recorded in Book H	Page 76.
Buena Vista No. 8	Recorded in Book H	Page 76 .
Buena Vista No. 9	Recorded in Book H	Page 77.
Buena Vista No. 10	Recorded in Book H	Page 77.
Buena Vista No. 11	Recorded in Book H	Page 78.

And also all other mining claims and all millsites and water rights and appropriations belonging to the party of the first part and situated in said mining district.

The full purchase price for which the party of the second part is hereby granted the right, privilege, and option to purchase said properties shall be the sum of Twenty-five Thousand Dollars

(\$25,000) payable into the Merchants National Trust and Savings Bank of Los Angeles, at Los Angeles, California, to the credit of the party of the first part in installments as follows:

Five Thousand Dollars (\$5,000) payable on or before the first day of May, 1928;

Ten Thousand Dollars (\$10,000) payable on or before the first day of May, 1929; and

Ten Thousand Dollars (\$10,000) payable on or before the first day of May, 1930.

The party of the first part agrees that on request of the party of the second part he will sign and acknowledge his deed granting, selling, and conveying said properties unto the party of the second part, his heirs and assigns, and will deposit said deed in said bank as an escrow with escrow instructions to said bank, which shall act as the agent of both parties to said deed, directing that on payment of the full purchase price of said properties in the manner hereinabove specified, said bank shall deliver said deed to the party of the second part or his assigns, and directing further that on failure to pay the full purchase price in the manner hereinabove specified, said bank shall hold said deed subject only to the order of the party of the first part.

The party of the first part does hereby warrant and covenant that all the mining claims hereinabove named are valid lode mining locations, and that the party of the first part is the owner of all of said claims by a clear title, free from encumbrances, subject only to the paramount title of the United States, and has good right and power to convey all of said claims. The deed hereinabove provided for shall contain the warranties expressed in this paragraph.

In order that the option herein granted shall remain in effect, the party of the second part shall commence work on said properties on or before the first day of May, 1927, and after the commencement of said work and throughout the life of said option shall cause at least sixty (60) shifts of work of eight (8) hours each to be done on said properties each month; provided, however, that if said work be interfered with by strike, storm, or any other cause or agency beyond the control of the party of the second part, the requirement of such work shall be suspended so long as such interference continues.

From and after the date hereof and throughout the life of the option herein granted, the party of the second part and his assigns shall have the right to the exclusive possession of said properties together with the right to explore, develop, mine, and work said properties at his or their discretion. All work done upon said properties by the party of the second part or his assigns shall be done in a good and workmanlike manner and after the manner of good mining. The party of the first part shall have the right to inspect said properties during the life of said option at such times and in such manner as shall be consistent with the convenient working thereof.

The party of the second part shall have the right to mill, ship, smelt, and sell any ores and minerals that may be extracted from said properties during the life of the option herein granted, but shall pay into said bank to the credit of the party of the first part as royalties fifteen per cent (15%) of the net proceeds thereof. Said net proceeds shall be determined by deducting from the gross proceeds the cost of treating, smelting, and other reduction and the cost of haulage, freight, and other transportation. Settlement and payment of royalties shall be made monthly and all royalties shall be applied upon and deducted from the installment or installments of the purchase price falling due next thereafter.

At any time during the life of the option herein granted or within sixty (60) days after the termination thereof, the party of the second part or his assigns shall have the right to remove

from said properties all buildings, improvements, machinery, equipment, appliances, and tools that may be placed on said properties by the party of the second part or his assigns, but such right of removal shall not apply to timbers, ladders, ties, or track in place beneath the surface.

The party of the second part or his assigns shall pay all taxes that may be levied on said properties during the life of the option herein granted; and neither the party of the second part nor his assigns shall subject any of said properties during the life of said option to any lien for labor or material, or to any other lien whatsoever. The party of the second part or his assigns shall perform or cause to be performed all assessment work that may be required on said properties during the life of said option, said assessment work to be completed not later than the 1st day of May of the year for which such assessment work may be required.

Should the party of the second part or his assigns fail to comply with any of the terms and conditions hereof, such failure may, at the election of the party of the first part, become a ground for the forfeiture and termination of this agreement and of the option herein granted. In order that the party of the first part may avail himself of such failure as a ground for forfeiture and termination, he shall serve notice by registered mail upon the party of the second part, or upon his assigns if this agreement shall have been assigned, setting forth in said notice specifically wherein the party of the first part alleges that the party of the second part or his assigns may have failed to comply with the terms and conditions of this agreement. The party of the second part or his assigns shall have thirty (30) days after receipt of said notice in which to remedy such alleged failure, if any there be, and if such alleged failure, if any, be not remedied within said period of thirty (30) days, the party of the first part may declare this agreement and said option to be forfeited and terminated, said forfeiture and termination to take effect at the end of thirty (30) days from and after receipt by the party of the first part declaring such forfeiture and termination.

This agreement creates and confers upon the party of the second part and his assigns an option to purchase said properties, and neither the party of the second part nor his assigns shall be subject to any liability whatever for failure to comply with any of the terms and conditions hereof except the forfeiture of the right to possession of said properties, the forfeiture of the right to purchase said properties, and the forfeiture of any sum or sums of money that may have been paid or applied theretofore upon the purchase price of said properties.

Unless changed by written notice, the addresses of the parties hereto for the purpose of serving notice or for the purpose of communicating respecting any matters pertaining to this agreement shall be as follows: Alfred C. Hocking, P.O. Box 34, Peardale, Nevada County, California; John A. Burgess, 1206 Pacific Mutual Building, Los Angeles, California.

This agreement shall inure to and be binding upon the parties hereto, their heirs, executors, administrators, and assigns.

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

Alfred C. Hocking (SEAL)

John A. Burgess (SEAL)

STATE OF Nevada,)
) SS
County of Eureka,)

On this 4th day of November, in the year 1926, before me Edgar Eather, A Notary Public in and for Eureka County, State of Nevada, personally appeared ALFRED C. HOCKING and JOHN A. BURGESS, known to me to be the persons described in and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

My Commission as notary public expires Jan. 4, 1927.

(Notarial Seal)

Edgar Eather

Notary Public

Recorded at the request of John A. Burgess Nov. 5, A.D. 1926 at 0 Minutes past 9 A.^M.

Peter "erialdo--Recorder.