

Dan Morrison, Executor of
the Estate of Thomas Dixon,)

to)

) Lease and Option.
)

George Crerar.)

LEASE AND OPTION.

THIS AGREEMENT, made this 10th day of September, 1928, by and between Dan Morrison, Executor of the Estate of Thomas Dixon, deceased, hereinafter referred to as Lessor, and George Crerar, hereinafter referred to as Lessee.

W I T N E S S E T H:

That whereas on the 5th day of September, 1928, the Lessor was, by an order duly made by the District Court for the Third Judicial District of the State of Nevada, in and for the County of Eureka, given leave to, and was authorized to lease all of the interests in certain mining claims and water right, hereinafter named, and belonging to the estate of Thomas Dixon, deceased, and was at the same time given ^{leave} to and was authorized to grant and give to the said Lessee an option to purchase the same within two and one half years from the 15th day of September, 1928, for the sum of \$30,200.00;

NOW, THEREFORE, pursuant to said order of court, in consideration of the sum of Two Hundred dollars (\$200.00) to him in hand paid, the receipt whereof is hereby acknowledged, and of the covenants and agreements, and provisions for the payment of royalties hereinafter stated and made, the Lessor does hereby let and grant unto the Lessee, all of the right, title, and interest of the said estate in and to the following described mining claims situate in the Mount Hope Mining District, County of Eureka, State of Nevada, to-wit: An undivided one-third (1/3) interest in the Good Hope, and the Good Hope Mill Site, patented; said patent being recorded in Book 17 of Deeds, page 1; and all of the Parallel recorded in Book "F" page 611; Parallel Extention, recorded in Book "F" page 612; Magnolia, recorded in Book "G" page 165; Dixon No.1, recorded in Book "G" page 414, and the Dixon No.2, recorded in Book "G" page 414 records of Eureka County, State of Nevada, unpatented, lode mining claims, together with all water and water-rights, and the dips, spurs and angles, and workings, pumps, machinery, tools, materials, buildings, and all other improvements thereon, and the appurtenances thereto belonging or appertaining; all of said mining claims being more particularly and specifically described in the official records of the said County of Eureka, State of Nevada; and reference to such records is hereby made for a more particular description thereof;

TO HAVE AND TO HOLD unto the said Lessee for the term of Two and one-half (2 1/2) years from the 15th day of September, 1928.

And in consideration of the said considerations hereinbefore stated, and pursuant to said order of Court, the Lessor does hereby give, grant, confirm and sell unto the Lessee, the sole and exclusive right and option to purchase the said lode mining claims hereinbefore leased and named, together with their dips, spurs and angles, and workings, pumps, water, water-rights, machinery, tools, materials, buildings, and all other improvements thereon, and the appurtenances thereto belonging or appertaining, for the total sum of \$30,200.00, payable at the times and in the amounts hereby specified, to-wit: One thousand (\$1000.00) on or before the 15th day of September, 1928; the sum of Four thousand (\$4000.00) dollars, on or before the 15th day of March, 1929; the sum of Ten thousand (\$10,000.00) dollars, on or before the 15th day of March, 1930; and the sum of Fifteen thousand (\$15,000.00) dollars on or before the 15th day of March, 1931.

The said Lessor hereby further grants and gives to said Lessee the exclusive right and privilege to work and mine the several mining claims above mentioned, during the life of this agreement, to extract any and all ores therefrom, provided that the said Lessee shall pay and deliver to the Farmers & Merchants National Bank of Eureka, Nevada, as royalty for said Lessor, ten (10%) per cent. of the net proceeds of all ore shipped, milled, reduced or taken from said mining claims; said royalties hereinabove provided for shall be applied to the purchase price of said property, if the option herein provided for shall be exercised by the said Lessee, otherwise said royalties shall be and become the property of the said Lessor.

Said Lessor hereby further covenants and agrees that he will forthwith make and execute a good and sufficient quitclaim deed conveying to the said Lessee, all the right, title and interest, both at law and in equity, as well in possession as in expectancy, of said Lessor, of, in and to the several mining claims above named, together with all buildings thereon and improvements, and all pumps, machinery, tools, materials, water-rights, and all privileges appertaining thereto, and will deliver said deed in escrow to the Farmers & Merchants National Bank of Eureka, Nevada, with instructions and directions that said Farmers and Merchants National Bank deliver the same to the said Lessee upon his complying with the terms of this agreement, and the payment by him to the said Farmers and Merchants National Bank of Eureka, Nevada, for the Lessor the sum of \$30,000.00, at the times and in the manner above specified:

The said Lessor further covenants and agrees, that there are not now any unpaid taxes, liens or encumbrances upon said mining claims, or upon the building and improvements thereon, and he will not, during the life of this agreement make or permit to be made, by himself or others acting for him, any liens or encumbrances thereon. And said Lessee, in consideration of the promises and agreements of the party of the first part agrees that he will not, during the life of this agreement, make or permit to be made, by himself or others acting for him any honest bona fide liens or encumbrances thereon.

In consideration of the foregoing covenants and agreements on the part of the Lessor, the Lessee agrees that he will take immediate possession of the aforescribed premises, and that he will post and keep posted during the life of this agreement, a sufficient notice or notices, notifying all persons employed by him that the said mines will not be held for any laborers', miners', mechanics' or materialmens' liens; and on his failure to post said notice on said mining claims, the said Lessor is hereby given the right to go upon said premises and post said notice.

It is mutually agreed by and between the parties hereto that the said Lessee is to work and mine said premises as aforesaid steadily and continuously, from the date of this lease with at least 1 person employed, for at least 20 shifts to the man each calendar month, unavoidable delay or accident expected, and shall do all work in a good and workmanlike manner during the terms of this lease; and that Lessee will not pile or dump any waste rock or materials in any of said workings, except with Lessor's written prior permission; The lessor or his agent shall have the right to inspect all parts of the said lode mining claims and the workings thereon at all reasonable times, but at his own risk.

And said Lessee further agrees, that if he shall fail to keep and perform all or any of the covenants or agreements agreed by him to be kept and performed or shall fail to make any of the payments hereinabove mentioned, at the times hereinabove specified, that the Lessor may enter upon and take possession of said property without notice of forfeiture other than such entry, and that thereupon this agreement shall cease and terminate, and that all sums of money paid thereunder shall be forfeited to and be retained by the Lessor as rents and for liquidating damages. And all improvements and machinery placed on, or to be placed upon said mining claims, and all veins which have been discovered by said Lessee while working such premises, shall become absolutely the property of the party of the first part, free from all or any claim or demand from the Lessee, provided, however, and it is expressly agreed and understood by and between the parties hereto, that the Lessee shall have the right to remove all tools and drills placed upon said mining claims by said Lessee, in case any forfeiture as herein before provided for, occurs.

It is further covenanted and agreed between the parties, that the Lessee shall have the right to pay, at any time prior to March 15th, 1931, or before forfeiture, said purchase price of \$30,000.00, if he so desires, and when said sum of \$30,000.00 is paid in full, said Lessee shall then be entitled to receive from the Farmers and Merchants National Bank of Eureka, Nevada, the quitclaim deed as above provided for, and upon said payment of \$30,000.00 in full and the delivery of said deed to said Lessee, all further covenants and agreements hereinbefore provided for on the part of the above said parties, shall immediately become null and void.

In case, however, any forfeiture shall occur, the said deed deposited in escrow with the Farmers & Merchants National Bank of Eureka, Nevada, in and by virtue of this agreement shall be returned and delivered to said Lessor, on demand being made therefor, and said Farmers & Merchants National Bank, its successors and assigns shall incur no liability, either in law or in equity by reason of this agreement.

It is mutually agreed that these presents shall bind and extend to the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF the Lessor and the Lessee have set their hands, the day and year first above written.

Dan Morrison
Executor of the estate of Thos.
Dixon, deceased.

George Crerar
LESSEE.

The above lease and option is approved this 10 day of September, 1928.

W.R. Reynolds District Judge.

State of Nevada,)
) SS.
County of Eureka.)

On this 10th day of September, 1928, personally appeared before me, Edgar Eather, a Notary Public, in and for the County of Eureka, State of Nevada, Dan Morrison and George Crerar, known to me to be the persons described in and who executed the foregoing instrument, who acknowledged to me that they, and each of them, 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 in office on the day and year in this certificate first above written.

(Notarial Seal)

Edgar Eather
Notary Public.

Recorded at the request of George Crerar Sept. 15, A.D. 1928 At 25 minutes past 9 A.M.

Peter Merialdo---Recorder.