

File No. 22264.

J.B.McNaughton,)
and) Agreement.
J.S. Bagg.)

Ely, Nevada September 20, 1937.

J.B.McNaughton,
Eureka,
Nevada.

Dear Sir:

For good and sufficient reasons which we discussed today, we agree that the option agree-
ment on the Silver Conner group, dated August 25 1937, be amended as to terms as follows:

I will pay you \$50.00 per month on account, beginning October 1st, 1937, to be credited
against future royalties, and you hereby acknowledge the receipt of \$50.00 cash for the month
of October.

You extend the time when minimum royalties are to be paid until the month of April 1938

The purchase price is to remain the same but instead of \$1.00 per ton, you agree to take
10% of the gross smelter returns, and agree that the minimum royalty will be based on a minimum
shipment to the smelter of 25 tons per day figured over 90 day periods. It is understood how-
ever that failure to ship the 25 tons or any part thereof, will call for the difference being
made up on a basis of \$1.00 per ton Royalty.

You agree to try to get Stowell and the Johnsons to extend the time for their royalty
payments, until April 1st, 1938.

It is understood that I will order materials and begin work on the raise not later than
November 1st 1938.

Our signatures to this agreement will constitute a sufficient agreement between us.

Sincerely yours J.S. Bagg

J.B. McNaughton

Witness A. McNaughton.

STATE OF NEVADA,)
County of Eureka.) ss.

On this 22 day of Oct. A.D. one thousand nine hundred and 37 personally appeared before me,
J.J.Depaoli a Notary Public in and for the said County of Eureka J.S.Bagg 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 Eureka, the day and year in this certificate first above written.

(Notarial Seal)

J.J. Depaoli
Notary Public in and for the County of Eureka,
State of Nevada.

Recorded at the request of J.S.Bagg Oct. 22, A.D. 1937 At 41 minutes past 11 A.M.

Peter Merialdo---Recorder.