

File No.26716.

W. L. PETERSON,  
Party of the First Part :  
:  
and :  
:  
VICTOR ETIENNE, Jr.,  
Party of the Second Part :  
:  
:  
OPTION TO PURCHASE

This agreement, made this 11th day of October, 1945, by, and between W. L. PETERSON of Lander County, Nevada, the party of the first part, and VICTOR ETIENNE, Jr., of San Francisco, California, the party of the second part,

W I T N E S S E T H :

That the said party of the first part, for and in consideration of the sum of One Thousand (\$1,000.00) Dollars, cash in hand paid by the said party of the second part to the said party of the first part, the receipt whereof is hereby acknowledged, does by these presents grant, and give unto the said party of the second part the exclusive right and option to purchase the following described unpatented lode mining claims, situated in the Buckhorn Mining District, County of Eureka, State of Nevada, and which are described as follows:

ATLAS LODE MINING CLAIM,  
CALIFORNIA NO. 1, LODE MINING CLAIM,

the locations for which said lode mining claims are recorded in the recorder's office of Eureka County, Nevada, in book I on page 119 of mining records of said county, together with all the improvements located thereon, and all mineral, mineral rights, earth, rock, ore, gold, silver and all other kinds of mineral contained therein or thereon, for the purchase price of Fifty Thousand (\$50,000.00) Dollars, to be paid for in installments as follows:

One Thousand (\$1,000.00) Dollars, cash, on the date of the execution of this agreement by the parties hereto;

One Hundred (\$100.00) Dollars on the 11th day of each and every month thereafter until October 11, 1946, on which date the sum of

Three Thousand (\$3,000.00) Dollars is due and payable; and

One Hundred (\$100.00) Dollars on the 11th day of each and every month thereafter until October 11, 1947, when

Three Thousand (\$3,000.00) Dollars is due and payable; and

One Hundred Dollars (\$100.00) on the 11th day of each and every month thereafter until the full purchase price of FIFTY THOUSAND (\$50,000.00) DOLLARS shall have been paid, without interest on said principal sum or purchase price.

It is further provided that when the said Party of the Second Part shall be operating or working said mines, or either of them, there shall be paid by party of the second part to party of the first part, an amount equal to Ten percent (10%) of the net returns received from smelting, milling or marketing any and all ore taken from said premises after first deducting all freight charges for transportation of said ore, and all such royalty payments shall be credited by the said party of the first part on the next payment due on the purchase price of said property.

It is agreed by the parties hereto that the said party of the second part shall pay all taxes which may be levied against the above demised premises, and against all improvements which may be placed on said premises, and all taxes levied on the net proceeds of said mines, or either of them, during the time this agreement is in effect.

It is agreed by the parties hereto that in case of default by said second party by failure to comply with its terms and conditions, that the said party of the second part may remove all machinery, buildings, and tools, and supplies, and structures, which may have been placed on said premises during the life of this agreement, except that all underground timbering or structures which are necessary to prevent caving or other damage to underground working shall be left in place.

The said party of the first part reserves the right to examine the said premises, and every part thereof, at any time during the life of this agreement for the purpose of determining whether the said party of the second part is complying with the terms of this agreement.

It is agreed by the parties hereto that the said party of the first part on execution of this agreement will give to the party of the second part the full possession of all of said premises with the right to work and mine said premises, which shall be worked and mined in a miner-like manner so as not to damage said premises beyond the ordinary damage resulting from such work, and to hold the same during the life of this agreement.

The party of the second part agrees to comply with all laws, rules and regulations of the United States of America, and of the State of Nevada, pertaining to working conditions, hours, and all other requirements, and to keep all employees properly insured, to the end that no part of said property may be held, or attached in any action by any person, firm or corporation for wages of any employee, or for any other purpose whatsoever.

The party of the second part shall keep posted conspicuously on said premises, notice that party of the first part shall not be liable for any obligations of said party of the second part for labor, supplies or materials furnished, or for accidents to employees of said party of the second part, and also shall within five (5) days after such posting file a duplicate original of such posted notice with the Recorder of the County of Eureka, State of Nevada, where said mining claims are situated, together with an Affidavit attached thereto showing such posting of the original notice.

Provided always, nevertheless, that if any installment of the said purchase price, or any part thereof, shall be in arrear or unpaid on any day of payment whereon the same ought to be paid as aforesaid, or if default shall be made in any of the covenants herein contained on the part or behalf of the said party of the second part to be paid, kept, or performed, then and from thenceforth it shall and may be lawful for the said party of the first part into and upon the said premises, and every part thereof, wholly to re-enter, and the same to have again, repossess, and enjoy as in his or their first and former estate, anything hereinbefore contained to the contrary thereof in any wise notwithstanding. And the said party of the second part does hereby covenant and agree to and with the said party of the first part that the amount which may have been paid on the purchase price up to such time shall be retained by said party of the first part as liquidated damages.

And the said party of the first part does hereby covenant and agree that the said party of the second part, paying the said installments and performing the covenants and agreements aforesaid, shall and may at all times during the life of this agreement, peaceably and quietly have, hold, and enjoy the said premises, without any manner of let, suit, trouble, or hindrance of or from the said party of the first part, or any other person or persons whomsoever, and that party of the first part will place in Escrow with the Nevada Bank of Commerce, Austin Branch, Austin, Nevada, a Quit-claim Deed to all of the above described premises, conveying all of his right, title and interest in said premises to the said party of the second part free and clear of all encumbrances, and subject only to the paramount title of the United States of America, which deed is to be delivered to the party of the second part by the Nevada Bank of Commerce, Austin Branch, upon payment in full of the purchase price by the party of the second part, his heirs or assigns, on or before October 11, 1980.

It is further agreed that all provisions of this lease shall extend to and include the heirs and assigns of the party of the first part, and the executors, administrators, and assigns of the party of the second part.

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

W. L. Peterson  
Party of the First Part

Victor Etienne, Jr.  
Party of the Second Part

STATE OF NEVADA )  
 ) SS.  
 COUNTY OF LANDER )

On this 7th day of July, 1946, personally appeared before me, a Notary Public in and for the said County and State, W. L. PETERSON, known to me to be the person described in and who executed the foregoing instrument and 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 the day and year in this certificate first above written.

(Notarial Seal)

Howard E. Browne  
 Notary Public

My Commission Expires February 26, 1949.

STATE OF CALIFORNIA  
 ) SS.  
 COUNTY OF SAN FRANCISCO )

On this 17th day of June, 1946, personally appeared before me, a Notary Public in and for said County and State, VICTOR ETIENNE, JR., 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, the day and year in this certificate first above written.

(Notarial Seal)

C. R. Holton  
 Notary Public

In and for the City and County of San Francisco  
 State of California.

My Commission Expires August 27, 1947.

Recorded at the request of Howard E. Browne May 29 A.D. 1947 At 05 minutes past 4 P.M.

Peter Merialdo----Recorder.