

Between
M. B. Maxwell and Josephine Maxwell, his wife)
and)
Clayton T. McNeil)

AGREEMENT

Dated April 11, 1949

Assigned to
YUBA MILLING COMPANY
a Nevada Corporation
May 10, 1949

THIS AGREEMENT, made and entered into this 11th day of April, 1949, by and between M.B. MAXWELL and JOSEPHINE MAXWELL, his wife, of Eureka County, Nevada, first parties, hereinafter called the Seller), and CLAYTON T. MCNEIL, of San Francisco, California, second party, (hereinafter called the Buyer),

W I T N E S S E T H:

WHEREAS, first parties are the owners of those certain patented lode mining claims located in Eureka County, State of Nevada, said lode mining claims being named respectively:-

GOOD HOPE NO. 3, GOOD HOPE NO. 4, GOOD HOPE NO. 5, GOOD HOPE NO. 6 and GOOD HOPE NO. 7, being U.S. Mineral Survey of record, Nos. 3647A and 3647B, dated June 12, 1909, and,

WHEREAS, second party desires to secure from first parties an option to purchase the GOOD HOPE NO. 7 Mining Claim, and the right to operate and mine the same, and any Barite on other claims above mentioned,

NOW, THEREFORE, it is agreed between the parties hereto as follows:

Seller hereby gives and grants unto Buyer the first right and exclusive option to purchase from Seller the said lode mining claims, upon the following terms and conditions, to-wit:

1. The price to be paid by Buyer to Seller for said lode mining claim is the full sum of FIVE THOUSAND DOLLARS, (\$5,000.00) payable in the manner and at the times hereinafter set forth, but to be paid in full in any event on or before five years from the date of this agreement.

2. Payment of said purchase price will be made by Buyer paying to Seller fifty cents (50¢) for each ton of Barite ore and a 10% royalty on net returns of any other ores mined and removed from said premises and sold by Buyer, the said payment to be made out of the returns received by Buyer from each sale made of said ore;

3. Receipt of \$500.00 as advance royalty is hereby acknowledged, a further advance royalty payment of \$500.00 will be made thirty days from date of this agreement.

4. Upon the execution of this instrument Buyer shall have the right to enter into possession of said property and to continue in possession thereof, and to mine the same and retain the proceeds therefrom, (except the payment to Seller of 50¢ per ton as specified) so long as Buyer shall comply with all of the conditions and provisions of this agreement.

5. Buyer shall mine or work said premises with due regard to the safety, development and preservation of said premises as a workable mine, and all work done thereon shall be done in a good and minerlike fashion, keeping at all times all drifts, shafts, tunnels and other passages and workings of said premises properly drained and cleared of loose rock and rubbish of all kinds.

6. Buyer shall keep books of account showing the amount of ores and concentrates extracted from said premises, the amount of ore and concentrates sold and treated, and the amount of money received from the sale of said ores and concentrates or the values extracted therefrom, and a duplicate of all mill, smelter or retort returns shall be furnished by Buyer to Seller, and said books of account shall be open at all reasonable times to the inspection of Seller or their properly authorized agent.

7. Buyer will save Sellers harmless from any damage or damages that may occur in or connected with the operation of said premises, and Buyer will carry at all times during the period of this option insurance upon all persons employed by Buyer in and about his operations on said premises in conformity with the provisions of the act known generally as the "Nevada Industrial Insurance Act," and will hold Seller and said property free and clear of all liens, claims and demands arising out of any acts of omission or commission of Buyer or those claiming under him.

8. Seller, or his duly authorized agent or representative, shall at all times have the right to inspect said premises and the workings therein and thereon, and also the right to be present at any mill clean-ups.

9. Buyer further promises and agrees that during the life of this agreement he will not do any act or thing which would cause mechanics' or other liens to be placed against said property or any part thereof.

10. Seller shall have the privilege at all times during the life of this agreement of causing to be posted and keeping posted in a conspicuous place or places on said mining premises, a notice in writing, reading to the effect that the work of developing and mining on said premises, and any improvements thereon, are being done wholly and solely at the expense of the Buyer, and stating that said Seller will not be responsible for the indebtedness for labor, materials, or at all, created by the said Buyer in connection with the work and operation of said property during the existence of this agreement.

11. It is understood and agreed that all notices provided for in connection with this agreement to be served upon the Seller may be deposited in the United States Mail, postage thereon prepaid, and addressed to Seller at P.O. Box 934, Carlin, Nevada, and any

notice to be served upon Buyer shall be deposited in the United States Mail, postage thereon prepaid, and addressed to Buyer at Bank of America Bldg., 300 Montgomery St., San Francisco, California.

12. Time is of the essence of this agreement, and if Buyer shall fail to make any payment upon said purchase price as herein provided for within ten (10) days after receipt of a notice of such failure, then all rights of Buyer hereinunder shall terminate without further notice. If Buyer shall fail to perform any of the other terms or conditions hereof, then all rights of Buyer hereunder shall terminate at the option of Seller without further notice unless, within thirty (30) days from the receipt of written notice of such failure, buyer shall remedy said failure.

13. It is understood and agreed that the purchase of said properties is to continue to be optional with Buyer until said full purchase price is paid, and that Buyer may surrender all rights thereto and hereunder to Seller and terminate this agreement, provided that Buyer has complied with all of the terms and conditions of this agreement to the date of such surrender by giving thirty (30) days' notice of surrender and termination in writing to Seller. Upon such termination of this agreement Buyer shall be wholly free from any further obligations hereunder, and Seller shall be free to deal as if this agreement had not been executed, and all payments made to Seller by Buyer hereunder shall, upon such termination, be forfeited to Seller as liquidated damages for the rights and privileges herein given and granted and for the use and occupancy of said property. Buyer will retain and own all proceeds received by him from the products of said mining except as otherwise herein expressly provided.

14. Buyer shall retain the ownership of as his personal property, and shall have the right to remove, any buildings, trackage, pipe lines, equipment or any machinery or supplies placed or installed on said premises by Buyer, from the said premises within six months after the surrender of the possession of said premises to Seller. If said removal is not completed within said six months period, then such other equipment, machinery and supplies as still remain upon the said premises shall become the property of the seller.

15. If the rights of Buyer hereunder shall terminate by surrender, or otherwise, Buyer, upon the written request of Seller, shall immediately execute and deliver to Seller a quitclaim deed to said premises and property reconveying the same to Seller free and clear of liens and encumbrances.

16. When Buyer has paid to Seller \$1000.00 on account of said purchase price Seller will place in escrow with the NEVADA BANK OF COMMERCE at Elko, Nevada, a good and sufficient quitclaim deed conveying said mining claims to Buyer free and clear of liens and encumbrances, with instructions to said Bank to deliver said Deed to Buyer upon the full payment of said purchase price to Seller.

17. Seller has the right to remove his equipment and machinery at any time he may desire.

18. This agreement shall inure to the benefit of and be binding upon the heirs, administrators, executors, successors and assigns of the respective parties hereto.

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

M. B. Maxwell
M. B. Maxwell

Josephine Maxwell (Mrs. M.B. Maxwell)
Josephine Maxwell (Mrs. M.B. Maxwell)
SELLER

Clayton T. McNeil
Clayton T. McNeil

Buyer

STATE OF NEVADA,)
COUNTY OF EUREKA.) SS.

On this 11th day of April, 1949, personally appeared before me, a Notary Public in and for said County and State, M. B. MAXWELL and JOSEPHINE MAXWELL, also known as and called MRS. M. B. MAXWELL), his wife, and CLAYTON T. McNEIL, known to me to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they 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 last above written.

(Notarial Seal)

Elizabeth Tognoni
Notary Public

ASSIGNMENT OF AGREEMENT TO
YUBA MILLING CO.

CLAYTON T. McNEIL of San Francisco, California, second party in the foregoing agreement, for and in consideration of the sum of Ten Dollars (\$10.00) and other considerations paid to him, hereby gives, assigns, and sets over unto YUBA MILLING CO., a Nevada corporation, all of his right, title and interest in and to the foregoing agreement.

YUBA MILLING CO. hereby accepts said assignment and agrees to be bound by all the terms and provisions thereof.

Dated this 10th day of May, 1949.

Clayton T. McNeil
Clayton T. McNeil

YUBA MILLING CO.

BY Walter E. Hettman
Secretary

STATE OF CALIFORNIA,)
CITY AND COUNTY OF SAN FRANCISCO.) SS.

On this 13th day of May, A.D., 1949, before me, Rosemary O'Donnell, a Notary Public in and for the said County and State, residing therein, duly commissioned and sworn, personally appeared Clayton T. McNeil, known to me to be the person whose name is subscribed to the within Instrument, and acknowledged to me that he executed the same.

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)

Rosemary O'Donnell
Notary Public in and
for said County and State of
California.

STATE OF CALIFORNIA,)
CITY AND COUNTY OF SAN FRANCISCO.) SS.

On this 13th day of May in the year one thousand nine hundred and forty-nine before me, Rosemary O'Donnell, a Notary Public in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Walter E. Hettman, known to me to be the Secretary of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, in the City and County of San Francisco, the day and year in this certificate first above written.

(Notarial Seal)

Rosemary O'Donnell
Notary Public in and for the City &
County of San Francisco, State of Calif.

Recorded at the request of Walter E. Hettman, May 14, A.D., 1949 at 45 minutes past 2 P.M.
Peter Merialdo--Recorder.