

File No. 29908

RICHMOND-EUREKA MINING COMPANY,)
to) AGREEMENT
EUREKA CORPORATION LIMITED.)

A G R E E M E N T

THIS AGREEMENT made as of the 31st day of July, 1953, by and between RICHMOND-EUREKA MINING COMPANY, a corporation organized and existing under the laws of the State of Maine, Party of the First Part, and hereinafter called "Richmond-Eureka", and EUREKA CORPORATION LIMITED, a corporation organized and existing under the laws of the Province of Nova Scotia, Dominion of Canada, Party of the Second Part, and hereinafter called "Eureka";

W I T N E S S E T H :

WHEREAS, by Indenture of Lease dated June 30, 1937, Richmond-Eureka leased to W. F. James of Toronto, Canada, certain mines and mining properties more particularly described or referred to in said Indenture of Lease; thereafter, with the consent of Richmond-Eureka, W. F. James assigned said Lease to Eureka and Eureka agreed, among other things, to perform each and every covenant and stipulation in said Lease contained to be performed on the part of said W. F. James, and said Lease has, from time to time, been modified or amended by agreement of the parties, the most recent modifications being under an Agreement made as of December 29, 1952; and

WHEREAS, said Agreement made as of December 29, 1952 provides in paragraph 5 on page 4 thereof that in the event prior to February 1, 1953 Eureka is successful in entering into an agreement with the Government in substantially the form of Exhibit "I" attached to said Agreement covering exploration and/or development and construction work described therein, Eureka shall be relieved of the obligations set forth in paragraph 4 of said Lease for such period as Eureka carries on such exploration and/or development and construction work diligently and in good faith, or for a period of two and one-half (2½) years from the date of such agreement, whichever is the shorter; and that thereafter said paragraph 4 shall again become operative; and

WHEREAS, Eureka succeeded in entering into said agreement with the Government, the same being designated as Contract No. DMP-47 and dated December 30, 1952; and

WHEREAS, Article II of said Agreement with the Government provided that the Government may upon certain conditions decide either to continue with the Contract or to cancel it upon thirty (30) days' written notice to Eureka, and pursuant to such provision the Government cancelled the Contract by letter dated March 5, 1953, and, as a consequence of such cancellation, Eureka has not carried on such exploration and/or development and construction work and the provisions of paragraph 4 of said Lease have again become operative; and

WHEREAS, Eureka has requested that the work requirements under paragraph 4 of said Lease be suspended for a period of eighteen (18) months upon condition that Eureka during such period perform certain drilling to penetrate the Fad Shaft block of Eldorado dolomite as hereinafter particularly set forth, and Richmond-Eureka is willing to accede to such request.

NOW THEREFORE, by reason of the premises it is mutually agreed as follows:

1. That, anything in said Lease to the contrary notwithstanding, Eureka shall be relieved of the work requirements set forth in paragraph 4 of said Lease for such period as it carries on drilling to penetrate the Fad Shaft block of Eldorado dolomite at the rate of not less than sixty (60) drill shifts per calendar month, but in no event beyond January 31, 1955. Thereafter said paragraph 4 shall again become operative.

The "Fad Shaft block of Eldorado dolomite" as used herein means that part of the stratum known as the Eldorado dolomite bounded on the northwest and southwest by the Bowman and Ruby Hill faults and on the east by the Jackson fault.

A "drill shift" as used herein means eight (8) hours of work with drilling rig and normal drilling crew in actively drilling a hole or holes. Such work shall include time spent in recovering lost circulation of drilling fluid or stuck or lost tools. It shall not include time spent in moving the rig, tools or other equipment from one hole to another, or time lost by drill crew because of repairs to drilling rig and equipment or lack of equipment parts or supplies.

2. That from all exploration drill holes undertaken pursuant to paragraph 1. above or otherwise on the leased premises the Lessee shall keep representative splits or portions of all cores, sludges, cuttings or other samples obtained in drilling, and pulps from which assays of cores, sludges, cuttings or other drill hole samples have been made, all accurately numbered, labelled and properly stored; and representatives of Lessor shall have the right at all reasonable times to inspect such cores, representative splits or portions thereof, and said pulps and assays thereof, and at the expiration or earlier termination of the lease, all such representative splits or portions thereof and said pulps shall be delivered to the Lessor and shall be the property of the Lessor.

3. Except as specifically provided herein, Richmond-Eureka waives no rights under the Lease, and the Lease, as heretofore and hereby amended, is hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto have executed this agreement.

RICHMOND-EUREKA MINING COMPANY

Francis Fisk
Secretary

(Corporate Seal) By N. W. Rice
President

EUREKA CORPORATION LIMITED

A. L. Fulton
Director

(Corporate Seal) By T. Lindsley
President

COMMONWEALTH OF MASSACHUSETTS } ss.
COUNTY OF SUFFOLK }

On this 6th day of August A.D. 1953, personally appeared before me, George W. White, a Notary Public in and for said Commonwealth of Massachusetts, N.W. Rice, known to me to be the President of RICHMOND-EUREKA MINING COMPANY, the corporation that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument 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 Suffolk, the day and year in this certificate first above written.

(Notarial Seal)

George W. White

My Commission expires:
May 12th 1955.

Notary Public in and for the
Commonwealth of Massachusetts

Dominion of Canada
City of Toronto
County of York
Province of Ontario, ss.

On this 17th day of August A.D. 1953, personally appeared before me WILLIAM SYMON MORLOCK, a Notary Public in and for said Province of Ontario, T. Lindsley, known to me to be the President of Eureka Corporation Limited, one of the corporations that executed the foregoing instrument, and upon oath, did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument 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 York, the day and year in this certificate first above written.

(Notarial Seal)

W. S. Morlock

Notary Public in and for the
Province of Ontario

Recorded at the Request of Al O'Connell Aug. 24 A.D. 1953 At 45 minutes past 1 P.M.

R. W. Gibson--Recorder.