

S. A. Walsh and M. E. Walsh)
to)
M M & S Exploration Co.)

LEASE AND OPTION AGREEMENT

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August

This lease and option agreement entered into this 25th day of September, 1958, between S. A. Walsh, and M. E. Walsh, both of Salt Lake City, Utah, mailing address, 211 Phillips Petroleum Building, Salt Lake City, 1, Utah, hereinafter referred to as Party of the First Part, and the M M & S Exploration Co., a Nevada Corporation, of 222 Park Street, Carson City, Nevada, hereinafter referred to as Party of the Second Part.

WHEREAS, Party of the First Part is owner of a one-half undivided interest in the following patented lode mining claims: Great Divide survey No. 4393, Big 6 No. 3 Survey No. 4332, ~~South-Slope-Fraction-Survey No. 4392~~, Bald Eagle Survey No. 4527, July Survey No. 4528, and Holt Survey No. 4422, located in sections Two, eleven and twelve, T 35 N, R 50 E, M. D. M. Lynn mining District, Eureka County, Nevada.

S.A.W
M.E.W

WHEREAS, Party of the Second Part desires to enter upon the above named claims for the purpose of mining, sampling, mapping, drilling, etc.

THEREFORE, both parties do hereby covenant and agree to the following, in consideration of Ten (\$10.00) dollars in hand paid receipt of which is hereby acknowledged and other valuable consideration as hereinafter set forth.

(1) After a period of six (6) months from date of agreement should Party of the Second Part wish to continue work on the above named claims, Party of the Second Part shall pay the sum of ten thousand (10,000) dollars to Party of the First Part.

(2) Party of the Second Part shall commence work immediately upon the aboveramed claims and to continue a sampling program, also to pay Party of the First Part a ten (10%) percent royalty on all mint, mill, or smelter returns derived from the above claims, net royalty to be construed as the net amount that the Party of the Second Part shall receive from the sale of ore after transportation and smelting charges have been paid or the net amount received from the mint from the sale of metal to them, such royalties to apply on the purchase price of ten thousand (\$10,000) dollars for the above mining claims.

(3) Party of the Second Part agrees to keep Party of the First Part free of any liens or encumbrances of any nature whatsoever arising from Party of the Second Parts operation of the above named claims and to comply with all mining laws, both state and federal, and to carry Nevada Industrial Commission insurance as required by law.

(4) Party of the Second Part agrees to allow Party of the First Part access to the property for the purpose of inspecting the same at any reasonable time and to furnish them with a copy of samples, maps, etc., and work performed ten days after close of month ended, prepared by Party of the Second Part.

(5) It is mutally agreed and understood that written notice to the above address, return receipt requested, shall constitute notice of default and that Party of the Second Part shall have thirty (30) days in which to cure any breach of contract existing at the time of such notification.

(6) Party of the First Part agrees to furnish Party of the Second Part good and sufficient title to one-half interest in the above mining claims, conveyed in the customary manner for patented land, without any liens or encumbrances whatsoever.

(7) It is mutually agreed and understood that this agreement shall be binding to the heirs and assigns of either party hereto.

S. A. Walsh

S. A. Walsh

) M. E. Walsh

M. E. Walsh

Stirling G. McKnight

Sterling G. McKnight, Pres.

M M & S Exploration Co.

(Corporate Seal)

Velma McKnight

Recorded at the request of R. D. Morris April 13, A.D. 1959, at 18 minutes past 9 A. M.

Willis A. DePaoli - Recorder