

Louis Gibellini and Josephine
Gibellini

and

H. B. Chessher

AGREEMENT

A G R E E M E N T

THIS AGREEMENT made and entered into this 23rd day of August, 1960, by and between LOUIS GIBELLINI and JOSEPHINE GIBELLINI, husband and wife, of Eureka, Nevada, first parties, and H. B. CHESSHER, of Reno, Nevada, second party,

W I T N E S S E T H :

That the first parties for and in consideration of the sum of Ten (\$10.00) dollars, lawful money of the United States of America, and other and further valuable consideration, to them in hand paid by second party, the receipt whereof is hereby acknowledged, and the further covenants, promises and conditions on the part of second party to be kept and performed does hereby covenant and agree with second party as follows, to-wit:

First parties agree to give unto second party an option to purchase all of those certain unpatented lode mining claims, located in Unknown Mining District, Eureka County, Nevada, consisting of approximately sixty (60) unpatented lode mining claims, and known and referred to as the "Gibellini Property"; that the aforesaid group of approximately sixty (60) lode mining claims being located and situated in T15N, R52E and/or T16N, R52E, Eureka County, State of Nevada. First parties warrants and guarantees that each of the aforesaid group of approximately sixty lode mining claims is a valid location and each thereof is now legally held and each thereof is in good legal standing, and the annual assessment work for each year prior to the current year to

end September 1, 1960, has been fully and properly done and performed since date of each locations and first parties will promptly defend any adverse claim asserted or instigated by any person, firm or corporation against the title of first parties to any of said lode mining claims.

It is agreed and understood between the parties hereto that second party will pay unto first parties as the purchase price for said demised lode mining claims in the sum of Four Hundred Thousand (\$400,000.00) dollars, payable as follows, to-wit:

The sum of Twenty Five Hundred (\$2,500.00) dollars to be paid simultaneously with the execution of this agreement, and a further sum of Twenty Five Hundred (\$2500.00) dollars to be paid by second party to first party on or before February 23rd, 1961, and that on or before September 1, 1961, second party shall have the right to exercise the said option by the payment of the sum of Ten Thousand (\$10,000.00) to first parties, as a minimum annual royalty payment, and that thereafter second party shall pay a like sum of Ten Thousand (\$10,000.00) dollars as a annual minimum royalty payment for a period of Twenty (20) years, at which time the entire balance due, if any, shall be paid in full. It is agreed and understood that a royalty of Ten (10%) percent of gross proceeds received by H. B. Chessher, second party, shall be paid and applied to the minimum annual Ten Thousand (\$10,000.00) payment, or subsequent payments to become due hereunder; all payments made hereunder shall apply on said \$400,000. purchase price.

It is agreed between the parties that all taxes, of any kind or description, levied against said property will be paid by second party.

It is further agreed that all annual assessment work to be performed, beginning with the year 1961, shall be performed by second party, if and when said Option is excersised by second party.

It is agreed and understood that second party will post and keep posted on said demised property legal notices of non-liability of first parties, and second parties warrant and agree to save first parties harmless against debts, liens or liabilities of any kind or nature in the operation of said mining property.

It is agreed between the parties that the Ten (10%) fee due to E. L. Cleveland shall not apply on the first Ten Thousand (\$10,000) dollars due hereunder, unless paid out of royalty, but it shall apply on all royalty payments made hereunder after said Ten Thousand (\$10,000) dollars is paid.

First parties agree to perform all assessment work for the year to end September 1, 1960.

It is agreed and understood that a Ten (10%) percent royalty on the gross value of the proceeds from the production and sale of all ores, minerals and metals produced and sold from said mining property shall be paid to first parties, and said royalty payment shall apply on the next Ten Thousand (\$10,000.00) dollars minimum annual royalty payment to become due hereunder. If in any one year the royalties paid shall exceed the sum of Ten Thousand (\$10,000.00) dollars, the excess over said sum shall not be credited on the next minimum annual royalty payment of Ten Thousand (\$10,000.00) dollars.

It is agreed and understood that if and when second party shall exercise the right of Option granted herein, then, and in that event, it is agreed between the parties that an escrow agreement will be set up with the First National Bank of Nevada, at Reno, Nevada, and first parties warrant they will at that time deposit a good and sufficient bargain and sale deed conveying title to second party. It is further agreed that all expenses of escrow hereinbefore mentioned will be shared equally between first parties and second parties.

First parties give and grant unto second party the right to assign or transfer this agreement as second party shall decide.

It is agreed and understood that the said Gibellini group of approximately sixty (60) lode mining claims consists of the following designated groups, to-wit:

Black Hill Nos. 1, 2, 3, 4, 7, 8, 9 and 10, lode mining claims.

Black Iron Nos. 1, 3, 4, 5 and 6 lode mining claims.

Flat Nos. 1, 2, 5, 10, 11, 12 and 13, lode mining claims.

Manganese No. 3, lode mining claims.

Rattler Nos. 1, 2 and 3, and 4 lode mining claims

Rift Nos. 1, 2, 3 and 4 lode mining claims.

Clyde Nos 1 to 27, inclusive) lode mining claims.

Clyde Nos. 29 to 34 (inclusive) lode mining claims.

Clyde Nos. 36, 37 and 38 lode mining claims.

And all of the mining claims of every kind and description now owned by first parties, which are located

and/or situated within one mile of the exterior boundary of any of said Gibellini group of approximately sixty mining claims, are a part of said Gibellini group.

Louis Gibellini warrants that all legal papers, deeds or transfers of title will be executed by himself and Josephine Gibellini, his wife.

It is agreed that second party shall have the right to exercise this Option at any time prior to September 1, 1961, and that any non-payment of payments due to be paid first parties by second parties, shall constitute a forfeiture of agreement and thereafter, upon thirty days written notice given to second party by first parties of said non-payment, then, and in that event, it is agreed that this Option and agreement is null and void, and second party warrants and agrees that he will peaceably surrender up the said demised lode location claims; it is further agreed that in the event of forfeiture for non payment of moneys due first party, or other breach of this agreement, then, and in that event all funds heretofore paid first parties by second parties shall become and remain the property of first parties as rent and liquidated damages.

WITNESS OUR HANDS this 23rd day of August, 1960.

Louis Gibellini

Josephine Gibellini
First Party.

H. B. Chessher
Second Party

For and in consideration of the sum of Ten Dollars (\$10.00), and for other good and valuable considerations, H. B. Chessher does hereby sell, assign and transfer to Siskon Corporation, a corporation organized under the laws of Nevada, the within and foregoing agreement, dated August 23, 1960, as executed by Louis Gibellini and Josephine Gibellini, as First Parties, and by H. B. Chessher, as Second Party, embracing approximately 60 lode mining claims located in T15N and/or T16N, R52E, Eureka County, Nevada; subject however, to that certain agreement, dated August 31, 1960, executed by Siskon Corporation, as First Party, and by H. B. Chessher, as Second Party, and subject to the reservations, stipulations and conditions contained in said agreement of August 31, 1960.

EXECUTED this the 31st day of August, 1960.

H. B. Chessher
(H. B. Chessher)

STATE OF NEVADA)
) ss.
County of Washoe)

On this 31st day of August A.D. one thousand nine hundred and sixty (1960), personally appeared before me Anne L. Chadek, a Notary Public in and for said County of Washoe, H. B. CHESSHER, a resident of Reno, Nevada, known to me to be the person described in and who executed the annexed 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 Washoe, the day and year in this certificate first above written.

(Notarial Seal)

Anne L. Chadek
Anne L. Chadek, Notary Public in and for the
County of Washoe, State of Nevada
Residing at Reno, Nevada
My Commission expires December 8, 1962.

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

On this 23rd day of August, A.D. one thousand nine hundred and Sixty personally appeared before me, Anne L. Chadek, a Notary Public in and for said County of Washoe, Louis Gibellini and H. B. Chessher known (or proved) to me to be the persons described in and who executed the annexed instrument, who 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 at my office in the County of Washoe the day and year in this Certificate first above written.

(Notarial Seal)

Anne L. Chadek
Notary Public in and for the County of Washoe, State of Nevada.
My Commission Expires Dec. 8, 1962

STATE OF NEVADA,)
County of Eureka) ss.

On this 29th day of August, A.D. one thousand nine hundred and Sixty personally appeared before me Willis DePaoli, a Notary Public in and for said County of Eureka, Josephine Gibellini known to me to be the person described in and who executed the annexed instrument, who acknowledged to me that she 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)

Willis A. DePaoli
Notary public in and for the County of Eureka,
State of Nevada
My commission expires October 14, 1961.

Recorded at the request of H. B. Chessher September 7, A.D., 1960 At 50 minutes past 3 P. M.

Willis A. DePaoli - Recorder.