

MINING CLAIM LEASE AND PURCHASE AGREEMENT

This AGREEMENT is entered into this 26th day of November,
196⁵.

BETWEEN: JACK L. BAY and FIRST NATIONAL BANK OF
NEVADA, ELKO BRANCH.

hereinafter sometimes referred to as SELLER and EINAR C.
ERICKSON

hereinafter sometimes referred to as BUYER;

W I T N E S S E T H:

WHEREAS,

SELLER represents and warrants that he owns and holds
certain unpatented mining claims situated in the Counties of _____

EUREKA

and the State of Nevada, more particularly described as follows, to-wit:

STEEL GALENA MINING CLAIM situated in the Diamond
Mining District.

AND, WHEREAS, SELLER represents and warrants that all assessment work on said claims as required to this date has been completed and

WHEREAS, BUYER is desirous of leasing said mining claims, with option to purchase, for the purpose of exploring and developing said claims and in the event said claims prove to contain minerals in commercial quantities, to buy same.

NOW, THEREFORE, in consideration of the mutual promises and agreements as hereinafter set forth, SELLER does hereby let, demise and sell the aforesaid mining claims, together with all and singular the appurtenances, improvements, reversion and reversions, remainder and remainders, and the rents, issues, rights, privileges, franchises, immunities and the profits thereof to BUYER, and SELLER does further covenant and agree to execute any and all necessary deeds and assignments so as to convey said mining claims to BUYER upon the performance of the agreements hereinafter contained and upon the payment to SELLER by BUYER of the sums hereinafter stated, all as is set out hereinafter as follows, to-wit:

1. BUYER shall pay to SELLER the principal sum of \$ Twenty Five Thousand Dollars (\$25,000.00)

lawful, current money of the United States of America, payable as hereinafter set forth and not later than the end of the term as hereinafter set forth.

2. Said lease shall be for the term of five (5) years from and after the date hereof provided, however, that at the option of BUYER such term may be extended for an additional and like five (5) years provided BUYER shall have fully complied with the terms and conditions hereof and made payment of all current bills, obligations and monthly payments to those entitled to receive same.

3. BUYER by himself, agents or assigns to have the right of immediate entry and possession of said property and the whole thereof, with a right reserved in SELLER, his agent or legal representative to enter in and upon said premises at all reasonable times for the purpose of inspection and seeing that the terms hereof are being complied with.

4. BUYER to keep and maintain said property and appurtenances in a good state of repair, and to perform all work, labor, installation or removal of improvements, and operate said mining claims in a good miner-like manner as is customary in such cases, and in accordance with the mining laws, rules and regulations of the State of Nevada and the United States of America.

5. Payment of the principal sum and purchase price herein shall be made on the herein described basis. BUYER shall pay SELLER Ten Percent (10 %) net smelter or mill returns payable on all smelter or mill returns received by BUYER. Said payments shall be made directly by Smelter or Mill to SELLER, upon payment of each settlement to BUYER for each shipment of ores or concentrates. "Net Smelter Returns" shall mean such sum or sums of money paid to BUYER for any ores or concentrates delivered by BUYER from any of the above mining claims operated by BUYER to a smelter or mill for purposes of refinery or concentration and sale, less only smelter charges and freight and assay charges.

6. All payments above referred to, made by BUYER to SELLER shall be credited upon a total purchase price of Twenty Five Thousand Dollars (\$25,000.00) which shall be the full and total purchase price payable to SELLER. Upon receipt by SELLER of payment amounting to full Purchase Price, SELLER shall forthwith execute any and all mining deeds, assignments or other conveyances necessary to convey to BUYER such mining claims as BUYER shall not have quit claimed to SELLER. It is understood that full payment of any unpaid balance may be made at any time without any prepayment penalties and shall entitle BUYER to immediate delivery of title to said properties, provided SELLER agrees to early payment.

7. BUYER to pay or cause to be paid and acquitted any and all bills and obligations when and as same become due in any manner incurred in the exploration development or operation of said properties, and particularly as to labor, materials, industrial insurance and social security, and shall hold SELLER harmless with reference to any and all such obligations.

8. BUYER to forthwith prepare, record and post and keep posted conspicuously in at least two working places in and upon said properties NOTICE OF OWNER'S NONRESPONSIBILITY for any and all such obligations incurred by or for BUYER in the handling or preparation of said properties.

9. BUYER to at all times, keep complete books and records, subject to inspection of SELLER or his agents at reasonable times, of all ores mined, marketed, or removed from the claims covered by this Purchase Agreement, and to submit twice annually a summary report of drilling and geologic work performed on the claims.

10. BUYER and SELLER have the right to transfer, sell or assign in whole or in part its right in and to said mining claims as herein provided.

11. BUYER to have the right to place in and upon said property such machinery, equipment and improvements as may be reasonably necessary and convenient to the operations of the mining business herein contemplated, and in the event this agreement be forfeited or terminated; as for breach, or by voluntary surrender, on ten (10) days written notice by BUYER mailed to SELLER, postage prepaid, at SELLER'S last known address; BUYER to have Ninety (90) days after such surrender or written notice of forfeiture mailed to SELLER, postage prepaid, at the last known address of SELLER, in which to dismantle and remove any and all such machinery, mining and related equipment and improvements, including buildings except the cement work which has become a part of the land.

12. SELLER represents and warrants that he is the owner of and has clear title to the claims mentioned above. He further represents and warrants that all claims have been validly and properly located and recorded and that all work required under the law has been performed. It is agreed that as of the date this purchase agreement is signed, SELLER shall execute a good and sufficient Warranty Deed of said properties and have same placed in escrow in the First National Bank of Nevada, Elko Branch together with the original of this agreement with instructions that the Deed is to be delivered together with the original contract and any other papers involved to BUYER upon the payment and performance of the Contract as herein stated. Then upon demand, said Bank is to deliver said escrow papers to BUYER

or his successors in interest, and in the event of voluntary surrender as hereinabove stated or failure to pay and perform as herein stated, or within thirty (30) days grace period, then upon demand, to deliver said escrow papers and all of them to SELLER or his order.

13. TIME is of the essence in this agreement.

14. In the event of voluntary surrender, or nonperformance of any work for any given twelve (12) month period or other breach or default in payment or performance as herein stated, then SELLER by himself, his agent or legal representative or successor in interest, to have the right to immediate entry and possession of said premises and the whole thereof, without let, hindrance or process of law. Such right of re-entry and possession of said premises and particularly as to machinery, equipment and improvements placed thereon by BUYER, to be subject to the right of BUYER to removal thereof as provided in Paragraph 11 above; and in the event of failure of the BUYER to so remove said machinery, equipment and buildings and within the time specified, then in such event, all of said machinery, equipment, buildings and improvements to be forfeited to and become the property of the SELLER to the extent of the title, interest, ownership or equity of said BUYER as same shall appear as of such date.

15. It is agreed that otherwise than above, in the event of surrender, or other breach or default, the exclusive remedy of the SELLER, shall be to retain all monies, advances, smelter payments, and expenditures, in any manner theretofore made, same to be and become forfeited to SELLER, as liquidated damages.

16. The BUYER agrees to complete and file the semi-annual net proceeds of mines return as required by the Nevada State Tax Commission as by law.

17. The BUYER shall have a thirty (30) day grace period for the performance of the obligations specified herein with the exception of the annual assessment work on the unpatented claims. The BUYER agrees to file annual assessment work on all claims before August 25 each year.

18. BUYER AGREES TO commence geological and mineralogical investigations within 60 days of contract date and to explore by drilling or other methods each of the properties.

19. The terms here to bind and inure to the benefit of the heirs, assigns, executors, administrators, legal representatives and successors in interest of the respective parties hereto.

20. Upon the discovery of a mineable ore body a minimum monthly payment will be negotiated. A minimum monthly payment of One Hundred Dollars (\$100.00) will be made commencing one year from date of this contract. Any and all payments will be credited to the purchase price of Twenty Five Thousand Dollars (\$25,000.00).

IN WITNESS WHEREOF, the parties have hereunto set their hands on this the day and year as hereinafter appears by acknowledgement hereof.

Jack L. Bay
JACK L. BAY

Robert Trust Office
FIRST NATIONAL BANK OF NEVADA, ELRO BRANCH.
SELLER

Einar C. Erickson
EINAR C. ERICKSON

BUYER

ACKNOWLEDGEMENTS

THE STATE OF NEVADA I
COUNTY OF EUREKA I

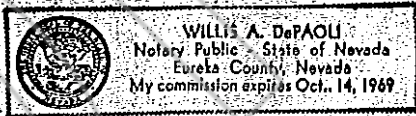
On this 26th day of November, 1965, personally appeared before me, a Notary Public in and for the above State and County, _____

JACK L. BAY, personally known to me to be the person described in and who executed the foregoing MINING CLAIM LEASE AND PURCHASE AGREEMENT, who acknowledged to me that he executed the same freely, voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this the day and year first above written herein.

Willis A. DePaoli
NOTARY PUBLIC

MY COMMISSION EXPIRES:
October 14, 1969



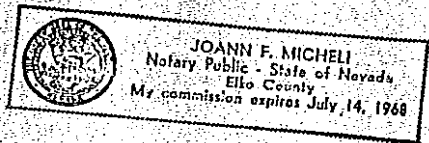
THE STATE OF NEVADA I
COUNTY OF Eureka I

On this 30th day of November, personally appeared before me, a Notary Public in and for the above State and County, R. L. Hall

Trust Officer, the signer of the foregoing MINING CLAIM LEASE AND PURCHASE AGREEMENT, who duly acknowledged to me that he executed said instrument.

Joann F. Micheli
NOTARY PUBLIC

MY COMMISSION EXPIRES:
July 14, 1968

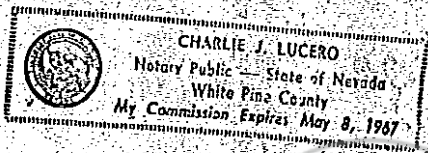


STATE OF NEVADA)
) ss.
COUNTY OF WHITE PINE)

On this 3rd day of December, 1965, personally appeared before me, a Notary Public in and for said county and State, EINAR O. ERICKSON, known to me to be the person described in and who executed the foregoing MINING CLAIM LEASE AND PURCHASE AGREEMENT who acknowledged to me that he executed the same freely, 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 first above written.

Charlie J. Lucero



WARRANTY DEED

THIS INDENTURE, made and entered into this 26th day of
November, 1965 at Eureka, Nevada
 by and between JACK L. BAY and FIRST NATIONAL BANK
OF NEVADA, ELKO BRANCH
 Grantors, and EINAR C. ERICKSON, Grantee

W I T N E S S E T H

That Grantors, for and in consideration of the sum of _____
Twenty Five Thousand Dollars (\$25,000.00)

lawful, current money of the United States of America, to it in hand
 paid by Grantee, receipt whereof is hereby acknowledged, do hereby and
 by these presents, grant, bargain, sell, remise, release and forever
 quitclaim unto Grantee and its successors and assigns forever, all of
 the right, title, interest or claim of Grantors, in and to the herein-
 after described unpatented mining claims, situated in the areas listed
 in Purchase Agreement, County of Eureka, State of Nevada, and
 the United States of America and particularly described as follows to-
 wit:

ALL those certain claims described in the mining claim lease and
 purchase agreement attached hereto,

TOGETHER WITH: all dips, spurs and angles, and all of the metal,
 minerals, ores or mineral bearing earth or rock therein, thereon or
 thereunto in any manner appertaining or belonging; and all rights,
 privileges and franchises, thereunto incident, appendant and appurtenant
 or therewith usually had and enjoyed; and all and singular the tenements,
 hereditaments thereunto belonging or in anywise appertaining, and the
 rents, issues and profits thereof.

TO HAVE AND TO HOLD: All and singular the said premises and the
 whole thereof, together with the appurtenances and privileges thereunto
 incident, unto the said Grantee, its Successors and Assigns forever.

IN WITNESS WHEREOF, Grantors have hereunto set their hand and seal on this the day and year as hereinafter by date of the acknowledgement hereof.



Jack L. Bay
JACK L. BAY

R. J. Criden, Vice President
FIRST NATIONAL BANK OF NEVADA, ELKO BRANCH

Attent: Trust Officer

THE STATE OF NEVADA I
COUNTY OF EUREKA I

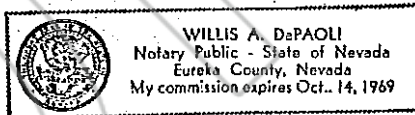
On this 26th day of November, 1965, personally appeared before me, a Notary Public in and for the above State and County, JACK L. BAY, personally known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely, voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this the day and year first above written herein.

Willis A. DePaoli
NOTARY PUBLIC

MY COMMISSION EXPIRES:

October 14, 1969



THE STATE OF NEVADA I
COUNTY OF EUREKA I

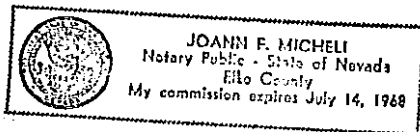
On this 30th day of November, personally appeared before me, a Notary Public in and for the above State and County, R. J. Criden and R. L. DeLoach, personally known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely, voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on this the day and year first above written herein.

Joann F. Micheli
NOTARY PUBLIC

MY COMMISSION EXPIRES:

July 14, 1968



41546

FILE NO. _____
Filed for record at the request of William Gergen
Dec. 3, 1965, at 55 minutes past 1 P. M. Recorded in
Book 9 of Official Records, page 202-211, Records of EUREKA
COUNTY, NEVADA.

Fee: \$ 8.05 Willis A. DePaoli, Recorder.