

TO WHOM IT MAY CONCERN:

NOTICE is hereby served upon Louis Gibellini, and upon the public and particularly upon all persons, firms and corporations concerned, that Louis Gibellini, a resident of Eureka, Nevada, and the representatives and/or agents of said Louis Gibellini, heretofore have agreed to lease and option to Chessher & Co., a corporation, sixty, or more, lode mining claims, which are hereinafter identified and described in Exhibit "D", which is attached hereto and hereinafter is made a part hereof, for the purchase price sum of \$200,000 payable at times, in amounts and in manner and way as are fully set forth and described in two agreements, copies of which are attached hereto, marked Exhibit "A" and Exhibit "B" and hereinafter are made a part of this document; AND

... THAT under date of October 14, 1966, S. George Baker, the undersigned, the representative of Louis Gibellini, executed a written confirmation of an agreement in favor of Chessher & Co., a corporation, covering said 60 some odd lode mining claims, the agreement being for \$200,000 payable upon the terms and conditions set forth in that certain agreement, dated October 14, 1966, a copy of which is attached hereto, marked Exhibit "A" and said agreement is made a part hereof; AND

THAT Louis Gibellini kept an appointment made for him with his attorney, Howard Gray, by S. George Baker, the undersigned, and Louis Gibellini, while keeping said appointment, appeared in presence of witnesses in the private office of Howard Gray, Esq., his attorney, between two and three o'clock P. M., on October 17, 1966, and said Louis Gibellini agreed to the terms and conditions of an agreement prepared later by his attorney calling for \$200,000.00 to be paid upon the terms stated in said Exhibit "A" EXCEPT during aforesaid appearance Louis Gibellini requested that the provision for nine annual payments of \$10,000 each should be changed to read one \$5,000 payment payable every six months for nine years, and Chessher & Co., a corporation, agreed thereto in the presence of Howard Gray, Esq., S. George Baker and H. B. Chessher, Jr.; it being understood and agreed by Louis Gibellini and Chessher & Co., a corporation, that the terms and conditions, excepting purchase price and payments, were to be substantially the same as contained in that certain agreement, dated October 10, 1961, which is recorded in the Official Records of Eureka County, Nevada; AND

THAT in pursuance to aforesaid agreement between Louis Gibellini and Chessher & Co., a corporation, it was mutually agreed to allow Howard Gray to prepare the

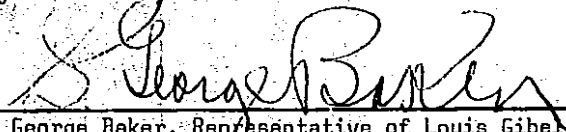
mining lease and option agreement. While in the office of Howard Gray, the attorney for Louis Gibellini, between the hours of two and three o'clock P. M., on October 17, 1966, at 105 N. Sierra Street, Reno, Nevada, and in pursuance to the written confirmation and agreement executed by S. George Baker in favor of Chessher & Co., a corporation, it was agreed by Louis Gibellini that Howard Gray, the attorney for Louis Gibellini, would proceed to prepare a lease and option agreement between Louis Gibellini, as the Seller, and Chessher & Co., a corporation, as the Buyer, and said ten-page lease and option agreement was prepared and presented by Attorney Howard Gray for the acceptance of Chessher & Co., a corporation, on October 19, 1966, and a true and correct copy of said ten-page agreement as presented by Howard Gray, the attorney for Louis Gibellini, on October 19, 1966, heretofore has been approved, confirmed and accepted by ... Chessher & Co., a corporation, in its entirety, and attached hereto is a copy of said agreement as presented to Chessher & Co., a corporation, by Howard Gray, the attorney for Louis Gibellini, marked Exhibit "B", and said agreement is hereby made a part hereof as if duly copied verbatim herein; AND

... THAT Chessher & Co., a corporation, has served upon Louis Gibellini at Eureka, Nevada, via Certified U. S. Mail, a notice in writing, dated October 24, 1966, a copy of which is attached hereto, marked Exhibit "C", and hereby made a part hereof; AND

... THAT the public and all persons, firms and corporations concerned are hereby notified and informed that Louis Gibellini, by his actions aforesaid, has negotiated and agreed to a sale to Chessher & Co., a corporation, of a lease and option agreement covering all of his sixty some odd lode mining claims which are located in Townships 15 and 16 North, Range 52 East, MDB&M, Eureka County, Nevada, and a list describing said sixty some odd lode mining claims is attached hereto, marked Exhibit "D", and hereby made a part hereof; AND

... THAT S. George Baker, the undersigned, hereby presents a claim and lien against Louis Gibellini, his heirs, successors and assigns, for \$20,000.00 to cover all sums due to S. George Baker, the undersigned, by and from the failure of Louis Gibellini to honor, perform and/or comply with his covenants and obligations as are hereinabove recited, and demand is hereby made upon Louis Gibellini for the payment of aforesaid \$20,000.00 in lawful money of the U.S.A. in satisfaction of the sum due to S. George Baker by Louis Gibellini for conducting and creating aforesaid sale to Chessher & Co., a corporation.

EXECUTED this the 28th day of October, 1966.

  
S. George Baker, Representative of Louis Gibellini  
P. O. Box 2044  
Reno, Nevada

County of Washoe } ss.

On this 28th day of October A. D. one thousand nine hundred and sixty-six (1966)

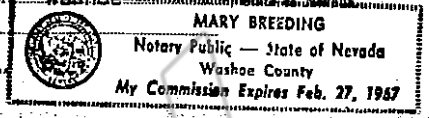
personally appeared before me Mary Breeding, a Notary Public in and for said County of Washoe S. GEORGE BAKER

known (or proved) 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.

Mary Breeding

Notary Public in and for the County of Washoe State of Nevada  
My commission expires.....  
GENERAL—RENO PRINTING CO., RENO, NEVADA



COPY



Chessher & Co., a corporation  
H. B. Chessher, Sr., President  
320 West Liberty Street  
Reno, Nevada 89504

Gentlemen:

This confirms the sale to you, by Mr. Louis Gibellini, owner of the Gibellini vanadium property consisting of sixty or more lode mining claims, located in T15 and 16N, R52E, MDB&M, Eureka County, Nevada, under a lease and option agreement to be prepared by Howard Gray, Esq., the attorney representing Mr. Louis Gibellini, for the total purchase price sum of Two Hundred Thousand Dollars (\$200,000) payable, under said lease and option agreement, as follows:

- 1. \$ 10,000 cash upon assurance and evidence of good title; AND
- \$ 10,000 in cash on the 17th day of October of each year after date of first payment of \$10,000, continuing for nine (9) successive years until the total sum of \$100,000 from all of said cash payments has been received; AND

\$100,000 shall be paid to Mr. Louis Gibellini as the owner of said property from a royalty of 25 cents for each ton of vanadium ore produced and milled from the Gibellini vanadium mining property consisting of 60 or more lode mining claims.

All payments to be made by you are to be paid 90% to Mr. Louis Gibellini and 10% to the undersigned, S. George Baker, Agent for Louis Gibellini, in an escrow in the First National Bank of Nevada, Trust Department, Reno, Nevada, and the general terms and conditions of the above described lease and option agreement are to be substantially the same (except total purchase price and payments) as are contained in the lease and option agreement issued on October 10, 1961, by Louis Gibellini et ux in favor of Chessher & Co., which agreement is recorded in Liber "H" of Miscel., Page 198, Document 35647, Official Records of Eureka County, Nevada, and by reference aforesaid lease and option agreement is made a part hereof as if duly copied verbatim herein.

Mr. Louis Gibellini has agreed to be in Reno tomorrow, Saturday, October 15, 1966. I have made an appointment for Mr. Louis Gibellini and me to meet you in Mr. Howard Gray's law office at two o'clock Monday afternoon, October 17, 1966, at which time the deal is to be closed. This is a confirmed sale made to you and authorized by Mr. Louis Gibellini, who represents and warrants that his title to said 60 some odd mining claims is good and merchantable.

EXECUTED this the 14th day of October, 1966, at Reno, Nevada.

Exhibit "A"

*S. George Baker*  
S. George Baker, Agent for Louis Gibellini

AGREEMENT

1 This Agreement, made and entered into this 15th day  
 2 of October, 1966, by and between LOUIS GIBELLINI, sometimes known  
 3 as LOUIS P. GIBELLINI, sometimes known as L. GIBELLINI, an  
 4 unmarried man who resides in Eureka, Nevada, the party of the  
 5 first part, hereinafter sometimes known and referred to as  
 6 "Optionor", and CHESSHER & CO., a Nevada Corporation, the party  
 7 of the second part, sometimes hereinafter referred to as "Optionee".

W I T N E S S E T H :

8  
 9 Whereas, Optionor is the sole owner of SIXTY (60)  
 10 unpatented lode mining claims except the paramount title is owned  
 11 by the United States of America: aforesaid 60 unpatented mining  
 12 claims being located in T15 and 16N, R52E, MDB & M, Eureka County,  
 13 Nevada, and each of the said 60 unpatented lode mining claims are  
 14 described and identified on a list attached hereto, marked Exhibit  
 15 "A" and made a part hereof; and

16 Whereas, Optionor desires to grant Optionee an option  
 17 to purchase said 60 unpatented lode mining claims for ONE HUNDRED  
 18 THOUSAND DOLLARS (\$100,000.00) payable in specified amounts and  
 19 at specified times, plus ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)  
 20 payable from a royalty of TWENTY FIVE CENTS (25¢) per dry ton  
 21 from each ton of dry ore produced and milled or smelted from said  
 22 60 unpatented lode mining claims.

23 NOW THEREFORE, for and in consideration of ONE DOLLAR  
 24 (\$1.00), and for other good and valuable considerations heretofore  
 25 received by Optionor from Optionee, and of the covenants and  
 26 agreements hereinafter set forth and by said Optionee to be done  
 27 and performed, the said Optionor does hereby give and grant unto  
 28 said Optionee an exclusive option to purchase those 60 unpatented  
 29 lode mining claims situate, lying, and being in an unknown mining  
 30 district in either or both Township 15 North, Range 52 East and  
 31 Township 16 North, Range 52 East, all in the County of Eureka,  
 32 State of Nevada, which claims are commonly referred to as the

Exhibit -1- "B"



1 GIBELLININ PROPERTY and consist of approximately SIXTY (60)  
2 unpatented lode mining claims, all of said mining claims being  
3 named and particularly described in said Exhibit "A" which is  
4 attached hereto, hereby referred to and by such reference made a  
5 part hereof.

6 Optionor warrants and guarantees that each of the afore-  
7 said group of approximately SIXTY (60) lode mining claims is a  
8 valid location, and each thereof is now legally held by Optionor,  
9 and each thereof is in good legal standing and the annual assess-  
10 ment work for each of said claims has been done for each year prior  
11 to the annual assessment work year ending at noon, September 1,  
12 1966; and Optionor agrees that he will, at his sole cost and  
13 expense, defend any adverse claim asserted or instigated by any  
14 person, firm, or corporation against the title of Optionor to any  
15 or all of said SIXTY (60) lode mining claims; provided that in  
16 the event any adverse claim is asserted or instigated by any  
17 person whomsoever, the Optionee will make available to the  
18 Optionor all geological information, including information  
19 obtained by drilling or geophysical studies made of the ground to  
20 the end that the same may be used as evidence by the Optionor in  
21 the defense of title to either, any or all of said SIXTY (60)  
22 unpatented lode mining claims covered by this agreement.

23 The total agreed purchase price for Optionor's right,  
24 title and interest in and to the foregoing lode mining claims,  
25 described in Exhibit "A" is the sum of TWO HUNDRED THOUSAND  
26 DOLLARS (\$200,000.00) payable as follos:

27 A. ONE HUNDRED THOUSAND DOLLORS (\$100,000.00) of said  
28 purchase price shall be paid at the option of the Optionee in  
29 the following amounts and at the following times:

30 KXXNXXHHHHHHHXHHHAXXIXXHHXXIX

31 1. ONE THOUSAND DOLLARS (\$1,000.00) on the execution of this  
32 Agreement.

2.

1 2. NINE THOUSAND DOLLARS (\$9,000.00) on the date the Optionee  
2 accepts title of the above referred to mining claims, and  
3 Optionor shall furnish, at his expense, abstracts and evidence of  
4 title to Optionee.

5 3. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1967.

6 4. Five THOUSAND DOLLARS (\$5,000.00) on April 18, 1968.

7 5. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1968.

8 6. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1969.

9 7. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1969.

10 8. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1970.

11 9. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1970.

12 10. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1971.

13 11. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1971.

14 12. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1972.

15 13. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1972.

16 14. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1973.

17 15. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1973.

18 16. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1974.

19 17. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1974.

20 18. FIVE THOUSAND DOLLARS (\$5,000.00) on April 18, 1975.

21 19. FIVE THOUSAND DOLLARS (\$5,000.00) on October 18, 1975.

22 20. FIVE THOUSAND DOLLARS (\$5,000.00) On April 18, 1976.

23 B. The portion of the purchase price which is to be paid  
24 from royalties shall be paid only upon ore tonnage mined from the  
25 above described unpatented lode mining claims and milled or  
26 smeltered either in a plant situate upon or near the above  
27 described premises, or shipped and sold to a custom mill or  
28 smelter; the royalties shall be calculated at a rate of twenty  
29 five cents (25¢) per dry ton of ore so mined, milled, smeltered  
30 or shipped.

31 From and after the date hereof, and to and until such  
32

1 time as the Optionee may, in accordance with the terms hereof,  
2 relinquish its rights under this Agreement, or until such time as  
3 Optionee defaults in the performance of its terms, conditions,  
4 covenants and agreements herein set forth and by it to be done and  
5 performed, and providing notice thereof is given by Optionor to  
6 Optionee of such default, and if the same is not cured within  
7 thirty (30) days after date said notice is mailed to Optionee via  
8 certified U.S. mail, the Optionor shall have the right to enter  
9 into and upon the lands lying within the exterior boundaries of  
10 the unpatented lode mining claims named and described in Exhibit  
11 "A", and explore for, develop, mine, remove, ship and treat, or  
12 cause to be treated, all ores found and developed by said Option-  
13 ee.

14 Optionee covenants and agrees that it will, before it  
15 begins any exploration, development, or mining work upon the  
16 premises which are the subject of this Option Agreement, cause all  
17 employees to be properly insured under the Nevada Industrial  
18 Insurance Act and under the Nevada Occupational Disease Act, and  
19 that during the life of this Agreement and while Optionee's  
20 employees are upon said premises, it will maintain said insurance  
21 and pay or cause to be paid the required premiums for insurance  
22 under both acts.

23 The Optionee further agrees that in the event it enters  
24 into any contract with any person, corporation, or partnership  
25 for the performance of any work or the rendition of any service of  
26 any kind in, on, or about or for the benefit of said property, it  
27 will require of the parties with whom the Optionee contracts to  
28 cause all of their employees to be insured under the Nevada  
29 Industrial Insurance Act and the Nevada Occupational Disease Act.

30 Optionee agrees that in the event it enters into and  
31 upon said premises and carries on exploration, development, or  
32 mining work upon said premises, either by its own employees or



1 or through contractors, all of said work will be done with due  
2 regard to the safety, development, and preservation of the mineral  
3 ore bodies, and all of said work shall be done in a minerlike  
4 fashion to the end that the greatest amount of ore may be removed  
5 from said premises, and that no ore bodies shall be made inaccessible  
6 able, either through caving or by causing the same to be covered  
7 with dumps of waste.

8           Optionee further agrees that all of its underground  
9 operations shall be well and sufficiently timbered, and that said  
10 timber shall be kept in good condition and that all timbering  
11 shall be replaced as and when necessary to hold the ground.  
12 Optionee shall not be obligated hereunder to maintain timbers on  
13 old workings not used or employed by Optionee in its mining oper-  
14 ations.

15           Optionee further agrees to keep at all times the drifts,  
16 shafts, and tunnels and other passages and workings of said above  
17 described premises used and employed by Optionee in its mining  
18 operations thoroughly drained and clear of loose rock and rubbish  
19 of all kinds, and in the event that underground workings used by  
20 Optionee develop water, it will cause said water to be pumped so  
21 that the underground workings will be drained and accessible.

22           The Optionee further agrees that in the event mining is  
23 done in an open pit type of mining, the pits shall be dug with  
24 sufficient slope to prevent the caving of the walls or the sides  
25 of the pit.

26           The Optionee further agrees that all mining, either  
27 underground or on the surface, or open pit mining, shall be done  
28 in accordance with the safety laws, rules, and regulations govern-  
29 ing underground and open pit mining, and that the berms at each  
30 level in open pit operations shall be of sufficient width to  
31 prevent the walls of the pit from sliding and causing damage to  
32 the pit or the coverage of ores and valuable minerals.

1           The Optionee agrees to keep books of account showing the  
2 amount of ore extracted from the mine, the amount of ore shipped,  
3 sold, or treated.

4           The Optionee further agrees that on or before the end  
5 of any calendar month ~~xx~~ during the term hereof it will cause said  
6 royalty for all ores shipped and treated by it during the preced-  
7 ing calendar month to be paid and deposited with the Escrow Agent  
8 hereinafter named and designated.

9           Optionee further agrees that in the event this Agree-  
10 ment is terminated, either by the Optionee electing to terminate  
11 the same in accordance with the terms hereof by virtue of forfeit-  
12 ure declared by Optionor because of the failure of the Optionee  
13 to perform any of the terms, conditions, covenants, and agreements  
14 herein set forth and by said Optionee to be done and performed,  
15 the mining premises with appurtenances and all improvements in  
16 good order and condition will be delivered up to said Optionor,  
17 and that at such time all of Optionee's shafts and tunnels and  
18 underground passages and all open pits used and employed by  
19 Optionee in its mining operations, shall be thoroughly cleared of  
20 rubbish, debris, and shall be drained, and the mine workings used  
21 and employed by Optionee in its mining operations, shall be  
22 ready for immediate continued workings, accidents not arising from  
23 negligence alone excusing.

24           Optionee further agrees that it will at all times keep  
25 posted in a conspicuous place Notices of Non-Liability and Non-  
26 Responsibility of the Optionor for either wages of employees or  
27 the cost of the materials and supplies furnished to said Optionee,  
28 which shall be prepared and delivered by Optionor to Optionee,  
29 Optionee covenants and agrees not to permit any mechanic's lien  
30 or any lien of any nature whatsoever arising out of the activities  
31 of Optionee, either statutory or otherwise, to be filed or made  
32 against the property which is the subject matter of this agreement,

1 and in the event that any such lien of any nature whatsoever is  
2 filed by any person whomsoever, the Optionee agrees to cause the  
3 same to be removed.

4 Optionee agrees that it will cause to be done sufficient  
5 work on and for the benefit of the mining claims which are the  
6 subject matter of this Agreement, to satisfy and fully perform the  
7 requirements of the Federal Statutes relative to annual assess-  
8 ment work, and it will cause affidavits of such work to be filed  
9 on or before thirty (30) days prior to the expiration of the  
10 annual assessment year provided, however, if Optionee surrenders  
11 this Agreement prior to Ninety (90) days before September 1st of  
12 any annual assessment year, Optionee shall not be bound or  
13 obligated to do and perform the annual assessment work for said  
14 year ending September 1st.

15 The parties hereto agree that all royalty paid by the  
16 Optionee on ores shipped, sold, or treated in accordance with the  
17 provisions of the Agreement shall apply upon the second ONE  
18 HUNDRED THOUSAND DOLLARS (\$100,000.00) agreed one half of said  
19 purchase price in the following manner, viz.

20 All royalties paid to and received by the Optionor at  
21 the rate of twenty five cents (25¢) per ton for each ton of dry  
22 ore mined or milled or smeltered or sold from said unpatented  
23 lode mining claims shall be applied to said second ONE HUNDRED TH  
24 THOUSAND DOLLARS (\$100,000.00) which is exclusively payable from  
25 royalties and in the event royalty payments paid by Optionee to  
26 the Optionor in accordance with the terms hereof shall total the  
27 sum of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) as the second  
28 half of said purchase price, then no further royalty payments  
29 will be due hereunder to Optionor.

30 The parties hereto mutually agree that the First  
31 National Bank of Nevada, Trust Department, One East First Street,  
32 Reno, Nevada, shall act as Escrow Agent, and that upon the



1 execution of this Agreement, the Optionor will place in escrow  
2 with the said bank a good and sufficient mining deed in form  
3 satisfactory to the Optionee, which mining deed will convey to  
4 the Optionee or its assigns all of said sixty (60) unpatented  
5 lode mining claims which are described in Exhibit "A" attached  
6 hereto, subject only to the paramount title thereto being owned  
7 by the United States of America.

8 The parties further mutually agree that all installments  
9 on the purchase price and all royalty shall be paid to the Escrow  
10 Agent, and <sup>the Escrow Agent</sup> shall disburse the same in accordance with the escrow  
11 instructions.

12 Upon the Optionor having received the total purchase  
13 price sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00) in accord-  
14 ance with the terms, ~~XXXXXX~~ conditions, covenants and agreements  
15 herein set forth, the said Escrow Agent will be, and it is, hereby  
16 authorized and instructed to deliver to said Optionee, or ~~IX~~ its  
17 assigns, the mining deed so held hereunder in escrow.

18 The Optionee agrees to deliver to said Escrow Agent a  
19 Quitclaim Deed running from said Optionee to the Optionor, which  
20 Deed ~~X~~ shall be held in escrow by said Escrow Agent, and in the  
21 event that this agreement is terminated and cancelled by the  
22 Optionor or by the Optionee in accordance with the terms hereof,  
23 the said Escrow Agent shall, upon demand by said Optionor, deliver  
24 to said Optionor the Deed so placed in escrow by Optionor running  
25 from Optionor to Optionee, as well as the Quitclaim Deed running  
26 from Optionee to Optionor.

27 The Optionor agrees that this Option Agreement may be surren-  
28 dered and cancelled by the Optionee at any time after the date of  
29 its execution, provided, that Optionee is not in default in the  
30 performance of any term, condition, covenant, or agreement herein  
31 set forth by it to be done and performed.

32 In ~~that~~ the event that the Optionee fails to make any

1 payment upon the purchase price as herein set forth, or fails to  
2 pay royalties which may be due upon ores shipped, sold, or treated,  
3 then the said Optionor may give notice to said Optionee of such  
4 default and failure on the part of the said Optionee, and in the  
5 event the same is not corrected within a period of thirty (30)  
6 days from and after the date of mailing of said Notice of  
7 Default, then this Agreement shall be and become terminated, and  
8 Optionee's rights hereunder shall be forfeited; all moneys paid  
9 by said Optionee to the Escrow Agent shall, if they had not been  
10 previously delivered to the Escrow Agent to the Optionor be then  
11 delivered by the Escrow Agent to the Optionor and said money  
12 shall be and become the property of the said Optionor as rent and  
13 liquidating damages.

14 Optionee may, within one hundred and eighty (180) days  
15 after the date this Agreement is cancelled or terminated for any  
16 reason whatsoever, remove from the above described mining claims  
17 all of Optionee's buildings, machinery, equipment and personal  
18 property. The right herein granted does not include the right  
19 to remove underground timbering or ore bins which may have been  
20 placed upon the mining claims by Optionee. Any of Optionee's  
21 property which is not removed within said one hundred and eighty  
22 (180) days shall become the property of the Optionor.

23 The Optionor covenants and agrees that in the event he  
24 is the owner of any unpatented lode mining claims lying within one  
25 mile's distance from the exterior boundary line of the group of  
26 claims composed of those claims named and described in Exhibit  
27 "A", said unpatented lode mining claims shall be and become a  
28 part of the GIBELLIN PROPERTIES described in Exhibit "A", and  
29 that title thereto shall be conveyed to said Optionee in accord-  
30 ance with the terms of this Agreement as though the said claims  
31 were named and specifically described in this Agreement or  
32 in Exhibit "A".

1 It is expressly agreed by and between Optionor and  
 2 Optionee that Optionee may, at anytime hereafter, assign and  
 3 transfer to any third party all or any part of the right, title  
 4 and interest of Optionee in and to this Agreement and the prop-  
 5 erty represented hereby.

6 All notices given by the Optionor to the Optionee shall  
 7 be addressed to the Optionee at its office in the City of Reno,  
 8 State of Nevada, as follows:

9 CHESSHER & Co. 320 West Liberty Street  
 10 Post Office Box 889  
 Reno, Nevada

11 All notices given by by the Optionee to the Optionor  
 12 shall be addressed as follows:

13 LOUIS GIBELLINI Post Office Box  
 14 Eureka, Nevada

15 Either party hereto may, by written notice, change the  
 16 address to which address any future notices shall be given.

17 This Agreement shall be binding upon the heirs, executors,  
 18 administrators, successors, and assigns of the parties hereto.

19 IN WITNESS WHEREOF, this Option Agreement has been duly  
 20 executed by the parties acting by and through their duly author-  
 21 ized officers as of the date first above appearing.

22  
 23  
 24 Louis Gibellini, sometimes known  
 25 as Louis P. Gibellini, sometimes  
 26 known as L. Gibellini, Optionor

27 CHESSHER & CO.

28  
 29 By \_\_\_\_\_  
 30 (Optionee)

31  
 32 EXHIBIT "B"



(a corporation)

P. O. Box 889  
Reno, Nevada 89504

October 24, 1966  
File 6-2420

CERTIFIED R.R.R.

Mr. Louis Gibellini  
Owner of Gibellini Vanadium Property  
Eureka, Nevada 89316

Dear Mr. Gibellini:

Demand is hereby made upon you to honor, carry out, observe and fulfill all of your agreements and obligations to Chessher & Co., a corporation, wherein you agreed to execute a lease and option agreement in favor of Chessher & Co. for your sixty some odd vanadium mining claims in T15&16N, R52E, Eureka County, Nevada, which you agreed to sell to Chessher & Co., a corporation, for \$200,000 upon the terms and conditions of that certain agreement executed by your alleged agent, Mr. S. George Baker, as confirmed and ratified by the agreement prepared and presented to Chessher & Co., a corporation, by your attorney Howard Gray, Esq. We have heretofore agreed to promptly pay to you the said first \$10,000 payment in manner and way provided in and under the proposed agreement prepared for you by your attorney, Howard Gray, Esq., which he has presented to us and which we have accepted.

Your refusal and failure to honor and comply with your agreements and covenants heretofore made and entered into by and for you in behalf of the undersigned, has created, and has caused the undersigned to suffer, damages and a loss of \$500,000, therefore, demand is hereby made upon you for the payment of \$500,000 to cover the loss and damages suffered by the undersigned by reason of your failure to honor, perform and/or comply with your covenants and agreements evidenced by the agreements aforesaid.

Yours very truly,

CHESSHER & CO.  
(a corporation)

cco  
HBC/aw  
c.c. Howard Gray, Esq.  
c.c. Mr. S. George Baker

Certified R.R.R. No. 425302

By \_\_\_\_\_  
(H. B. Chessher, Sr.) President

Exhibit "C"

EXHIBIT "D"

DESCRIPTION OF PROPERTIES

Those certain unpatented lode mining claims, located in Unknown Mining District, Eureka County, State of Nevada, known and referred to as the 'GIBELLINI PROPERTY', and more particularly described as follows:

- |                   |              |
|-------------------|--------------|
| BLACK HILL NO. 1  | CLYDE NO. 4  |
| BLACK HILL NO. 2  | CLYDE NO. 5  |
| BLACK HILL NO. 3  | CLYDE NO. 6  |
| BLACK HILL NO. 4  | CLYDE NO. 7  |
| BLACK HILL NO. 7  | CLYDE NO. 8  |
| BLACK HILL NO. 8  | CLYDE NO. 9  |
| BLACK HILL NO. 9  | CLYDE NO. 10 |
| BLACK HILL NO. 10 | CLYDE NO. 11 |
| BLACK IRON NO. 1  | CLYDE NO. 12 |
| BLACK IRON NO. 3  | CLYDE NO. 13 |
| BLACK IRON NO. 4  | CLYDE NO. 14 |
| BLACK IRON NO. 5  | CLYDE NO. 15 |
| BLACK IRON NO. 6  | CLYDE NO. 16 |
| FLAT NO. 1        | CLYDE NO. 17 |
| FLAT NO. 2        | CLYDE NO. 18 |
| FLAT NO. 5        | CLYDE NO. 19 |
| FLAT NO. 10       | CLYDE NO. 20 |
| FLAT NO. 11       | CLYDE NO. 21 |
| FLAT NO. 12       | CLYDE NO. 22 |
| FLAT NO. 13       | CLYDE NO. 23 |
| MANGANESE NO. 3   | CLYDE NO. 24 |
| RATTLER NO. 1     | CLYDE NO. 25 |
| RATTLER NO. 2     | CLYDE NO. 26 |
| RATTLER NO. 3     | CLYDE NO. 27 |
| RATTLER NO. 4     | CLYDE NO. 29 |
| RIFT NO. 1        | CLYDE NO. 30 |
| RIFT NO. 2        | CLYDE NO. 31 |
| RIFT NO. 3        | CLYDE NO. 32 |
| RIFT NO. 4        | CLYDE NO. 33 |
| CLYDE NO. 1       | CLYDE NO. 34 |
| CLYDE NO. 2       | CLYDE NO. 36 |
| CLYDE NO. 3       | CLYDE NO. 37 |
|                   | CLYDE NO. 38 |

The location notices and certificates of location of each of the above named claims as recorded at the Office of the County Recorder of Eureka County, State of Nevada, are hereby referred to and made a part hereof for all particulars therein shown.

12945

File No. \_\_\_\_\_

RECORDED AT THE REQUEST OF

S. George Baker

November 1 A. D. 1966

at 01 minutes past 8 A. M.

in Book 13 of OFFICIAL RECORDS

Page 29-44 Records of

EUREKA COUNTY, NEVADA

*William O. McPaul*

Recorder

Fee \$ 15.00

*Exhibit "D"*