

OPTION & LEASE

1        ~~THIS AGREEMENT~~ made and entered into this 1st  
2        day of September, 1966 by and between Stanley Fine,  
3        Ronald Hicks and Peter Kelly, Eureka, Nevada, parties  
4        of the first part, hereafter referred to as Lessors; and  
5        Harry Stroud of Reno, Nevada, party of the second part,  
6        hereafter referred to as Lessee.

7        --WITNESSETH--

8        WHEREAS, Stanley Fine, Ronald Hicks and Peter Kelley  
9        hold certain parcels of mining property located in the  
10        Secret Canyon Mining district, TS-18, R53N, Sec. 24 & 25,  
11        Eureka County, Nevada--Namely the Hodgden Group, the Stockton  
12        ~~the~~ the Geddes #4 all of which are patented claims with clear  
13        deeds, and two staked claims, namely the Badger claim and  
14        the Great Western claim, both adjacent to the above named  
15        patented claims; ~~the~~ the Stockton, a patented claim.

16        WHEREAS, Harry Stroud, Lessee, on the 1st day of  
17        September, 1966 has entered into a written agreement with  
18        the lessors, Stanley Fine, Ronald Hicks and Peter Kelley  
19        on the above described properties;

20        AGREEMENTS, heretofore agreed upon by all parties  
21        concerned, that the Lessors, for a consideration of \$1,000  
22        do assign to the Lessee, Harry Stroud, a 90 day option on  
23        the above mentioned properties.

24        AGREEMENT, the Lessors, further agree, that for a  
25        consideration of \$5,000.00, paid by the Lessee, on or before  
26        the expiration of the above option, the Lessee will be given  
27        a 5-year lease with option of a 5-year extensions. Said  
28        lease agreement shall also include the right for the Lessee,  
29        Harry Stroud or his assigns, to purchase said properties for  
30        a total purchase price of \$150,000.00, with all monies paid  
31        to that date by the Lessee to apply toward the purchase price.

32        AGREEMENT, the Lessee shall pay to the Lessor the  
33        sum of \$500.00 monthly or a royalty of .50¢ per ton of ore  
34        processed monthly, whichever is the greatest amount. Such  
35        monthly payment shall continue each month until such monies  
36        received by the lessor equals an amount equal to the purch-  
37        ase price mentioned above. Said payment of \$500.00 per month  
38        or .50¢ per ton royalty monthly shall become effective 30 days  
39        after the lease purchase option agreement is exercised.

40        THE LESSORS- or parties of the first part, agree to  
41        the following items:

42        #1. To provide clear unincumbered titles to all  
43        mining properties herein referred to.

44        #2. To guarantee to lessee, all rights of ingress  
45        and egress to said mentioned mining properties, for sampling,  
46        excavating, evaluation, mining and processing, or shipping and  
47        erection of housing and other buildings necessary in carrying  
48        on a full scale mining operation; This agreement also includ-  
49        es installment of a mill and access buildings.

50        #3. To extend the 90 day option an additional 30  
51        days in event work is delayed by enclement winter weather,  
52        or other acts of nature, which might prevent a normal mining  
53        operation.

54        #4. To permit lessee to mine, remove and ship ores  
55        from said mentioned mining properties during the 90 day opt-  
56        ion period allowed for exploration and evaluation.

57        THE LESSEE- agrees to the following items:

58        #1. Said mining properties to be activated by two

or more workers within 30 days after signing of these agreements, extra time to be allowed in case of encllement weather.

#2. Unless actions or situations beyond control of the lessee, such as acts of God, strikes, or war restrictions, a minimum of 240 days per year shall be spent on development work and mining of ores, as well as other necessary developments, such as housing and storage facilities.

#3. To hold the lessors free of any and all liabilities or encumbrances incurred by the lessee.

#4. To provide adequate insurance, covering all workers drawing a wage from lessee, or party of the second part.

#5. To provide lessors with a copy of assays, Smelter receipts and mill returns- for so long a period of time as the lessors have an interest in said mining property.

#6. To utilize all normal & adequate safety precautions for the protection of life & property during entire period of operation.

#7. To allow lessors normal and reasonable rights of inspection during normal working hours to determine lessees compliance with terms of this agreement.

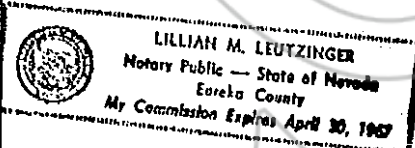
Any change in terms or conditions of this agreement, shall have to be approved and agreed to in writing and instituted as a part of this agreement, by all parties concerned in these agreements.

It is also mutually understood and agreed that this agreement is to be binding and to endure for so long as the lessee or party of the second part, his agents, administrators, heirs or assigns shall operate said property under the above contract or agreements, or any renewal or extension thereof.

WITNESS our hands this 14<sup>th</sup> day of November, 1966.

Lillian M. Leutzinger Lessor

Stanley Fine  
Stanley Fine



Lessor

Ronald V. Hicks  
Ronald Hicks

Lessor

Peter Kelley  
Peter Kelley

A. H. Hicks  
Alden H. Hicks

Lessee

Harry Stroud  
Harry Stroud

息、

Peter Kelley  
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 and voluntarily and for the uses  
and purposes therein mentioned.

Notary Public in and for the County of \_\_\_\_\_, State of Nevada.

My Commission expires \_\_\_\_\_

104. To assist in the protection of life and property during the evacuation of the area.

17. To allow lessons normal and reasonable rights of association during normal working hours to determine lessons compliance with terms of this agreement.

any change in terms of license to be agreed to in writing and shall have to be approved by the Board of Directors of the Corporation. The Corporation shall not be bound by any license or agreement entered into by any officer or agent of the Corporation in the absence of the Board of Directors.

It is also mutually understood and agreed that this agreement is to be binding on the parties to the agreement, the lessor or party of the second part, his heirs, assigns, successors, heirs or assigns shall operate and maintain the above contract or agreement, or any renewal or extension thereof.

WITNESS our hands this day of November, 1966.

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File No. 3720

RECORDED AT THE REQUEST OF  
F. G. Foster

January 23 A.D. 1967

15 minutes past 10 A. M.

In Book 15 of OFFICIAL RECORDS

Page 564-566 Records of

✓ EUREKA COUNTY, NEVADA

William A. Blum

Recorder: 495

Feb 1998