

ASSIGNMENT OF LEASE

THIS AGREEMENT, made this 30th day of April, 1969, by and between CLYDE D. PRICE, hereinafter called Assignor, and MINES MANAGEMENT, INC., a Nevada corporation, hereinafter called Assignee,

WITNESSETH:

That for and in consideration of the covenants and agreements hereinafter expressed, to be paid, kept and performed by Assignee, Assignor hereby assigns, transfers and conveys to Assignee all his right, title and interest in and to that certain Mining Lease, wherein Great American Mining Corporation, a Nevada corporation, is Lessor, and Assignor is Lessee, dated May 24th, 1968, and recorded in Book 25, Pages 230 et seq., Official Records of Eureka County, Nevada, as Document No. 47477, wherein Lessor leased to Lessee the following thirty-seven (37) unpatented mining claims, situate in Township 21 1/2 and 22 North, Range 54 East, M.D.B. & M., in Diamond Mining District, Eureka County, Nevada, to-wit:

5 claims in the Francis group;  
12 claims in the Juniper group;  
4 claims in the North Star group;  
7 claims in the Phillipsburg group; and  
9 claims in the Valhalla-Ophir-Potosi group

under the following terms and conditions:

Assignee shall well and truly perform each and all of the obligations imposed upon Assignor by the terms of said lease.

Assignee shall forthwith enter upon said claims and mine and develop the same in accordance with good mining practices and in a minerlike manner.

Within six months after May 1, 1969, Assignee shall erect a mill on or adjacent to said claims. Said mill shall have a rated capacity of at least one hundred (100) tons per day by the manufacturer thereof and Assignee shall exert reasonable efforts and diligence to operate the same to its efficient capacity consonant with good milling practices and to operate the same at least five (5) days per week in the treatment of ore from said claims, provided, it may be shut down for the development and exploration of said claims. Until Great American Mining Corpora-

tion has been paid the full purchase price of said claims in accordance with the terms of said lease, all tailings from said mill shall belong to it; provided, that while said mill is in operation, Assignee may use said tailings as fill and to recirculate the same in said mill.

Assignee shall pay to Assignor 3.2% of the net smelter returns from said claims, as the same are defined in paragraph 6. (a) of said lease, until he has been paid the full price of Two Hundred Forty Thousand Dollars (\$240,000.00). When said price has been so paid, Assignor shall execute and deliver to Assignee a quit claim deed conveying said claims to it.

Assignee shall completely perform, at its own expense, all assessment work on said claims for the current year on or before July 1, 1969; shall immediately thereafter record proofs of labor evidencing the same and furnish copies thereof to Assignor. If Assignee fails to perform the same, Assignor may do so at the cost and expense of Assignee.

Assignee may install, maintain, alter, replace and remove, at its own expense, during the time that this lease is in force and effect, all machinery, equipment, tools, implements, improvements and facilities now or later placed on said claims. In the event this assignment is cancelled as herein provided, all said property shall be removed within six months thereafter, and any thereof not so removed shall become the property of Assignor.

At the option of Assignor, this assignment shall be null and void and cancelled upon the occurrence of any of the following:

1. If assignee be adjudged a bankrupt.
2. If assignee makes an assignment for the benefit of creditors.
3. If a receiver be appointed to take charge of the property of assignee.

If for any reason there shall be default on the part of Assignee hereunder, and Assignee shall fail or refuse to comply with any one or more of the terms or provisions hereof, then Assignor, at his option, may give notice in writing to Assignee of such default, specifying the nature and

1 character thereof. Unless the default shall be corrected, or a good and  
2 sufficient bond for the protection of Assignor as to such default be provided,  
3 within thirty (30) days after the receipt by Assignee of such notice, then at  
4 the option of Assignor, this assignment and all of Assignee's rights hereunder  
5 shall be terminated and Assignee shall quietly and peaceably surrender said  
6 mining claims unto Assignor.

7 Assignee shall at all times during the term of this Assignment keep  
8 said mining claims and any and all of said machinery, equipment, other  
9 materials, and/or improvements now located or to be brought or erected  
10 thereon free and clear of any mechanics' and other liens, and shall defend  
11 Assignor in any resulting suit thereon.

12 Assignee shall assume all liability for, and thereby save Assignor  
13 harmless from any liability incurred in connection with, any damage occur-  
14 ing to the property of, and any accident, injury, or death suffered by  
15 Assignee, any of its agents, employees or workmen, any other of its  
16 representatives, or any other person, at any time as a result of the perform-  
17 ance of said work. Assignee shall obtain and maintain in force at all times  
18 during the performance of said work, Workmen's Compensation and such  
19 other insurance policies as may be necessary to cover all of said damage  
20 which may occur to the property of, and all of said accidents, injuries, and  
21 deaths which may be suffered by Assignee, said agents, employees, workmen,  
22 or representatives of Assignee. Assignee shall also obtain from duly licen-  
23 sed insurance companies and maintain in force at all times during the  
24 performance of said work, Public Liability insurance policies covering all of  
25 said damage up to an amount of \$50,000 per occurrence which may occur to  
26 the property of any other person, and covering all of said accidents, injuries  
27 and deaths up to amounts of \$100,000.00 per person per occurrence which  
28 may be suffered by any other person. Assignor shall be named as an  
29 additional insured in all such insurance policies, with the exception of Work-  
30 men's Compensation policies, and Assignee shall furnish Assignor with a  
31 certificate of each policy in force, showing Assignor as an additional insured  
32 thereon.

1 Assignor may, at all reasonable times examine, inspect and  
2 make copies of all documents and data to be furnished to Great American  
3 Mining Corporation by Assignee as provided in said lease.

4 Whenever the time for performance of any act hereunder is  
5 limited and the performance thereof is hindered, prevented, or delayed by  
6 any factor or circumstance beyond the reasonable control of the party  
7 obliged to perform and which said party could not have avoided by the use  
8 of due diligence, such as acts of God, floods, strikes or labor troubles,  
9 breakage of machinery, inability to obtain necessary materials, supplies,  
10 or labor, official devaluation of the dollar, interruptions in delivery or  
11 transportation, shortage of railroad cars, insurrections or mob violence,  
12 regulations, orders, or requirements of the Government, embargoes,  
13 war, or other disabling causes, whether similar or different, then the  
14 time for the performance of any such act or obligation shall be extended  
15 for a period equal to the extent of such delay.

16 Assignor has furnished to Assignee certain maps, reports and  
17 data in connection with said claims. While he believes the same to be  
18 accurate, he makes no warranty, promise or representation with reference  
19 thereto.

20 Upon thirty days written notice to Assignor, Assignee may cancel  
21 this Assignment and upon said cancellation shall not be responsible to  
22 Assignor for further performance thereunder.

23 For all purposes in connection with this assignment, the post  
24 office addresses of the parties are as follows, unless changed by written  
25 notice thereof:

26  
27 ASSIGNOR: Route 1, Box 452, Fernley, Nevada

28 ASSIGNEE: P. O. Box 605, Eureka, Nevada.

29  
30 IN WITNESS WHEREOF, the parties hereto have hereunto  
31  
32

set their hands the day and year first above written.

Clyde D. Price  
Clyde D. Price, Assignor

MINES MANAGEMENT, INC.,  
By Richard R. Angle, President.  
By M. R. Castellan, Secretary  
Assignee

STATE OF NEVADA  
COUNTY OF WASHOE ss

On this 30th day of April, 1969, personally appeared before me, a Notary Public, CLYDE D. PRICE, who acknowledged that he executed the above instrument.

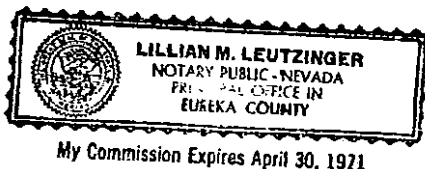
Theresa Zunino  
Notary Public



STATE OF NEVADA, )  
COUNTY OF EUREKA. ) ss.

On the 6th day of May, 1969, personally appeared before, a Notary Public, RICHARD R. ANGLE and M. R. CASTELLAN who acknowledged that they executed the above instrument.

Lillian M. Leutzinger  
Notary Public.



RECORDED AT THE REQUEST OF George H. Hawes  
on May 7, 1969 at 50 mins. past 1 P. M.  
Book 29 of OFFICIAL RECORDS, page 46-50 RECORDS OF  
EUREKA COUNTY, NEVADA. Lillian M. Leutzinger Recorder.  
File No. 49173 Fee \$7.00

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