

**SHORT FORM OF
MINING LEASE WITH OPTION TO PURCHASE**

Short Form of Mining Lease with Option to Purchase dated as of September 22, 1980
between R. D. Damale and Arlene W. Damale, his wife, Stephen D. Damale and Pauline D. Damale, his wife, Charles N. Damale and Patricia J. Damale, his wife, and J. Charles Damale, a widow

(collectively "Owner") and HOMESTAKE MINING COMPANY, a California corporation having its principal place of business at 650 California Street, San Francisco, California 94108 ("Lessee").

1. *Lease and Term.* (a) Owner leases to Lessee all of the property described in Exhibit A, together with, except as may be expressly provided in Exhibit A, all (i) tailings, dumps and mine wastes, (ii) surface rights, easements and rights of way incident thereto, (iii) mining, mineral and water rights incident thereto, and (iv) improvements, fixtures, personal property, mining machinery and tools thereon useful or convenient for mining and related uses ("Mining Property").

(b) This agreement shall commence on September 22, 1980 and continue for an initial term of five years.

(c) ~~Lessee may extend this agreement, including the Option, for additional successive ten year terms.~~

2. *Option to Purchase.* Lessee shall have the exclusive and irrevocable Option to purchase the Mining Property at any time while this agreement is in effect.

3. *Exclusive Possession.* Except as may be expressly provided in Exhibit A, Lessee shall have exclusive possession and quiet enjoyment of the Mining Property while this agreement is in effect.

4. *Additional and After-Acquired Rights.* If Owner (or any of them) acquires any right or interest in the Mining Property or within the boundaries of the Mining Property while this agreement is in effect, such right or interest shall automatically become part of the Mining Property for all purposes of this agreement.

5. *Removal of Property.* Lessee may, within one year after termination of this agreement, remove from Owner's real property all property and improvements which it has erected or placed thereon.

6. *Rights of Way.* While this agreement is in effect, Lessee shall have non-exclusive rights of way upon, over, into and through the Mining Property and other property now or hereafter owned, leased or otherwise controlled by Owner (or any of them) to construct, improve and maintain such facilities as may be necessary or convenient for Lessee's operations in the vicinity of the Mining Property.

7. *Amendment; Agreement Among Owners.* Each of the persons named as Owner hereby agrees with each other and with Lessee that this agreement may from time to time be amended or varied as to the interests of Owner by a writing signed by the persons then owning sixty percent or more of Owner's aggregate interest in the Mining Property and that such a writing so signed shall bind each and every one of them.

8. *Additional Terms.* Additional terms and conditions are contained in the full agreement between the parties. This Short Form shall not affect said agreement or any rights, interests or obligations of the parties thereunder.

HOMESTAKE MINING COMPANY

R. D. Damale
R. D. Damale

By James A. Anderson
Vice President

Arlene W. Damale
Arlene W. Damale

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J. Charles Damale
J. Charles Damale

Charles N. Damale
Charles N. Damale

Patricia J. Damale
Patricia J. Damale

Stephen D. Damale
Stephen D. Damale
Stephen

Pauline J. Damale
Pauline J. Damale

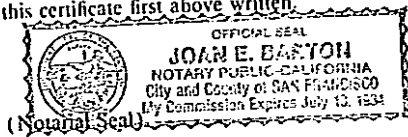
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STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

SS:

On October 22, 1980, before me, Joan E. Barton, a Notary Public of said State, duly commissioned and sworn, personally appeared James A. Anderson known to me to be a Vice-President of HOMESTAKE MINING COMPANY, a California corporation, and known to me to be the person who executed the within instrument on behalf of said corporation, and acknowledged to me that said corporation executed the within instrument as its free and voluntary act and deed, for the uses and purposes therein mentioned, and on said oath stated that he was authorized to execute said instrument on behalf of said corporation by authority of its by-laws or by resolution of its board of directors.

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



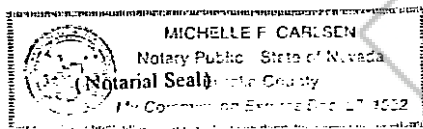
Joan E. Barton
Notary Public in and for said State
Residing at: San Francisco, Calif.
My commission expires: July 12, 1981

STATE OF NEVADA
COUNTY OF FOREKA

SS:

On August 18, 1980, before me, Michelle F. Carlson, a Notary Public of said State, duly commissioned and sworn, personally appeared R.D. Damske, Arlene W. Damske, J. Charles Damske, Charles W. Damske, Patricia J. Damske, Stephen D. Damske, Pauline J. Damske known to me to be the person(s) whose name(s) is(are) subscribed to the within instrument, and acknowledged to me that they executed the same as their free and voluntary act and deed, 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 in this certificate first above written.



Michelle F. Carlson
Notary Public in and for said State
Residing at: Las Vegas, NV
My commission expires: Dec. 27, 1982

STATE OF
COUNTY OF

SS:

On _____, 19____, before me, _____, a Notary Public of said State, duly commissioned and sworn, personally appeared _____

known to me to be the person(s) whose name(s) is(are) subscribed to the within instrument, and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed, 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 in this certificate first above written.

(Notarial Seal)

Notary Public in and for said State
Residing at: _____
My commission expires: _____

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Exhibit A

The following unpatented lode claims located in Township
, Range , Section , Eureka County, Nevada:

Name of Claim	Recorded in Official Records of Eureka County, Nevada		BLM Serial No.
	Book	Page	
Curlew 1-20 incl.			NMC-141553-141572
Snow Cat 2-4 incl.			NMC-141573-141575
Dam@le 1-9 incl.			NMC-141576-141584
Big Ben			NMC-141585
Polywog			NMC-141586
D-2			NMC-141587
Dale's Boner			NMC-141588
Miscarriage			NMC-141589
Marie			NMC-141590
Irishman			NMC-141591
Weatherford			NMC-141592
Cedar			NMC-141593
Rocky			NMC-141594
Sunset			NMC-141595
Raincap			NMC-141596
Dale			NMC-141597
Cedar No. 1			NMC-141598
Sunday			NMC-141599
Mountain View			NMC-141600
Zero 1-6			NMC-141601-141606

RECORDED AT REQUEST OF
Homestake Mining Co.
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. DEPAOLI-RECORDER
FILE NO. 82785
FEE \$ 7.00

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