

118002

SHORT FORM OF MINERAL LEASE

This SHORT FORM OF MINERAL LEASE is made as of this 25<sup>th</sup> day of March, 1988, by and between Julian E. Simpson and Jean C. Simpson, husband and wife, whose address is P.O. Box 266, Kikei, Maui, Hawaii 96753 (hereinafter collectively referred to as "Lessor"), and Atlas Precious Metals, Inc., a Nevada corporation, whose address is 743 Horizon Court, Suite 202, Grand Junction, Colorado 81506 ("Lessee").

Recitals

Lessor owns certain unpatented lode mining claims situate in Eureka County, Nevada, more particularly described in Exhibit A which is attached hereto and incorporated by reference herein (the "Mineral Prospect").

Lessor and Lessee entered into a Mineral Lease effective February 16, 1988 (the "Agreement"), wherein Lessor granted to Lessee a mineral lease of the Mineral Prospect.

Lessor and Lessee desire to enter into this Short Form of Mineral Lease (the "Short Form") for the purpose of placing of record a notice of the Agreement.

Agreement

NOW THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the sufficiency of which is hereby confessed and acknowledged, Lessor and Lessee have agreed and do hereby agree as follows:

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1. Grant of Lease of the Mineral Prospect. Lessor has leased and hereby grants and leases exclusively unto Lessee the Mineral Prospect for the purpose of surveying, sampling, investigating, exploring for, prospecting for, drilling for, developing, mining, producing, saving, taking, milling, treating, transporting, storing, stockpiling, handling and marketing all minerals or any valuable products of any nature in, on or under the Mineral Prospect, together with all of Lessor's rights, privileges, water rights and easements useful for Lessee's operations on the Mineral Prospect.

2. Term. The term of the Agreement shall be twenty (20) years from its effective date, unless sooner surrendered or otherwise terminated, and so long thereafter as there is production of one or more Leased Substances (as that term is defined in the Agreement) from the Mineral Prospect, or any operations permitted under the Agreement are being conducted by Lessee on the Mineral Prospect.

3. Successors and Assignment. The Agreement and this Short Form are, and shall be, binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties. No assignment by Lessee of any of its interest under the Agreement or this Short Form shall be effective without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any such assignment by Lessee shall expressly provide that the assignee agrees to be bound by the terms of the Agreement.

4. Title to After-Acquired and Additional Interests.

The Agreement covers and extends to any mining claim located by Lessee within 300 feet of any point on the perimeter of the Mineral Prospect described in Exhibit A (the "Boundary Area"), and, at Lessee's election, this Agreement covers and extends to any mining claim located by Lessor within the Boundary Area.

5. Additional Terms. The Agreement contains clauses pertaining to advance royalties, production royalties, and various other provisions, and reference is made to the Agreement for such other terms and conditions as govern the Agreement, which terms and provisions are by reference made a part hereof. Nothing in this Short Form shall limit or affect the rights and duties of the parties under said Agreement. Information regarding the Agreement can be obtained from Lessor or Lessee at the addresses set forth above.

IN WITNESS WHEREOF, the parties have executed this Short Form of Mineral Lease as of the date first above written.

LESSOR

*Julian E. Simpson*  
Julian E. Simpson

*Jean C. Simpson*  
Jean C. Simpson

ATLAS PRECIOUS METALS, INC., a  
Nevada corporation

By Richard R. Weaver  
Richard R. Weaver, President

COPY

STATE OF Hawaii )  
COUNTY OF Maine ) ss.

The foregoing instrument was acknowledged before me  
this 7th day of April, 1988 by Julian E. Simpson.

Witness my hand and official seal.

My commission expires: 12-26-91

Benny J. Juntz  
Notary Public



STATE OF Hawaii )  
COUNTY OF Maine ) ss.

The foregoing instrument was acknowledged before me  
this 7th day of April, 1988 by Jean C. Simpson.

Witness my hand and official seal.

My commission expires: 12-26-91

Benny J. Juntz  
Notary Public



STATE OF New Jersey )  
COUNTY OF Mersey ) ss.

The foregoing instrument was acknowledged before me  
this 16th day of April, 1988 by Richard K. Wilson  
as President of Atlas Precious Metals, Inc., a  
Nevada corporation.

Witness my hand and official seal.

My commission expires: May 20, 1990

Lori Marie Church  
Notary Public



Exhibit A

to that certain Short Form of Mineral Lease  
 dated March 25, 1988, by and between  
 Julian E. Simpson and Jean C. Simpson,  
 husband and wife, as Lessor,  
 and Atlas Precious Metals Inc. a Nevada corporation,  
 as Lessee, which covers certain unpatented mining  
 claims located in Eureka County, Nevada

The following unpatented mining claims, in total 34,  
 located in Sections 10, 15, 22, and 23, Township 22 North,  
 Range 50 East of the Mount Diablo Principal Meridian, Eureka County, Nevada:

<u>Name of Claim</u>	<u>Book</u>	<u>Page</u>	<u>BLN Serial Number</u>
Benchmark Nos. 1-2	6	450-451	NMC 88087-88088
Benchmark Nos. 3-12	7	334-343	NMC 88089-88098
Benchmark Nos. 13-16	9	181-184	NMC 88099-88102
Benchmark Nos. 17-22	20	495-504	NMC 88103-88108
Benchmark Nos. 23-34	25	502-513	NMC 88109-88120

RECORDED AT THE REQUEST OF  
*Atlas Precious Metals, Inc.*  
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88 MAY -2 10:47

OFFICIAL RECORDS  
 EUREKA COUNTY, NEVADA  
 MINERAL RECORDS DIVISION  
 FILE NO. \_\_\_\_\_  
 FEE \$ 10.00

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