

128797

Appendix 8

ASSIGNMENT OF LEASE

Dated this <sup>July</sup> 22 day of June, 1989

WHEREAS, the Antelope Valley Joint Venture, as Lessor, consisting of Merlin Bingham, Roland E. Gower, Bruce J. Kiessling, Leo B. Bustad, George W. Floyd and Maureen B. Floyd, entered into a Lease Agreement with American Mining Co., a corporation of the State of Washington, as Lessee, on the 12th day of March, 1987, a copy of which is attached hereto as Exhibit "A" and by reference made a part of this document.

And

WHEREAS, American Mining Co., as "Assignor" assigned all of its right, title, and interest in and to that Lease of 12 March, 1987 to U.S. Mining Limited Partnership, a limited partnership duly authorized and existing under the laws of the State of Washington, as "Assignee" on the 7th day of June, 1988, by a document entitled "Assignment of Lease, a copy of which is attached hereto as Exhibit "B" and by reference made a part of this document.

Therefor

For Ten Dollars (\$10.00) and other good and valuable consideration the receipt of which is hereby acknowledged, the parties do hereby mutually covenant and agree as follows:

U.S. Mining Limited Partnership, as (Assignor) hereby sells, assigns, and conveys to the Antelope Valley Joint Venture, its successors and/or assigns, all of Assignors rights, title and interest in and to those mining claims located in Eureka County, Nevada, and more particularly described in Exhibit "A" attached hereto. Furthermore, the assignor assigns, conveys and transfers unto the Assignee, its successors and/or assigns, all of the Assignor's right, title, and interest in and to the Lease Agreement Assignment, dated the 7th day of June, 1988, between American Mining Co. as Assignor and U.S. Mining Limited Partnership as Assignee.

IT IS FURTHER AGREED AND UNDERSTOOD between the parties hereto that Merlin Bingham is the owner of an undivided forty six percent (46%) interest of certain unpatented lode mining claims located in Eureka County, Nevada, specifically described as follows:

1989200 PASE 191

All of the following unpatented mining claims are located in protracted Sections 5, 6 and 7 of Township 17 North, Range 52 East, protracted Sections 1 and 12 of Township 17 North, Range 51 East, and protracted Sections 19, 30, 51 and 32 of Township 18 North, Range 52 East and protracted Sections 13, 14, 23, 24, 25, 26, 35 and 36 of Township 18 North, Range 51 East, Mt. Diablo Meridian, Eureka County, Nevada.

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FURTHERMORE, IT IS AGREED AND UNDERSTOOD between the parties hereto that U.S. Mining Limited Partnership is granted and shall retain a one and one-eighth (1.8%) percent net smelter return (NSR) of the undivided forty six percent (46%) interest held by Merlin Bingham on said claims as detailed in Exhibit "A".

The Assignor shall assume all of the conditions and obligations under the Agreement as Amended of 7 July, 1988, between American Mining Co. and U.S. Mining Limited Partnership.

IN WITNESS WHEREOF the parties hereto have executed this Assignment of Lease dated this 22 day of June, 1989.

Barry W. Davidson 6-22-89  
 U.S. Mining Limited Partnership  
 by Barry W. Davidson  
 Court Appointed Receiver of  
 U.S. Mining Limited Partnership

Merlin Bingham  
 Antelope Valley Joint Venture  
 by Merlin Bingham, Authorized  
 Agent of Antelope Valley Joint  
 Venture

Merlin Bingham  
 Merlin Bingham, Individually

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LEASE

THIS LEASE (the "Lease"), made and entered into as of the 12<sup>th</sup> day of March 1987, by and between ANTELOPE VALLEY JOINT VENTURE and its participants MERLIN D. BINGHAM, ROLAND E. GOWER, BRUCE J. KIESSLING, LEO B. BUSTAD, GEORGE W. FLOYD and MAUREEN B. FLOYD hereinafter called "Owner" and AMERICAN MINING CO., a corporation of the State of Washington, hereinafter referred to as "Lessee".

W I T N E S S E T H:

Owner owns certain unpatented lode mining claims more particularly described in Exhibit A hereto and by reference incorporated herein.

Owner has offered to lease its property interests described in Exhibit A to Lessee on the terms hereinafter set forth.

ARTICLE I

1. NOW THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid by Lessee to Owner, receipt whereof is hereby acknowledged, and for and in consideration of the covenants and agreements hereinafter set forth, Owner does hereby lease, let and demise unto Lessee, his successors and assigns, 262 unpatented lode mining claims located in protracted Sections 5, 6 and 7 of T. 17 North, R. 52 East, protracted Sections 1 and 12 of T. 17 North, R. 51 East, protracted Sections 19, 30, 31 and 32 of T. 18 North, R. 52 East and protracted Sections 13, 14, 23, 24, 25, 26, 35 and 36 of T. 18 North, R. 51 East, MT. Diablo Meridian, Eureka County, Nevada and more particularly described in Exhibit A attached hereto; together with all and singular the mines, minerals, lodes and veins within

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EXHIBIT "A"

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the lines of said claims, and their dips and spurs and all dumps, plant, fixtures, structures and improvements situated on any of said claims, and all easements, water and water rights and other rights and privileges and appurtenances thereunto in anywise belonging of every kind and nature which are useful, convenient or necessary to Lessee.

TO HAVE AND TO HOLD said mining claims and rights hereinafter referred to as "Leased Premises," unto Lessee for a term of ten (10) years from the date hereof and so long thereafter as any mining, production and/or development is being conducted hereunder on a continuous basis, unless sooner terminated, together with the right to use the same and the workings therein for all uses and purposes incident to its exploration and mining operations in the Leased Premises and in any other properties, and for any and all other uses and purposes, including the right to prospect for, develop, mine, stockpile, store waste, remove, ship, treat, sell and dispose of all ores, materials and minerals taken from the Leased Premises. For purposes of this provision, such operations shall be deemed as being conducted on a continuous basis unless and until a period of one hundred eighty (180) consecutive days elapses during which no mining, production and/or development is conducted, excluding, however, periods of force majeure as defined in Article III, section 5 below. The term "development" shall mean work or construction in preparation for mining or processing a proven or possible ore reserve, including further development drilling of such an ore reserve but excluding exploration drilling. Unless otherwise specified, all references to the term of this Lease shall mean and include both the primary term and the continuing term.

2. (a) Owner covenants and agrees that it owns good and marketable title to the entire undivided interest in and to the Leased Premises; it has not assigned or encumbered its rights and interests in the Leased Premises; that it has not entered into any presently binding lease, agreement or commitment with respect to the Leased

Premises which is inconsistent with the rights herein granted to Lessee; that Owner has no notice of action or administrative or other proceeding pending or threatened against or affecting all or any part of the Leased Premises; that the Leased Premises are free and clear of all liens and encumbrances; that the claims have been located in accordance with the mining laws of the United States and the State of Nevada and in accordance with local customs, rules and regulations; that all assessment work requirements for the claims have been satisfied and proper affidavits evidencing the same have been duly filed and recorded in the appropriate county and federal records; that none of the claims are subject to invalidation or forfeiture as a result of any failure to comply with the Federal Land Policy and Management Act of 1976 or any regulation promulgated thereunder; and that to the best of Owner's knowledge and belief at all times prior hereto, all operations on or for the benefit of the Leased Premises have been in compliance with all laws, regulations and order of all government agencies having jurisdiction over the Leased Premises.

(b) Lessee shall have the right at any time or times during the term of this lease at its cost to amend the location of any one or more of the unpatented mining claims of the Leased Premises whenever, in its sole discretion, Lessee deems such amendment to be desirable to correct errors or omissions in the location of the claim. Lessee shall have the further right at its cost to relocate any one or more of said claims whenever Lessee, in its sole discretion, determines such action to be necessary or desirable. All such relocations or amendments shall be made by Lessee as agent for Owner. Lessee shall have the further right at its discretion and cost to repair or replace any claim location monument or

marking which has been damaged or destroyed, although Lessee shall not be obligated to perform such repairs or replacements. Lessee shall have the further right at its discretion and cost to apply for mineral patents, defend or contest adverse suits and negotiate settlement thereof with respect to any and all of the claims included within the Leased Premises when any such action is necessary in Lessee's opinion, and Owner shall cooperate with Lessee and shall execute any and all documents necessary or desirable in the opinion of Lessee to further such patent applications, contests, defenses, or settlement of contests or adverse suits.

(c) Lessee is not required to perform any work in the Leased Premises other than that which may be specifically provided for herein, Lessee's covenant and agreement to pay advance minimum royalties being in lieu of any implied covenants of development relative to the Leased Premises.

#### ARTICLE II

In consideration of said demise, LESSEE COVENANTS AND AGREES:

1. That it will, upon undertaking work in or upon the Leased Premises, forthwith post and thereafter keep posted in conspicuous places at entrances to the premises, such notices as may be necessary adequately, in accordance with the law, to notify all persons who may come in or upon the Leased Premises that they are held by Lessee under lease from Owner and that Lessee is liable for all labor performed and supplies and materials used by it in and upon said premises and that Lessee, and not Owner, will be responsible for any and all debts and expenses incurred in operations under this lease.



2. That all work done by it in the Leased Premises will be performed in a good and minerlike manner, with due regard to the safety, development and preservation of the Leased Premises and workings and operations therein; and it will remove, insofar as is practicable and consistent with good mining practice, all commercial ores encountered in exploration, development and mining operations in the Leased Premises, to the end that such ores shall be removed or preserved and shall not be wasted or left in an inaccessible condition, and keep the ore removed from the Leased Premises separate from ores removed from other property until all such ores are measured and sampled in accordance with standard mining practice. All work shall at all times be under the sole control of and done in accordance with the exercise of the discretion and judgment of Lessee as to time, place, method and manner of operation.

3. That during the first sixteen (16) months of the term of this Lease, Lessee will make expenditures of at least One Hundred Thousand Dollars (\$100,000) in exploration and development operations in or upon or for the benefit of the Leased Premises and will make further expenditures as follows:

One Hundred Fifty Thousand Dollars (\$150,000) during the first twelve (12) months after the first sixteen (16) months;

Three Hundred Thousand Dollars (\$300,000) during the second twelve (12) months after the first sixteen (16) months.

At its option, Lessee may elect to pay to Owner any part of the required expenditures in cash, in lieu of performing a work commitment or balance of work commitments; provided, however, that expenditures in any work commitment period in excess of the requirement for that period shall apply in satisfaction of the work requirement for subsequent work commitment periods, and should this Lease be surrendered and/or terminated prior to the end of a work commitment period, the expenditure required of Lessee for that work

commitment period shall be an amount representing the proportion of the expenditures required for the entire period, pro rated as of the termination date, provided, however, that Lessee may elect to pay to Owner the difference between the amount of the pro rated expenditure required of Lessee and the amount actually expended by Lessee before the termination date; and that it will, on or before the sixtieth (60) day after the end of each such work commitment period or partial work commitment period (as in the case of a termination) submit to Owner a report stating the amount of expenditures made during the preceding work commitment period, together with a brief description of the work.

"Expenditures" as referred to in this section shall include, but not be limited to, expenditures for drillsite preparation, drilling and excavations, both surface and underground, trenching, stripping, and leaching; rental of equipment used in operations in or upon the Leased Premises or if equipment used in the operations is owned by Lessee, equivalent rental computed at the current rental schedule of the Associated Equipment Distributors for Equipment used in Nevada; expenditures for servicing and maintaining the rented or owned equipment; expenditures for geological reports, mapping, surveying, sampling and assaying and metallurgical test work, engineering and geological services, geophysical, geochemistry, both field and office work, cost of transportation and subsistence of personnel and other related expenditures.

4. (a) That it will pay Owner a production royalty of 4% of net smelter returns from all product ("product" to include, but not be limited to, ore, leachates, precipitate, concentrate, dore bullion, and other products) mined and recovered from the Leased Premises. Net smelter returns shall mean the actual proceeds received from the sale of product to a smelter, refinery or other ore buyer after the deduction of milling costs, smelter and/or refining charges, ore or bullion



treatment charges, penalties, and any and all charges made by the purchaser of ore, concentrates or bullion less any and all transportation and insurance costs which may be incurred in connection with the transportation of product from the point of last processing less all umpire charges and any taxes, except income taxes, imposed on production or severance of ore or ore concentrate. Net smelter return royalties due shall be paid on a quarterly basis not later than thirty (30) days after the last day of the calendar quarter in which receipt of payment from the smelter or other purchaser of product is received. All payments shall be made to Owner's account at First Interstate Bank, Ogden, Utah.

Net smelter return royalties payable on gold produced from the Leased Premises shall be adjusted as follows based on the price of gold per ounce at the London P.M. Fix on date of sale:

Price of Gold Per Ounce at London P.M. Fix on Date of Sale	Net Smelter Return Owner
Less than \$600	48
\$600 or greater but less than \$1,000	58
\$1,000 or greater	78

(b) Owner, upon ninety (90) days notice to Lessee and subject to the terms of the refining contract, shall have the right to receive its royalty as to refined gold and/or silver in kind. If Owner elects to take gold and/or silver in kind, then settlement for royalty shall utilize the average Handy & Harmon closing spot price for gold and/or silver for the previous calendar month as published in Metals Week; provided, however, should that source cease publication, then reference shall be to any other creditable publication mutually agreed in writing

by the parties. In the event any additional costs are incurred in making payment of royalty in kind, such costs shall be borne by Owner.

(c) Lessee may commingle any ore and concentrates from the Leased Premises and if, in the course of mining the Leased Premises, Lessee is mining other properties, it shall have the right to commingle the ore and concentrates from the Leased Premises with other ore and concentrates from other properties, provided that Lessee takes such measurements and samples as are required in accordance with sound mining practices to properly allocate the mineral values among the different ownerships. In the event of commingling, if in Lessee's reasonable, good faith judgment it is impractical to determine which portion of any deductible expenses are directly attributable to ore and other materials removed from the Leased Premises, Lessee may allocate all such costs and expenses on a straight-line, per-ton basis among all ores and other materials that give rise to such expenses in accordance with acceptable accounting standards.

(d) If Owner's title to a claim or claims from which production is occurring is less than full undivided title, royalty payments on production from such claim(s) to be made to Owner hereunder shall be reduced to the same proportion thereof as the title actually owned by Owner bears to a 100% undivided interest in all of the said claim(s).

5. That while this Lease remains in effect, Lessee shall have paid, or shall pay, advance minimum royalties in the amounts specified below, on the dates which are:

(a) One (1) day after sixteen (16) months from the execution date hereof;

\$ 25,000

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- (b) The date which is one (1) year from the date of payment in subparagraph (a) above; \$ 50,000
- (c) The date which is one (1) year from the date of payment in subparagraph (b) above; and \$100,000
- (d) The date which is one (1) year from the date of payment in subparagraph (c) above; and \$100,000
- (e) Yearly thereafter, commencing on the date which is one (1) year after the date of payment in subparagraph (d) above. \$200,000

Any amount paid in excess of royalties payable on production under section 4(a) of Article II, shall be advance minimum royalties and shall be applied against future production and no royalties on production shall be paid, except to the extent that there shall be a balance due on production after having applied and credited against the said production all minimum royalties previously paid in advance.

All sums paid for the account or for the benefit of Owner in accordance with the terms of this Lease shall be deemed to be royalties paid to Owner for all purposes hereof and said bank shall be fully protected in relying on any evidence of such payment satisfactory to it.

Payment hereunder shall be made by depositing the same in the First Interstate Bank of Ogden, Utah to the order and credit of Owner.

6. That it will furnish and pay for all labor, power, tools, equipment, explosives, timber and other materials and supplies that



may be used by it in the prosecution of work under this lease, and will not allow any claim or lien for any such thing to be effectively made or asserted against the Leased Premises or against Owner.

7. That it shall:

(a) keep the title to the Leased Premises free and clear of liens and encumbrances resulting from its operations hereunder, provided that it may refuse to pay any claims asserted against it which it disputes in good faith. At its sole cost and expense, Lessee shall promptly contest any suit commenced to enforce such a claim, and, if the suit is decided against it, shall promptly pay the judgment and shall post any bond and take all other action necessary to prevent any sale of the Leased Premises, or any part thereof; and

(b) comply with all local, state and federal statutes, rules and regulations in conducting operations on the Leased Premises, including, but not limited to, those concerning environmental protection that may apply.

8. That it will comply with the provisions of the Nevada Workmen's Compensation and other industrially related Acts and the Federal Unemployment Tax Act, the Federal Insurance Contribution Act and other legislation, Federal or State, applicable to its operations in the Leased Premises; and it will make all payments, returns and reports required of it by such acts, and will comply with and conform to the requirements, laws, ordinances and regulations of all governmental authority having jurisdiction over the Leased Premises.

9. That it will hold Owner harmless and fully indemnify it against all claims or demands of any kind or nature which may be made upon Owner or against the Leased Premises, for or on account

of any debt or expense contracted or incurred by Lessee, as well as against any and all acts, transactions, omissions of Lessee, its agents or servants, and Lessee will defend and save Owner harmless and fully indemnify it as to any liability or asserted liability, for or on account of injury to or death of any person or damage to any property sustained during the period this Lease remains in effect, alleged to have resulted from any act or omission of Lessee, its agents or servants, or the unsafe condition of the Leased Premises, except when Owner has assumed the risk, as provided in section 11 of this Article.

10. That it will pay, before they become delinquent; all taxes levied and assessed against the Leased Premises, upon improvements and personal property placed by Lessee upon the Leased Premises, all occupation taxes, severance taxes, if any, property taxes based on net proceeds, if any, gross proceeds of mines taxes, computed with a deduction for royalty payable, if any, and any other taxes that may accrue for or on account of or be applicable to the operations of Lessee; and will send to Owner a copy of receipts for all taxes paid. Lessee shall pay Owner's pro rata share of such taxes as are applicable to Owner's royalty share of the proceeds of production as described herein and shall deduct said payment or payments from future royalty payments due Owner hereunder.

As to any severance taxes, net proceeds of mines taxes, gross proceeds of mines taxes, and other taxes that may hereafter be levied, assessed or computed based upon the amount or value of gold, silver and other minerals produced by Lessee from the Leased Premises, Owner shall bear its pro rata share of such taxes as are based upon the production royalties payable hereunder. Lessee shall pay Owner's pro rata share of such taxes as described herein and deduct said payment or payments from the royalty payments due Owner hereunder.

11. That it will permit Owner, or its representatives authorized in writing, at all reasonable times to enter at Owner's

risk unto the Leased Premises and into workings therein for the purpose of examining and inspecting the same and for surveying and sampling and ascertaining whether the terms and conditions of this Lease are being performed and carried out by Lessee, but representatives of Lessee may accompany Owner or its representatives; and Owner, or its representatives authorized in writing, at all reasonable times, shall have access to records of production from the Leased Premises and such other records as will show compliance on the part of Lessee with the provisions of this Lease.

12. That it will make available for inspection by Owner maps showing workings made in the Leased Premises by Lessee and assays of samples, if any, taken by Lessee in the Leased Premises. If it so requests, Owner shall have access to logs of and cores from any diamond drill holes or other types of exploration drilling made by Lessee in the Leased Premises.

#### ARTICLE III

##### THE PARTIES MUTUALLY AGREE THAT:

1. Lessee shall perform upon or for the benefit of the aforesaid claims the assessment work required by the laws of the United States and the State of Nevada to keep and maintain them in good standing as unpatented lode mining claims for the year 1997 and each assessment year thereafter in which this Lease is in effect for eight (8) months of the assessment year; provided, however, that for any year or years in which assessment work on unpatented mining claims shall be suspended by act of Congress, notice of intention to hold said unpatented mining claims or other papers under any such law may be filed in lieu of performance of the assessment work.

Lessee shall prepare and timely file affidavits of labor in the county records and the Nevada State Office of the Bureau of



Land Management, and forward evidence of such timely filing to Owner within sixty (60) days following performance of the work but at least thirty (30) days prior to the end of each calendar year.

2. If Lessee shall at any time be in default in the performance of any of the terms and conditions hereof upon it made incumbent, including payment of royalties, such default shall not operate to or give Owner the right to cancel, forfeit or terminate this Lease, unless Owner shall notify Lessee in writing specifying the exact nature of such default and unless Lessee shall, within thirty (30) days from the date of the receipt of such notification by Lessee, fail to make any payment due hereunder or to proceed diligently to cure any other default.

3. Lessee may terminate this Lease at any time and thereupon all its obligations and liabilities hereunder shall immediately cease and terminate, except liability on account of any obligation incurred and owing at the time of such termination.

4. In case of the expiration or termination of this Lease for any cause, Lessee shall have the right within six (6) months from the date thereof, to remove from the Leased Premises all tools, equipment, machinery, buildings and other property placed therein and thereon by it.

5. The respective obligations of Lessee shall be suspended during the time and to the extent that Lessee is prevented from complying therewith, in whole or in part, by war or war conditions, actual or potential, earthquake, fire, flood, strike, labor stoppage, accident, riot, unavoidable casualty, act or restraint, present or future, of any lawful authority, act of God, act of public enemy, delays in transportation, governmental regulation, environmental restrictions, permit or license applications and approvals or other cause of the same or other character beyond the reasonable control of Lessee; but in no event shall Lessee be excused nor shall its obligation be suspended to pay Owner the

minimum advance royalty payments set forth in Article II section 5, or to satisfy assessment work requirements for the unpatented claims of the Leased Premises.

Disputes or differences between the parties hereto shall not interrupt performance of this Lease or the continuation of operations hereunder. In the event of any dispute or difference, operations may be continued, and settlements and payments may be made hereunder in the same manner as prior to such dispute or difference.

6. Lessee may assign this Lease and/or any of its rights hereunder, to all or any part of the Leased Premises; provided, however, Lessee shall remain fully responsible to Owner hereunder unless, upon application to Lessee in writing, Owner shall consent to such assignment effecting a release of Lessee from further obligation under the Lease. Notwithstanding the foregoing, without having first obtained such consent, Lessee may assign this Lease and its rights hereunder, in whole or in part, to any parent, subsidiary, or affiliated company with a common parent or to a non affiliate if Lessee is in control of the operations of the Leased Premises.

7. There shall be an Area of Interest, which shall mean the area within two (2) miles of the outer boundaries of the Leased Premises. Any interest in real property acquired during the term of this Lease by location within the Area of Interest, by or on behalf of the Lessee, the Owner, or any shareholder, partner, affiliate, venturer with or participant of the Lessee (including its successors and assigns), shall automatically become part of the Leased Premises and shall be subject to the terms and provisions of this Lease.

ARTICLE IV

THE PARTIES FURTHER MUTUALLY AGREE THAT:

1. All notices under this Lease may be given by United States registered or certified mail, and notice by such mail shall be deemed given when deposited in the mail with postage prepaid and addressed as herein provided. Notice by Owner to Lessee shall be addressed to:

American Mining Co.  
North 9 Post Street  
Suite 241  
Spokane, Washington 99201

Notice by Lessee to Owner shall be addressed to:

Antelope Valley Joint Venture  
c/o Merlin D. Bingham  
751 Simoron  
Ogden, Utah 84404

Either party may from time to time change the address which it desires used and upon written notice to the other party, such changed address shall be deemed inserted herein in place of the address above stated.

2. In the event any provision of this Lease shall be declared by a court of competent jurisdiction to be invalid or counter to the laws of the State of Nevada, or rendered invalid or inoperative by any ruling of the Federal Government or agency thereof, such holding shall not prejudice the intent and spirit of this Lease and the other provisions hereof shall continue in full force and effect.



3. All the terms, covenants, agreements and conditions embodied in, and all rights and liabilities arising by virtue of any and all agreements, whether oral or written, covering the Leased Premises, heretofore entered into between the parties hereto, are superseded by this Lease.

4. Each and every clause, condition, covenant and agreement of this instrument shall inure to the benefit of and be binding upon the parties hereto, their heirs, administrators, executors, successors and assigns.

5. This Lease and Option to Purchase may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same Lease and Option to Purchase.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first above written.

ANTELOPE VALLEY JOINT VENTURE

By: Merlin D. Bingham  
Merlin D. Bingham

PARTICIPANTS:

Merlin D. Bingham  
Merlin D. Bingham

Leo B. Bustad  
Leo B. Bustad

Maureen B. Floyd  
Maureen B. Floyd

Bruce J. Kiessling

Roland E. Gower

George W. Floyd

AMERICAN MINING CO.

*Janice E. Duval*  
Executive Vice President

STATE OF Washington )  
 ) ss.  
COUNTY OF Snohomish )

On this 12<sup>th</sup> day of March, in the year 1987, before me, a Notary Public, personally appeared William D. Baughman known to me to be the operator of ANTELOPE VALLEY JOINT VENTURE the joint venture that executed the within instrument and acknowledged to me that such joint venture executed the same.

Shelley Rae Southard  
NOTARY PUBLIC  
Residing at: Snohomish

My Commission Expires:  
June 19, 1990

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1987, personally appeared before me LEO B. BUSTAD, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at: \_\_\_\_\_

My Commission Expires:  
\_\_\_\_\_



STATE OF . . . )

1. 22.

COUNTY OF

On this \_\_\_\_\_ day of \_\_\_\_\_, 1967, personally appeared before me ROLAND E. GOWER, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

Residing at:

Residing at:

My Commission Expires:

STATE OF \_\_\_\_\_ )

188.

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1987, personally appeared before me GEORGE W. FLOYD, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

NOTARY PUBLIC

Residing at:

My Commission Expires:

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1987, personally appeared  
before me MAUREEN B. FLOYD, the signer of the foregoing instrument,  
who duly acknowledged to me that he executed the same.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at: \_\_\_\_\_

My Commission Expires:  
\_\_\_\_\_

STATE OF Washington )  
 ) ss.  
COUNTY OF Snohomish )

On this 12th day of March, 1987, personally appeared  
before me MERLIN D. BINGHAM, the signer of the foregoing  
instrument, who duly acknowledged to me that he executed the same.

Shirley Rae Southworth  
NOTARY PUBLIC  
Residing at: Snohomish

My Commission Expires:  
June 17, 1990

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1987, personally appeared before me BRUCE J. KIESSLING, the signer of the foregoing instrument, who duly acknowledged to me that he executed the same.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at: \_\_\_\_\_

My Commission Expires:  
\_\_\_\_\_

STATE OF Washington )  
 ) ss.  
COUNTY OF Spokane )

On this 12<sup>th</sup> day of March, in the year 1987, before me, a Notary Public, personally appeared Janice E. Duval known to me to be the Executive Vice President of AMERICAN MINING CO. the corporation that executed the within instrument and acknowledged to me that such corporation executed the same.

Shelley Rae Southwood  
NOTARY PUBLIC  
Residing at: Spokane

My commission Expires:

June 19, 1990

After Recording Return to:

BARRY W. DAVIDSON & ASSOCIATES  
1280 Seafirst Financial Center  
West 601 Riverside  
Spokane, Washington 99201



EXHIBIT "A"

All of the following unpatented mining claims are located in protracted Sections 5, 6 and 7 of Township 17 North, Range 52 East, protracted Sections 1 and 12 of Township 17 North, Range 51 East, and protracted Sections 19, 30, 51 and 32 of Township 18 North, Range 52 East and protracted Sections 13, 14, 23, 24, 25, 26, 35 and 36 of Township 18 North, Range 51 East, Mt. Diablo Meridian, Eureka County, Nevada.

Claim Number	Book	Page	MIN N MC No.
WOP 1-112	095	361-472	201041-201152
Fl-Fl50	123	389-438	307666-307815

RECORDED AT THE REQUEST OF

BOOK 200 PAGE 191

Barry W. Davidson  
89 15-3 A855

OFFICIAL RECORD  
EUREKA COUNTY, NEVADA  
MIN. RECORDS DEPARTMENT  
FILE NO. 280

9-29-97

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