

141310

SHORT FORM OF MINING LEASE
WITH OPTION TO PURCHASE

Short Form of Mining Lease with Option to Purchase dated as of May 22, 1992 ("Effective Date") between ROBERT J. MAC KENZIE and DONI P. MAC KENZIE, husband and wife, having an address of 150 W. 300 South #32, Mt. Pleasant, Utah 84647 (collectively "Owner") and HOMESTAKE MINING COMPANY OF CALIFORNIA, 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 Owner's undivided fifty percent interest in and to the property described in Exhibit A, together with, except as may be expressly provided in Exhibit B, all (i) tailings, dumps and mine wastes, (ii) surface rights, easements and rights-of-way appurtenant or incident thereto, (iii) mining, mineral and water rights appurtenant or 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 the Effective Date and continue for an initial term of ten years.

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

2. Option to Purchase. Lessee shall have the exclusive and irrevocable Option to purchase the Mining Property at any time on or before the nineteenth anniversary of the Effective Date.

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 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 of 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

BOOK 235 PAGE 565

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. **Additional Terms.** Additional Terms and conditions are contained in the full agreement between the parties. This Short Form shall not modify said agreement.

**HOMESTAKE MINING COMPANY
OF CALIFORNIA**

OWNER

By

W.F. Lindqvist
W.F. Lindqvist
Vice President

Robert J. MacKenzie
Robert J. MacKenzie

Approved by
Legal Dept.

Doni P. MacKenzie
Doni P. MacKenzie

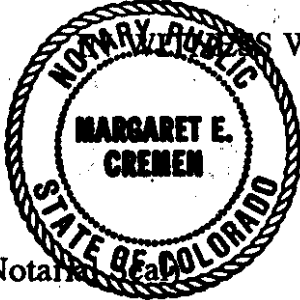
date: 5/13/92

BOOK 235 PAGE 566

STATE OF COLORADO
COUNTY OF JEFFERSON

) ss.
)

On May 28, 1992, before me, Margaret E. Cremen, a duly commissioned Notary Public for said State, personally appeared William F. Lindqvist, personally known to me to be the Vice President, U.S. Exploration of Homestake Mining Company of California, a California corporation, and personally known to me to be the person who executed the within instrument and on said oath stated that he was authorized to do so on behalf of said corporation.



(Notary Seal)

WHEREOF, I have signed my name and affixed my official seal.

Margaret E. Cremen
Notary Public in and for said State
Residing at: 11635 West 73rd Avenue
Arvada, Colorado 80005

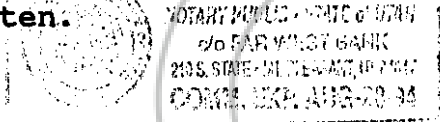
My Commission expires January 15, 1994

STATE OF
COUNTY OF

)
) ss.
)

On May 22, 1992, before me, SUSAN S. JOHANSEN Notary Public of said State, duly Commissioned and sworn, personally appeared Robert J. and Doni P. MacKenzie, known to me to be the persons whose names 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.



(Notarial Seal)

Susan S. Johansen
Notary Public in and for said State
Residing at: See SEAL
My Commission expires: 8-28-94

EXHIBIT A

Mining Property

An undivided fifty percent interest in and to the Star of the West patented lode mining claim, Mineral Survey Number 266, Patent Number 7981, which claim is located in Eureka County, State of Nevada, aggregating 10.63 acres, more or less.

BOOK 235 PAGE 565
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Homestake Mining Co
'92 JUN 25 P1:22

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEE \$ 8.00

141310

BOOK 235 PAGE 568