

## SHORT FORM OF MINING LEASE AND SUB-LEASE AGREEMENT

Short Form of Mining Lease and Sub-Lease Agreement dated as of August 1, 1992 ("Effective Date") between GENERAL MINERAL DEVELOPMENT COMPANY, a Nevada limited partnership having a mailing address of P.O. Box 11856, Reno, Nevada 89510 ("GMDC") and HOMESTAKE MINING COMPANY OF CALIFORNIA, a California corporation having its principal place of business at 650 California Street, San Francisco, California 94108 ("Homestake").

1. **Lease, Sub-Lease and Term.** (a) GMDC leases to Homestake all of the property described in Exhibit A, except for those certain heap leach pads located on the Jamie Mill Site claims as of the Effective Date, together with all (i) tailings, dumps and mine wastes on such property, (ii) surface rights, easements and rights of way incident or appurtenant to such property, (iii) mining, mineral and water rights incident or appurtenant to such property, and (iv) improvements, fixtures, personal property, mining machinery and tools on such property that are or may be useful or convenient for mining, milling and beneficiation of ores and minerals and related uses ("GMDC Claims").

(b) GMDC hereby sub-leases to Homestake on the same terms and conditions as are contained in that certain Mining Lease between GMDC and Willis and Arlene DePaoli ("DePaoli Lease") the properties covered by the DePaoli Lease. The DePaoli Lease and the properties covered by it are more particularly described on Exhibit B.

(c) This Agreement shall commence on the Effective Date and continue for an initial term of ten years.

(d) Homestake may extend this agreement for additional successive ten-year terms.

2. **Area of Interest.** If within twelve months after the Effective Date, Homestake locates an unpatented mining or millsite claim under the Mining Law of 1872 (as hereafter amended), any portion of which claim is located within 3,000 feet of the external boundary of any of the GMDC Claims as of the Effective Date, such claim shall become part of the Mining Property for all purposes of this Agreement provided that such claim is contiguous with the GMDC Claims (except for the Dolly Varden and Diablo patented mining claims which claims are not contiguous with the remainder of the GMDC Claims) as of the date of such location and outside of the external boundary of the Ruby Hill Mining Company claim block, all as generally depicted on the map attached as Exhibit C.

3. **Royalty.** Homestake shall pay GMDC a production royalty for all ores and minerals mined or otherwise recovered from the GMDC Claims and any claims located by Homestake for GMDC's benefit within the Area of Interest, the DePaoli Lease and the

properties covered by the DePaoli Lease, and any interests acquired by Homestake in those certain properties more particularly described on Exhibit D ("Specific Properties").

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

5. **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

By *A. H. Ransom*  
A. H. Ransom  
Vice President

GENERAL MINERAL  
DEVELOPMENT COMPANY

By *Peter E. Galli*  
Peter E. Galli  
Managing Partner

Approved by  
Legal Dept.

*DBG*

date: *8/14/92*

ss.

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

On *August 14*, 1992, before me, *Valerie D. Flynn*, a duly commissioned Notary Public for said State, personally appeared *A. H. Ransom*, personally known to me to be a Vice President 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.

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

(Notarial Seal)



*Valerie D. Flynn*  
Notary Public in and for said State  
Residing at: *1749 Elm St., Fairfield, CA 94533*  
My Commission Expires: *1-25-93*

STATE OF NEVADA           )  
                                  ) ss.  
COUNTY OF WASHOE       )

on August 17, 1992, before me, PETER E GALLI,  
a duly commissioned Notary Public for said State, personally  
appeared Peter E. Galli, personally known to me to be the  
Managing Partner of General Mineral Development Company, a Nevada  
Limited Partnership 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.

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



Janet E. Jacobsen  
Notary Public in and for said State  
Residing at: 3700 Brown Dr. Suite 4  
My Commission Expires: 3/27/93

**EXHIBIT A**

**GDMC Claims**

PART I: The following unpatented lode and mill site claims located in Sections 25, 26, 27, 34, 35 and 36 of Township 19 North, Range 53 East; in Sections 1, 2 and 3 of Township 18 North, Range 53 East; and in Section 6 of Township 18 North, Range 54 East, Eureka County, Nevada:

<u>CLAIM NAME</u>	<u>LOCATION DATE</u>	<u>RECORDING BOOK/PAGE</u>	<u>BLM SERIAL #</u>
GEI NO. 1	May 29, 1974	48/317	81226
GEI NO. 2	Mar 24, 1974	48/318	81227
GEI NO. 3	Mar 25, 1974	48/319	81228
GEI NO. 4	Mar 25, 1974	48/320	81229
GEI NO. 5	Mar 25, 1974	48/321	81230
GEI NO. 6	Mar 25, 1974	48/322	81231
GEI NO. 7	Mar 25, 1974	48/323	81232
GEI NO. 8	Mar 25, 1974	48/324	81233
GEI NO. 9	May 29, 1974	48/325	81234
GEI NO. 10	Mar 25, 1974	48/326	81235
GEI NO. 11	Jun 06, 1974	48/327	81236
GEI NO. 12	May 29, 1974	48/328	81237
GEI NO. 13	May 29, 1974	48/329	81238
GEI NO. 14	May 29, 1974	48/330	81239
GEI NO. 16	May 29, 1974	48/331	81240
GEI NO. 17	Mar 24, 1974	48/332	81241
GEI NO. 18	Apr 06, 1974	48/333	81242
GEI NO. 19	Apr 06, 1974	48/334	81243
GEI NO. 20	May 29, 1974	49/226	81244
GEI NO. 21	May 29, 1974	49/227	81245
GEI NO. 22	Jun 19, 1974	52/248	81246
GEI NO. 23	Jun 07, 1974	48/335	81247
GEI NO. 24	Apr 06, 1974	48/336	81248
GEI NO. 25	May 29, 1974	49/228	81249
GEI NO. 26	May 29, 1974	49/229	81250
GEI NO. 27	May 29, 1974	48/230	81251
GEI NO. 28	Jun 12, 1974	48/337	81252
GEI NO. 29	May 29, 1974	48/338	81253
GEI NO. 30	May 24, 1974	48/339	81254
GEI NO. 31	May 24, 1974	48/340	81255
GEI NO. 32	Jun 01, 1974	48/341	81256
GEI NO. 33	May 22, 1974	48/342	81257
GEI NO. 34	May 24, 1974	49/231	81258
GEI NO. 35	May 24, 1974	49/232	81259
GEI NO. 36	May 24, 1974	49/233	81260
GEI NO. 37	Jun 01, 1974	52/234	81261
GEI NO. 39	Jun 19, 1975	52/249	81262
GEI NO. 40	Jun 19, 1975	52/250	81263
GEI NO. 41	Jun 19, 1975	52/251	81264
GEI NO. 42	Aug 21, 1979	75/366	127439

<u>CLAIM NAME</u>	<u>LOCATION DATE</u>	<u>RECORDING BOOK/PAGE</u>	<u>BLM SERIAL #</u>
GEI NO. 43	Aug 21, 1979	75/367	127440
GEI NO. 44	Aug 21, 1979	75/368	127441
GEI NO. 45	Jan 11, 1980	79/289	95256
GEI NO. 46	Jan 11, 1980	79/290	95257
GEI NO. 47	Jan 11, 1980	79/291	95258
GEI NO. 48	Jan 11, 1980	79/292	95259
GEI NO. 49	Jan 25, 1980	79/293	95260
GEI NO. 50	Jan 25, 1980	79/294	95261
GEI NO. 51	Jan 25, 1980	79/295	95262
GEI NO. 52	Jan 25, 1980	79/296	95263
GEI NO. 53	Jun 30, 1980	87/354	167131
GEI NO. 54	Jun 30, 1980	87/355	167132
GEI NO. 55	Jun 30, 1980	87/356	167133
GEI NO. 56	Jun 30, 1980	87/357	167134
GEI NO. 57	Jul 17, 1980	87/358	167135
GEI NO. 58	Jul 17, 1980	87/359	167136
GEI NO. 59	Jul 24, 1980	87/360	167137
GEI NO. 60	Jul 24, 1980	87/361	167138
GEI NO. 61	Jul 24, 1980	87/362	167139
GEI NO. 62	Jul 29, 1980	87/363	167140
GEI NO. 63A	Jun 15, 1991	224/293	629889
GEI NO. 64	Jul 29, 1980	87/365	167142
GEI NO. 65	Jul 29, 1980	87/366	167143
GEI NO. 66	Jul 29, 1980	87/367	167144
GEI NO. 67	Jul 29, 1980	87/368	167145
GEI NO. 68	Jul 29, 1980	87/369	167146
GEI NO. 69	Jul 30, 1980	87/370	167147
GEI NO. 70	Jul 30, 1980	87/371	167148
GEI NO. 71	Jul 30, 1980	87/372	167149
GEI NO. 72	Jul 30, 1980	87/373	167150
GEI NO. 73	Jul 30, 1980	87/374	167151
GEI NO. 74	Jul 30, 1980	87/375	167152
GEI NO. 75	Jul 30, 1980	87/376	167153
GEI NO. 76	Jul 30, 1980	87/377	167154
GEI NO. 77	Jul 30, 1980	87/378	167155
GEI NO. 78	Apr 14, 1981	95/528	203305
GEI NO. 79	Apr 14, 1981	95/529	203306
GEI NO. 80	Apr 14, 1981	95/530	203307
GEI NO. 81	Apr 15, 1981	95/531	203308
GEI NO. 82	Apr 15, 1981	95/532	203309
ROB 1	May 03, 1990	211/92	599908
ROB 2	May 03, 1990	211/93	599909
ROB 3	May 03, 1990	211/94	599910
ROB 4	May 03, 1990	211/95	599911
ROB 5	May 03, 1990	211/96	599912
ROB 6	May 03, 1990	211/97	599913
ROB 7	May 03, 1990	211/98	599914

<u>CLAIM NAME</u>	<u>LOCATION DATE</u>	<u>RECORDING BOOK/PAGE</u>	<u>BLM SERIAL #</u>
ROB 8	May 03, 1990	211/99	599915
ROB 9	May 03, 1990	211/100	599916
ROB 10	May 03, 1990	211/101	599917
ROB 11	May 04, 1990	211/102	599918
ROB 12	May 04, 1990	211/103	599919
ROB 13	May 04, 1990	211/104	599920
ROB 14	May 04, 1990	211/105	599921
ROB 15	May 10, 1990	211/106	599922
ROB 16	May 10, 1990	211/107	599923
ROB 17	May 04, 1990	211/108	599924
ROB 18	May 04, 1990	211/109	599925
ROB 19	May 04, 1990	211/110	599926
ROB 20	May 04, 1990	211/111	599927
ROB 21	May 04, 1990	211/112	599928
ROB 22	May 04, 1990	211/113	599929
ROB 23	May 04, 1990	211/114	599930
ROB 24	May 04, 1990	211/115	599931
ROB 25	May 04, 1990	211/116	599932
ROB 26	May 04, 1990	211/117	599933
ROB 27	May 04, 1990	211/118	599934
ROB 28	May 04, 1990	211/119	599935
ROB 29	May 04, 1990	211/120	599936
ROB 30	May 04, 1990	211/121	599937
ROB 31	May 04, 1990	211/122	599938
ROB 32	May 04, 1990	211/123	599939
ROB 33	May 04, 1990	211/124	599940
ROB 34	May 04, 1990	211/125	599941
ROB 35	May 04, 1990	211/126	599942
ROB 36	May 04, 1990	211/127	599943
ROB 37	May 04, 1990	211/128	599944
ROB 38	May 04, 1990	211/129	599945
ROB 39	May 03, 1990	211/130	599946
ROB 40	May 04, 1990	211/131	599947
ROB 41	May 03, 1990	211/132	599948
ROB 42	May 04, 1990	211/133	599949
ROB 43	May 03, 1990	211/134	599950
ROB 44	May 03, 1990	211/135	599951
ROB 45	May 03, 1990	211/136	599952
ROB 46	May 03, 1990	211/137	599953
ROB 47	May 03, 1990	211/138	599954
ROB 48	May 03, 1990	211/139	599955
ROB 49	May 03, 1990	211/140	599956
ROB 50	May 03, 1990	211/141	599957
ROB 51	May 03, 1990	211/142	599958
ROB 52	May 03, 1990	211/143	599959
ROB 53	May 03, 1990	211/144	599960
ROB 54	May 03, 1990	211/145	599961



<u>CLAIM NAME</u>	<u>LOCATION DATE</u>	<u>RECORDING BOOK/PAGE</u>	<u>BLM SERIAL #</u>
ROB 55	May 03, 1990	211/146	599962
ROB 56	May 03, 1990	211/147	599963
ROB 57	May 03, 1990	211/148	599964
ROB 58	May 03, 1990	211/149	599965
ROB 59	May 03, 1990	211/150	599966
ROB 60	May 03, 1990	211/151	599967
ROB 61	May 03, 1990	211/152	599968
ROB 62	May 03, 1990	211/153	599969
ROB 63	May 03, 1990	211/154	599970
ROB 64	May 03, 1990	211/155	599971
ROB 65	May 03, 1990	211/284	599972
JAMIE #1 MILLSITE	Jan 10, 1980	78/344	139066
JAMIE #2 MILLSITE	Jan 10, 1980	78/345	139067
JAMIE #3 MILLSITE	Jan 10, 1980	78/346	139068
JAMIE #4 MILLSITE	Jan 10, 1980	78/347	139069
JAMIE #5 MILLSITE	Jan 10, 1980	78/348	139070
JAMIE #6 MILLSITE	Jan 10, 1980	78/349	139071
JAMIE #7 MILLSITE	May 13, 1980	81/491	154092
JAMIE #8 MILLSITE	May 13, 1980	81/492	154093
JAMIE #9 MILLSITE	May 13, 1980	81/493	154094
JAMIE #10 MILLSITE	May 13, 1980	81/494	154095
JAMIE #11 MILLSITE	May 13, 1980	81/495	154096
JAMIE #12 MILLSITE	May 13, 1980	81/496	154097
JAMIE #13 MILLSITE	May 13, 1980	81/497	154098
JAMIE #14 MILLSITE	May 13, 1980	81/498	154099
JAMIE #15 MILLSITE	May 13, 1980	81/499	154100
JAMIE #16 MILLSITE	May 13, 1980	81/500	154101

PART II: The following patented mining claims located in Eureka County, Nevada:

<u>Claim Name</u>	<u>Patent Number</u>	<u>Mineral Survey Number</u>	<u>Gross Acres</u>
Liberty	6870	257	5.10
Hamburg	627	62	13.77
Southern Pacific	2076	103	8.61
Uncle Sam	3714	130	14.28
Helena Mortimer	625	63	3.62
Nil Desperandum	6991	254	13.77
Magnet	2512	118	6.89
El Dorado (und 3/8 interest)	2094	53	8.26
Charleston Mine	2586	123	2.23
Dolly Varden	4059	121	8.42
Diablo	16516	83	6.89

PART III: Without representation of any kind by GMDC as to its ownership interest, all right, title and interest, if any, held by GMDC in and to the following described real property located in Eureka County, Nevada:

1. The Southern Pacific Millsite, sometimes described as Mineral Survey No. 104P & 2094, being 5 acres, more or less;
2. The Roslyn Furnace Tract;
3. The Haburg (aka Hamburg) Tract; and
4. An undivided 1/8 interest in and to the Eureka Tunnel.



**EXHIBIT B****Lease**

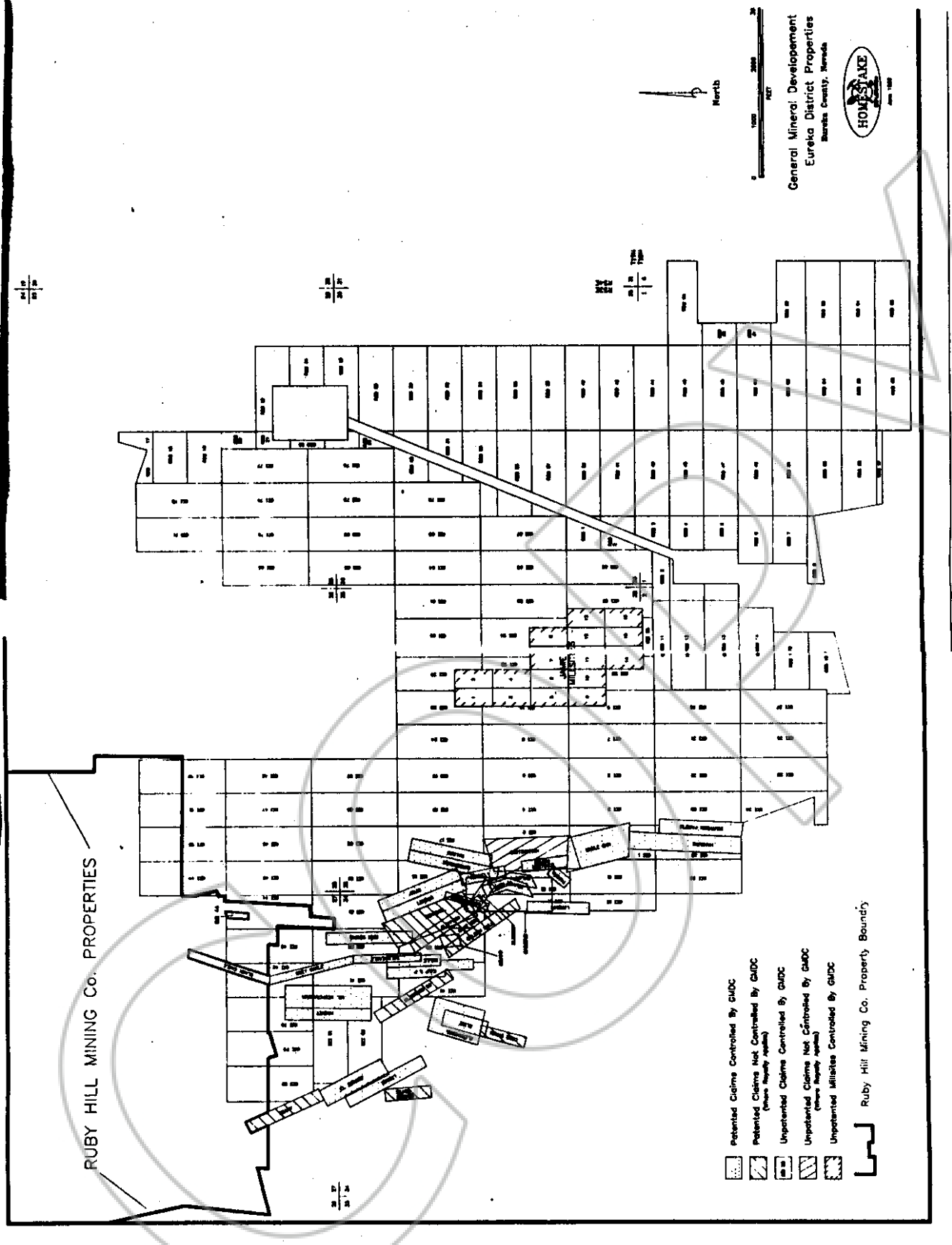
That certain Mining Lease dated September 27, 1979 between Willis A. and Arlene M. Depaoli and Galli Mineral Associates, a short form of which Lease is recorded in Book 99 at Page 373 of the official records of Eureka County, Nevada. The Lease covers the following patented and unpatented mining claims:

<u>Name of Patented Claim</u>	<u>Patent No.</u>	<u>MS No.</u>	<u>Gross Acres</u>
Alexandria	28850	1745	8.20
Atlas	1339	81	6.72
Bald Eagle	2154	99	3.38
Belle	11633	253	.81
Black Eagle	2589	126	4.38
Blossom	4619	155	6.89
California	4214	180	2.17
Chattanooga, Pioneer & Kitty Price	11917	252	8.64
Connelly	5746	256	1.69
Dunderberge	9109	67	7.35
Elise	626	61	4.04
Eagle's Nest	2588	124	6.89
Grey Eagle	2587	125	4.30
Home Ticket	4833	207	1.41
London	16442	247	6.40
Malcolm	21237	315	6.53
Silver King	4020	172	4.00
Tacoma	879	55	1.84
Sunset (und 1/2 int)	4717	205	6.39

<u>Name of Unpatented Claim</u>	<u>Location Date</u>	<u>Recording Data</u>	<u>N MC No.</u>
Croesus	9/29/73	Bk 46 Pg 377	105010

# EXHIBIT C



**EXHIBIT D**

**Specific Properties**

1. The following patented mining claims located in Eureka County, Nevada:

<u>Claim Name</u>	<u>Patent Number</u>	<u>Mineral Survey No.</u>
Golden Rule	3943	132
Sentinel	11969	305
Clipper	3508	154
Lord Byron	878	54
Ozark	4338	158
Silver Conner	4179	187
Miland	3820	132
Blue Bird	3944	135
El Dorado #2	3545	140

2. The following unpatented mining claim located in Eureka County, Nevada:

<u>Claim Name</u>	<u>Location Date</u>	<u>Recordation Book/Page</u>	<u>BLM No.</u>
Distinction	4/01/1850	0 47	110030

BOOK 238 PAGE 297  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Hemestala Mining Co.*  
92 SEP -8 P2:45

EUREKA COUNTY, NEVADA  
M.H. REBALEATI, RECORDER  
FILE NO. FEE \$15.00

**142175**

**BOOK 238 PAGE 307**