

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

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 Grand Park Blvd
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

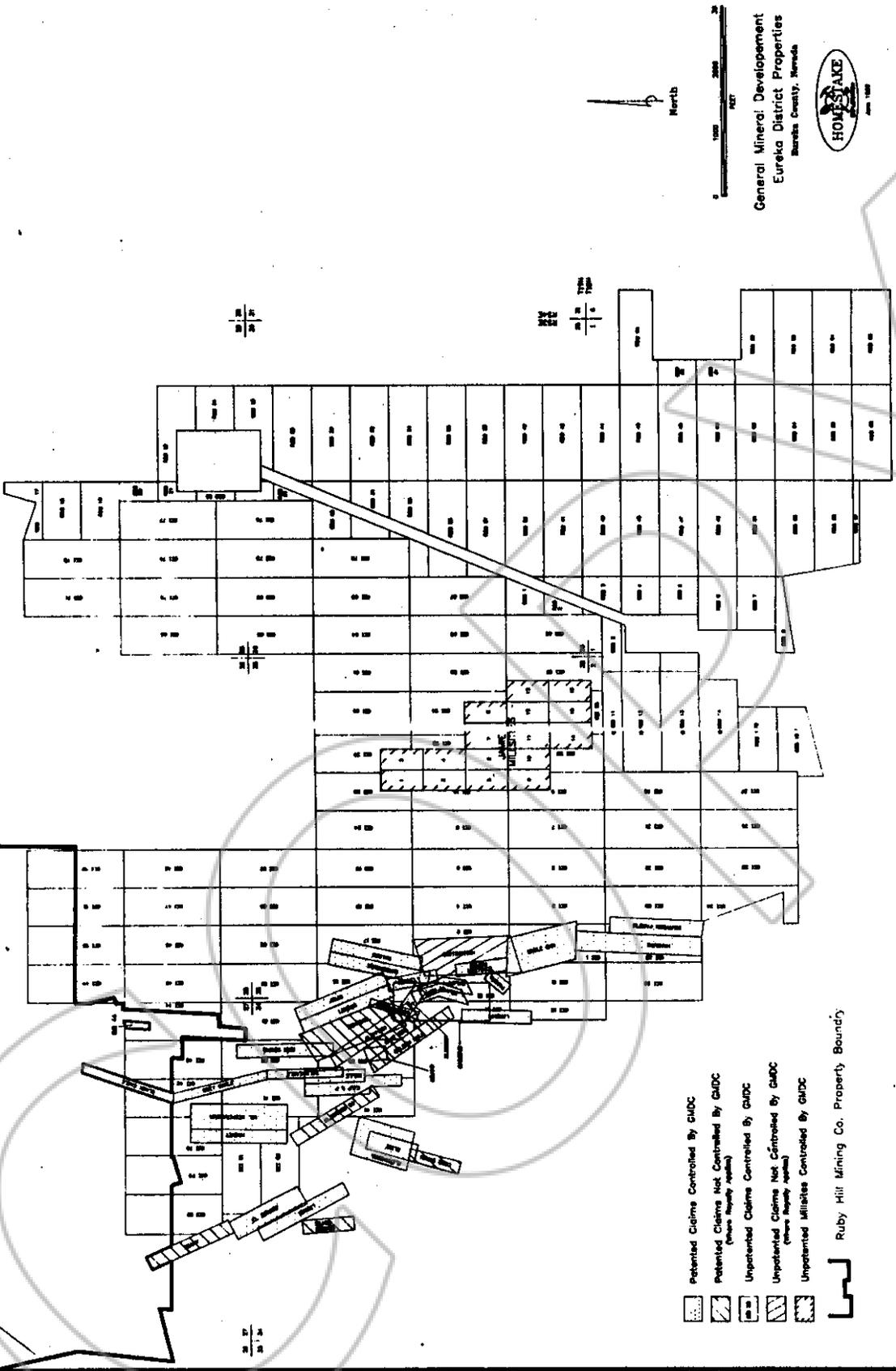
That certain Mining Lease dated September 27, 1979 between Willis A. and Arlene M. Depaoli and Galli Mineral Associates, a short form of which Lease is recorded in Book 99 at Page 373 of the official records of Eureka County, Nevada. The Lease covers the following patented and unpatented mining claims:

| <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

RUBY HILL MINING Co. PROPERTIES



- Patented Claims Controlled By GADC
- Patented Claims Not Controlled By GADC (Private Property system)
- Unpatented Claims Controlled By GADC
- Unpatented Claims Not Controlled By GADC (Private Property system)
- Unpatented Minerals Controlled By GADC

Ruby Hill Mining Co. Property Boundary



General Mineral Development
Eureka District Properties
Siskiyou County, Nevada



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