

In consideration of the agreement contained herein, ASARCO incorporated, a New Jersey corporation having an office at 180 Maiden Lane, New York, New York 10038 ("ASARCO") hereby quits claims to HOMESTAKE MINING COMPANY OF CALIFORNIA, a California corporation having its principal place of business at 650 California Street, San Francisco, California 94108 ("Homestake") all of ASARCO's right, title and interest in and to those certain unpatented mining claims more particularly described in Exhibit A ("Mining Claims") reserving unto ASARCO a production royalty of four percent of Net Returns for all ores and minerals mined or otherwise recovered from the Mining Claims and thereafter sold by or for the account of Homestake before or after processing, smelting, or refining ("Ores and Minerals").

1. Royalty. (a) "Net Returns" means amounts actually received by Homestake from sale of Ores and Minerals less, but only to the extent actually incurred and borne by Homestake:

(i) sales, use, gross receipts, severance, ad valorem and other taxes, if any, however denominated, payable with respect to existence, severance, production, removal, sale or disposition of Ores and Minerals, but excluding any taxes on net income;

(ii) charges and costs, if any, for transportation to places where Ores and Minerals are milled, treated, processed or otherwise beneficiated, smelted, refined and sold;

(iii) charges and costs, if any, for crushing, screening, milling, treatment, processing, or other beneficiation, but excluding all mining costs; and

(iv) charges, costs and penalties, if any, for smelting, refining and marketing.

(b) In the event crushing, screening, milling, treatment, processing or other beneficiation or smelting or refining are carried out in facilities owned or controlled, in whole or in part, by Homestake, charges, costs and penalties with respect to such operations, including transportation, shall mean reasonable charges, costs and penalties for such operations but not in excess of the amounts that Homestake would have incurred if such operations were carried out at facilities not owned or controlled by Homestake then offering comparable custom services.

(c) Royalties shall be paid on or before the forty-fifth day after the last day of the calendar quarter in which payment for sale or other disposition of ores and minerals is received. Within ninety days after the end of each calendar year, Homestake shall deliver to ASARCO an audited statement showing in detail the calculation of royalties paid to ASARCO by Homestake. Within one

hundred and eighty days after ASARCO has received the audited statement, ASARCO shall be entitled to an annual independent audit of the statement. If it should be determined that ASARCO received two and one-half percent or more less than the production royalty to which it is entitled, Homestake shall reimburse ASARCO for the cost of the related audit and all fees, costs and expenses incurred by ASARCO in establishing the discrepancy. Should ASARCO not exercise its right to audit within the timeframe specified, ASARCO shall have deemed Homestake's statement to be true and correct.

2. **Commingling.** Homestake may commingle ores, minerals and products from the Mining Claims with other ores, minerals or products. Before commingling, Homestake shall weigh (or calculate by volume), sample, and assay such ores and minerals in accordance with sound mining and metallurgical practices for payable content and for factors that may affect the cost or the efficiency of treatment, smelting, refining or other recovery. Homestake shall keep records of such determinations for two years after the end of the calendar year in which such determinations are made.

3. **Method of payment.** All payments due ASARCO shall be deemed received by ASARCO if paid to ASARCO in accordance with the Section entitled Notices. Homestake shall not be liable for the ultimate distribution to ASARCO or ASARCO's successors or assigns of payments so made by Homestake. ASARCO's taxpayer identification number is 13-492-4440.

4. **Assignment; Transfer.** To effectuate the intent of this Quitclaim and Agreement, Homestake covenants not to assign, convey or transfer or to suffer or allow any such assignment, conveyance or transfer, whether by operation of law or otherwise, any of the Mining Claims unless the assignee or transferee first agrees in writing to assume, be bound by, and perform all of Homestake's covenants, duties and obligations under this Deed. Homestake shall promptly provide ASARCO with executed copies of all such agreements.

5. **Location of Millsites.** Homestake may, without notice to ASARCO, locate millsites on some or all of the ground covered by the Mining Claims free of liability or obligation of any kind to ASARCO arising out of this Quitclaim and Agreement or such location, including but not limited to the loss of one or more of such Mining Claims by virtue of a determination that the location or maintenance of millsites on such ground constitutes the abandonment of one or more of such Mining Claims.

6. **Abandonment of Claims without Millsites.** If Homestake (including any of its assigns, successors or transferees) intends from time to time to abandon some or all of the Mining Claims and Homestake has not located and does not intend to locate within six months following such abandonment, millsites on the same ground, Homestake shall first give ASARCO thirty days advance written

notice of such intent. ASARCO shall have the right exercisable by written notice at any time within such thirty day period to require Homestake to quitclaim such Mining claims to ASARCO at no cost to ASARCO.

7. Notices. All payments, notices and other communications to either party shall be in writing and delivered personally or sent by prepaid mail, Telex, telecopier or other means providing for receipt of the communication in written form. All notices of default or arbitration and demands for performance or assurance, if delivered personally to Homestake, shall be delivered to Homestake's Land Administrator and, if mailed to either party, shall be sent by certified or registered mail, return receipt requested. Until a change of address is so given, notices shall be addressed to Homestake and ASARCO, respectively:

Homestake Mining Company
of California
650 California Street
San Francisco, CA 94108
At: Land Administrator

ASARCO Incorporated
180 Maiden Lane
New York, NY 10038
At: Vice President
Exploration Division

with a copy to:

ASARCO Incorporated
510 East Plumb Lane
Reno, NV 89502
At: Manager,
Exploration Division

8. Effect. (a) All covenants, conditions and terms of this quitclaim and Agreement shall be of benefit to and run with the land constituting the Mining claims and shall bind and inure to the benefit of the parties hereto, their respective successors and assigns.

(b) Nothing herein shall be construed to create, expressly or by implication, a partnership, joint enterprise, the relationship of master and servant or principal and agent, or the like, between the parties.

This quitclaim and Agreement is made effective as of August 1, 1992.

Approved by
Legal Dept.

ASARCO Incorporated

date: 8/25/92

By
Anthony H. Ransom
Vice President

By
Gerald Van Voorhis
Vice President

BOOK 240 PAGE 441

BETH BERNETT
Notary Public, State of New York
No. 31-4862218
Qualified in New York County, 1994
Commission Expires June 23, 1997

Notary Public in and for said State
Residing at: 165 E. 36th St. New York, NY 10017
My Commission Expires: 6/23/97

(Notarial Seal)

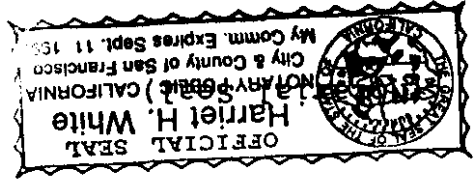
IN WITNESS WHEREOF, I have signed my name and affixed my official seal.

authorized to do so on behalf of said corporation.
executed the within instrument and on said oath stated that he was
corporation, and personally known to me to be the person who
President, Exploration of ARSARCO Incorporated, a New Jersey
Gerald Van Voorhis, personally known to me to be the Vice
duly commissioned Notary Public for said state, personally appeared
On September 10, 1992, before me, Beth Bennett, a

STATE OF New York)
COUNTY OF New York)
ss.)

Notary Public in and for said State
Residing at: Conrad, CA
My Commission Expires: 9/11/95

Shirley White



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

on behalf of said corporation.
instrument and on said oath stated that he was authorized to do so
and personally known to me to be the person who executed the within
Homestake Mining Company of California, a California corporation,
Anthony H. Ransom, personally known to me to be a Vice President of
duly commissioned Notary Public for said state, personally appeared
On Sept. 16, 1992, before me, Harriet H. White, a

STATE OF CALIFORNIA)
COUNTY OF SAN FRANCISCO)
ss.)

EXHIBIT A

Unpatented lode mining claims located in Sections 2-5, 8-11, 16, 17, 20, and 21 of Township 19 North, Range 53 East and Sections 26-28 and 32-35 of Township 20 North, Range 53 East, MDB&M, Eureka County, State of Nevada more particularly described as follows:

County Recordation N MC Number

Claim Name	Location Date	Bk / Pg	County Recordation
LH-1	3/21/88	178/444	483711
LH-2	3/21/88	178/445	483712
LH-3	3/21/88	178/446	483713
LH-4	3/21/88	178/447	483714
LH-5	3/21/88	178/448	483715
LH-6	3/21/88	178/449	483716
LH-7	3/21/88	178/450	483717
LH-8	3/21/88	178/451	483718
LH-9	3/21/88	178/452	483719
LH-10	3/21/88	178/453	483720
LH-11	3/21/88	178/454	483721
LH-12	3/21/88	178/455	483722
LH-13	3/21/88	178/456	483723
LH-14	3/21/88	178/457	483724
LH-15	3/21/88	178/458	483725
LH-16	3/21/88	178/459	483726
LH-17	3/21/88	178/460	483727
LH-18	3/21/88	178/461	483728
LH-19	3/21/88	178/462	483729
LH-20	3/21/88	178/463	483730
LH-21	3/21/88	178/464	483731
LH-22	3/21/88	178/465	483732
LH-23	3/21/88	178/466	483733
LH-24	3/21/88	178/467	483734
LH-25	3/21/88	178/468	483735
LH-26	3/21/88	178/469	483736
LH-27	3/21/88	178/470	483737
LH-28	3/21/88	178/471	483738
LH-29	3/21/88	178/472	483739
LH-30	3/21/88	178/473	483740
LH-31	3/21/88	178/474	483741
LH-32	3/21/88	178/475	483742
LH-33	3/21/88	178/476	483743
LH-34	3/21/88	178/477	483744
LH-35	3/21/88	178/478	483745
LH-36	3/21/88	178/479	483746
LH-37	3/21/88	178/480	483747
LH-38	3/21/88	178/481	483748
LH-39	3/21/88	178/482	483749
LH-40	3/21/88	178/483	483750
LH-41	3/21/88	178/484	483751

Claim Name	Location Date	Bk / Pg	County Recordation	N MC Number
LH-42	3/21/88	178/485	483752	483752
LH-43	3/21/88	178/486	483753	483753
LH-44	3/21/88	178/487	483754	483754
LH-45	3/21/88	178/488	483755	483755
LH-46	3/21/88	178/489	483756	483756
LH-47	3/21/88	178/490	483757	483757
LH-48	3/21/88	178/491	483758	483758
LH-49	3/21/88	178/492	483759	483759
LH-50	3/21/88	178/493	483760	483760
LH-51	3/21/88	178/494	483761	483761
LH-52	3/21/88	178/495	483762	483762
LH-53	3/21/88	178/496	483763	483763
LH-54	3/21/88	178/497	483764	483764
LH-55	3/21/88	178/498	483765	483765
LH-56	3/21/88	178/499	483766	483766
LH-57	3/21/88	178/500	483767	483767
LH-58	3/21/88	178/501	483768	483768
LH-59	3/21/88	178/502	483769	483769
LH-60	3/22/88	178/503	483770	483770
LH-61	3/22/88	178/504	483771	483771
LH-62	3/22/88	178/505	483772	483772
LH-63	3/22/88	178/506	483773	483773
LH-64	3/22/88	178/507	483774	483774
LH-65	3/22/88	178/508	483775	483775
LH-66	3/22/88	178/509	483776	483776
LH-67	3/22/88	178/510	483777	483777
LH-68	3/22/88	178/511	483778	483778
LH-69	3/22/88	178/512	483779	483779
LH-70	3/22/88	178/513	483780	483780
LH-71	3/22/88	178/514	483781	483781
LH-72	3/22/88	178/515	483782	483782
LH-73	3/22/88	178/516	483783	483783
LH-74	3/22/88	178/517	483784	483784
LH-75	3/22/88	178/518	483785	483785
LH-76	3/22/88	178/519	483786	483786
LH-77	3/22/88	178/520	483787	483787
LH-78	7/07/90	215/005	606465	606465
LH-79	7/07/90	215/014	606466	606466
LH-80	7/07/90	215/013	606467	606467
LH-81	7/07/90	215/012	606468	606468
LH-82	7/07/90	215/011	606469	606469
LH-83	7/07/90	215/010	606470	606470
LH-84	7/07/90	215/009	606471	606471
LH-85	7/07/90	215/008	606472	606472
LH-86	7/07/90	215/007	606473	606473
LH-87	7/07/90	215/006	606474	606474
LH-98	7/07/90	215/015	606475	606475
LH-99	7/07/90	215/016	606476	606476
LH-100	7/07/90	215/017	606477	606477

Claim Name	Location Date	Bk / Pg	County Recordation N MC Number
LH #101	7/07/90	215/018	606478
LH #102	7/07/90	215/019	606479
LH #103	7/07/90	215/020	606480
LH #104	7/07/90	215/021	606481
LH #105	7/07/90	215/022	606482
LH #106	7/07/90	215/023	606483
LH #107	7/07/90	215/024	606484
LH #108	7/07/90	215/025	606485
LH #109	7/07/90	215/026	606486
LH #110	7/07/90	215/027	606487
LH #111	7/07/90	215/028	606488
LH #112	7/07/90	215/029	606489
LH #113	7/07/90	215/030	606490
LH #114	7/07/90	215/031	606491
LH #115	7/07/90	215/032	606492
LH #116	7/07/90	215/033	606493
LH #117	7/07/90	215/034	606494
LH #118	7/07/90	215/035	606495
LH #119	7/07/90	215/036	606496
LH #120	7/07/90	215/037	606497
LH 130	10/06/90	218/249	615733
LH 132	10/06/90	218/250	615734
LH 134	10/06/90	218/251	615735
LH 135	10/06/90	218/252	615736
LH 136	10/06/90	218/253	615737
LH 137	10/06/90	218/254	615738
LH 138	10/06/90	218/255	615739
LH 139	10/06/90	218/256	615740
LH #140	7/07/90	215/038	606498
LH 141	10/06/90	218/257	615741
SP #1	6/16/90	213/587	604319
SP #2	6/16/90	213/588	604320
SP #3	6/16/90	213/589	604321
SP #4	6/16/90	213/590	604322
SP #5	6/16/90	213/591	604323
SP #6	6/16/90	213/592	604324
SP #7	6/16/90	213/593	604325
SP #8	6/16/90	213/594	604326
SP #9	6/16/90	213/595	604327
SP #10	6/16/90	213/596	604328
SP #11	6/16/90	213/597	604329
SP #12	6/16/90	213/598	604330
SP #13	6/16/90	213/599	604331
SP #14	6/16/90	213/600	604332
SP #15	6/16/90	214/001	604333
SP #16	6/16/90	214/002	604334
SP #17	6/16/90	214/003	604335
SP #18	6/16/90	214/004	604336
SP #19	6/16/90	214/005	604337

BOOK 240 PAGE 446

142806
FILE NO.
EUREKA COUNTY, NEVADA
M.N. REBAL EATI, RECORDER
FEE \$ 12.00

BOOK 240 PAGE 439
RECORDED AT THE REQUEST OF
Homes take Mining Co
92 OCT 15 P3 57

County Recordation N MC Number
BK / Pg Location Date Claim Name

Claim Name	Location Date	BK / Pg	N MC Number
SP #20	6/16/90	214/006	604338
SP #21	6/16/90	214/007	604339
SP #22	6/16/90	214/008	604340
SP #23	6/16/90	214/009	604341
SP #24	6/16/90	214/010	604342
SP #25	6/16/90	214/011	604343
SP #26	6/16/90	214/012	604344
SP #27	6/16/90	214/013	604345
SP #28	6/16/90	214/014	604346
SP #29	6/16/90	214/015	604347
SP #30	6/16/90	214/016	604348
SP #31	6/16/90	214/017	604349
SP #32	6/16/90	214/018	604350
SP #33	6/16/90	214/019	604351
SP #34	6/16/90	214/020	604352
SP #35	6/16/90	214/021	604353
SP #36	6/16/90	214/022	604354
SP #37	6/16/90	214/023	604355
SP #37A	6/16/90	214/024	604356
SP #38	6/16/90	214/025	604357
SP #38A	6/16/90	214/026	604358
SP #39	6/16/90	214/027	604359
SP #40	6/16/90	214/028	604360
SP #41	6/16/90	214/029	604361
SP #42	6/16/90	214/030	604362
SP #43	6/16/90	214/031	604363
SP #44	6/16/90	214/032	604364
SP #45	6/16/90	214/033	604365
SP #46	6/16/90	214/034	604366
SP #47	6/16/90	214/035	604367
SP #48	6/16/90	214/036	604368
SP #49	6/16/90	214/037	604369
SP #50	6/16/90	214/038	604370
SP #51	6/16/90	214/039	604371
SP #52	6/16/90	214/040	604372
SP #53	6/16/90	214/041	604373
SP #54	6/16/90	214/042	604374
SP #55	6/16/90	214/043	604375
SP #56	6/16/90	214/044	604376
SP #57	6/16/90	214/045	604377
SP #58	6/16/90	214/046	604378