

SHORT FORM OF MINING LEASE

SHORT FORM MINING LEASE is made this 15th day of SEP, 2000, by and between MERRIL V. WELCH, JR. ~~and~~ A SINGLE PERSON ~~and wife~~, ~~(jointly)~~ "Owner" and HOMESTAKE MINING COMPANY OF CALIFORNIA, a California corporation having its principal place of business at 1600 Riviera Avenue, Suite 200, Walnut Creek, California 94596-3568 ("Homestake").

1. Lease and term. (a) Owner leases to Homestake all of the property described in Exhibit A, together with, (i) tailings, dumps and mine wastes, (ii) surface rights, easements and rights-of-way appurtenant incident thereto, and (iii) mining and mineral appurtenant or incident thereto useful or convenient for mining and related uses ("Mining Property").

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

(c) Homestake may extend this Lease for an additional ten-year term, and (ii) thereafter, if exploration, development or mining is then being conducted in connection with the Mining Property, for additional successive terms of ten years each.

2. Exclusive possession. Homestake shall have exclusive possession and quiet enjoyment of the Mining Property while this Lease is in effect.

3. Additional terms. Additional terms and conditions are contained in the full agreement between the parties. This Short Form of Mining Lease shall not modify said agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first above written.

HOMESTAKE MINING COMPANY OF CALIFORNIA

By: [Signature]  
Title: Vice President  
Print Name: V. E. Lidquist

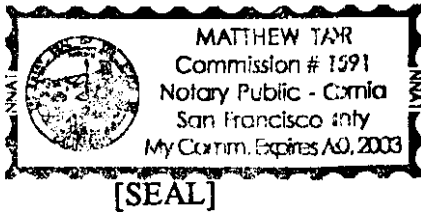
[Signature]  
Merrill V. Welch

[Signature]  
Vch

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF CONTRA COSTA )

On October 18<sup>th</sup>, 2000, before me, MATTHEW TAYLOR, a duly commissioned Notary Public for said State, personally appeared, W.F. LINDQUIST, personally known to me to be the I.P. 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:

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



Matthew Taylor  
Notary Public in and for said State  
Residing at: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

STATE OF KANSAS )  
 ) ss.  
COUNTY OF MORIS )

On Sept 15, 20, before me, JOHN H WHITE, a duly commissioned Notary Public for said State, personally appeared, Merrill V. Welch, Jr. ~~and~~ A SINGLE PERSON ~~Wife of husband and~~ personally known to me to be the person who executed the within instrument.

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



John White  
Notary Public in and for said State  
Residing at: Council Grove, MORRIS COUNTY, KANSAS  
My Commission Expires: 12/28/2002

Exhibit A

The Mining Property that is the subject of this Short Form of Mining Lease is the following described lode mining claim:

An undivided thirseven and one-half percent (37.5%) interest in and to the El Dorado Lode, Mineral Survey N63, Patent No. 1265, containing 8.26 acres, and located in Sections 27 and 34, Township 19 No, Range 53 East, M.D.B.&M., Eureka County, Nevada.

COOPER

BOOK 341 PAGE 110  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Honestada Mining Co.*  
01 APR 25 PM 1:18

EUREKA COUNTY NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEES 9.00  
**176436**