

PUBLIC NOTICE OF CANCELLATION
of
MINING LEASE AND OPTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, on the 16th day of August, 1967, a Mining Lease and Option Agreement was executed between DONALD B. POTTS, of Post Office Box 586, Tonopah, Nevada, as "Lessor", and SILVER LODE MINING COMPANY, a Nevada corporation, as "Lessee", for that certain group of mining claims situated in Lincoln County, Nevada, and of record in the office of the County Recorder, Lincoln County, Nevada, to wit:

The APEX, FINANCIER, VICTOR, VICTOR EXTENSION, MICHIGAN and SENATOR patented lode mining claims, situated in the Ely Mining District of the County of Lincoln, State of Nevada, together with the equipment, buildings, gallows frame, and other improvements situate thereon, and together with all the dips, spurs, angles, ore-dumps and tailings situated thereon or therein, or appurtenant thereto.

which said Mining Lease and Option Agreement was duly recorded on the 21st day of August, 1967, in Book "Q" of Miscellaneous, File No. 45412, Official Records of Lincoln County, Nevada, to which reference is hereby made; and

WHEREAS, the Lessee having failed, refused and neglected to comply with the terms, covenants and conditions of said Mining Lease and Option Agreement; and

WHEREAS, Notice of Default pursuant to Term No. 16 of said Lease and Option Agreement, a copy of which is marked Exhibit "A" and incorporated herein by reference thereto, dated September 23, 1970, was duly served upon SILVER LODE MINING COMPANY, Lessee, via certified mail on said date of September 23, 1970, at:

Silver Lode Mining Co., Inc.
376 Maplewood Avenue
Rochester, New York 14613

Certified Mail No.326173; Return Receipt dated October 10, 1970,
having been received and filed;

and

Silver Lode Mining Co., Inc.
c/o Lavar Hollingshead
Box 254
Panaca, Nevada

Certified Mail No.326174; Return Receipt dated September 26,
1970, having been received and filed; and

WHEREAS, more than Thirty (30) days has elapsed since the
date of Notice of Default and service of the same as herein set
forth; and

WHEREAS, the Lessee has failed, refused and neglected to
comply with or cure the defaults set forth in said Notice of
Default;

NOW, THEREFORE, pursuant to the terms, covenants and con-
ditions of said Mining Lease and Option Agreement and the statute
in such cases made and provided,

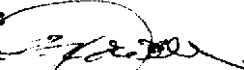
PUBLIC NOTICE IS HEREBY GIVEN that the said Mining Lease
and Option Agreement has been duly forfeited, canceled and term-
inated, and DONALD B. POTTS, as Lessor, has entered upon, repos-
sessed, and re-occupied all of the mining property the subject
of said Mining Lease and Option Agreement and said SILVER LODE
MINING COMPANY, its representatives, employees, agents, and as-
signs are publicly notified not to enter in or upon said mining
property or in any way or manner interfere with the occupancy
and use of the same by DONALD B. POTTS, Lessor, as aforesaid.

DATED this 5th day of March, 1970.

Subscribed and Sworn to
before me this 5th day
of March, 1971.

DONALD B. POTTS, Lessor

By:



Wm. J. Crowell
402 N. Carson St.
Carson City, Nev. 89701
Attorney for Donald B. Potts

Notary Public

(SEAL)

Exhibit "A"

To: SILVER LODE MINING CO., INC.
376 Maplewood Avenue
Rochester, New York 14613

NOTICE OF DEFAULT

NOTICE IS HEREBY GIVEN that you are in default in the following terms, covenants and conditions of and to that certain Mining Lease and Option Agreement executed on the 6th day of August, 1967, by and between DONALD B. POTTS, as Lessor, and SILVER LODE MINING CO., INC., as Lessee, for that certain group of patented mining claims commonly known as APEX, FINANCIER, VICTOR, VICTOR EXTENSION, MICHIGAN and SENATOR, situated in the Ely Mining District, County of Lincoln, State of Nevada, to wit:

Term #1 - that you have failed, refused and neglected to pay the ad valorem taxes levied on the property as well as any net proceeds of mines tax that may be due and owing pursuant to the mining statutes of Nevada.

Term #4 - that you have failed to file with the State Inspector of Mines at Carson City, Nevada, your mining report due as of June 1, 1970.

Term #10 - that you have failed to cause at least 40 man shifts of work leading to development or production of the mine for the months of June, July and August, 1970.

Term #14 - that you have failed to furnish a written program report relative to the exploration and development of the mining property for the months of June, July and August, 1970.

Term #11(c), (a)(b) - that you have failed to pay the guaranteed royalty payments of \$300.00 per month for the month of August 15 and September 15, 1970.


PLEASE TAKE NOTICE that pursuant to Term #16 of Lease and Option, unless each and every one of the foregoing defaults is cured within 30 days from the date hereof, the Lessor has and hereby elected to declare said Lease and Option to Purchase forfeited, cancelled and terminated, and will immediately enter upon and repossess all of the property the subject of said Lease and Option.

FILED AND RECORDED BY WILLIAM J. CROWELL DATED THIS 23rd day of September, 1970.

William J. Crowell
March 8, 1971

AT 1 MINUTES PAST 9 O'CLOCK
P. M. IN BOOK 1 OF OFFICIAL
RECORDS, PAGE 60 LINCOLN
COUNTY, NEVADA

William J. Crowell
COUNTY RECORDER



WM. J. Crowell
402 N. Carson St.
Carson City, Nev. 89701
Attorney for Donald B. Potts

via CERTIFIED MAIL
RETURN RECEIPT REQUESTED