

Lincoln County

AARCON engineers
Dr. Jack Sowards
Box 100, Arco, Idaho

Gene Elledge

February 26, 1982

Dear Gene;

In consideration of your offer to lease the Terra Mine,
3 claims near Caliente, we accept and will commence pilot
operations using the ore pile on the mine property immediately.

We will work at least 128 shifts per year as permitted by
freezing conditions, snow, road conditions, and illness
and understand we will be allowed to continue my lease
until we can no longer operate with profit or fail to
perform our work in season, and due written notice will be given.

We have agreed to pay for this lease a royalty of 15% on all
ore batches yielding less than 1 ounce gold per ton, and 25%
on all batches yielding more than one ounce, this to be paid
in gold as soon as extracted, and honesty is the essence of this contract.

We understand you have terminated all previous agreements
and will prevent any interference in our operations or
agreement by other persons previously interested in the
property.

Very truly

Jack W. Sowards
Jack Sowards

Accepted
Gene Elledge
3-3-82

No. 74964
FILED AND RECORDED AT REQUEST OF
JACK SOWARDS
APRIL 7, 1982
AT 45 MINUTES PAST 3 O'CLOCK
P. M. IN BOOK 49, OF OFFICIAL
RECORDS, PAGE 358, LINCOLN
COUNTY, NEVADA.

Quinta A. East
COUNTY RECORDER