

SALES AGREEMENT

THIS AGREEMENT is made this 20 day of June 1988, by and between JOHN SANTIAGO, hereinafter "OWNER", and CIGNA GROUP INC., hereinafter "BUYER".

In consideration of the mutual promises of the parties hereto, the parties agree as follows :

- 1) PROPERTY DESCRIPTION: That Owner has an interest in mineral tailings commonly known as the South Mill Tailings Pond # / . in Lincoln County, near Pioche, Nevada. These "tailings" are personal property of the Owner and are situated on real property located in or near sections 28, 29, and 33 T1N. R67E. M.D. B. and M.
- 2) PRICE : Owner agrees to sell to Buyer, TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00) worth of tailings payable at FIFTY DOLLARS (\$50.00) per ton, over a Six (6) year period.
- 3) PAYMENT OF PURCHASE PRICE : Payment for the tailings shall be made by Buyer on the following terms and conditions :
  - a) Buyer shall pay to Owner, FIVE HUNDRED DOLLARS (\$500.00) per month for the first Six (6) month period following the signing of this contract representing ten (10) tons of material per month. Payments shall be made each month by payment of one half (1/2) on the 1st, and one half (1/2) on the 15th, of each month following the signing of this agreement.
  - b) For the next six (6) month period, to complete the first year of this contract, Buyer shall pay FIVE THOUSAND DOLLARS (\$5,000.00) per month for One hundred Tons (100) of material each month. TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) shall be paid on the 1st and 15th of each month.

c) During the second year of the Contract, Buyer shall pay TEN THOUSAND DOLLARS (\$10,000.00) per month for Two Hundred Tons (200) of material for Six (6) months. Payments shall be FIVE THOUSAND DOLLARS (\$5,000.00) on the 1st and 15th of each month. Buyer shall pay TWENTY THOUSAND DOLLARS (\$20,000.00) for the Four Hundred Tons (400) of material for the next Six (6) months. Payments shall be TEN THOUSAND DOLLARS (\$10,000.00) on the 1st and 15th of each month.

d) Beginning in the third year and continuing each month for approximately four years until Fifty Thousand (50,000) total tons of materials have been purchased, Buyer shall pay FIFTY THOUSAND DOLLARS (\$50,000.00) PER MONTH FOR One Thousand Tons (1,000) of materials. Payments shall be made TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) on the 1st and the 15th of each month.

e) Buyer may remove material prior to payment being made. Buyer may accelerate payments and removal of materials at any time. The payment terms listed above are meant to be a minimum.

f) Payments shall be made by Buyer through direct deposit to Owners account located at FIRST INTERSTATE BANK OF NEVADA, N.A., Maryland Parkway Branch, Las Vegas, Nevada, Account #108-0086595128.

g) Owner does hereby acknowledge receipt of FIVE THOUSAND DOLLARS (\$5,000.00) which shall be applied toward final payment on the contract herein.

DEFAULT : If Buyer is more than fifteen (15) days late on the payment of any amount due herein, Buyer shall be deemed to be in default. Owner shall notify Buyer of such default. Within fifteen (15) days of such notification if full payment is not made, the Contract shall terminate. Waiver by Owner of any breach shall not be deemed to be a continuing waiver of any future breach or default in this Contract.

LIMITATION OF BUYER'S OBLIGATION ON DEFAULT OR TERMINATION:

Within thirty (30) days written notice to Owner. Buyer may terminate the agreement herein. If this agreement is terminated by the Buyer or the agreement is otherwise terminated by default, Buyer's obligation shall be limited to the greater figure of either the amount of money paid by Buyer to Owner or the amount of material removed by Buyer at FIFTY DOLLARS (\$50.00) per ton. Buyer shall have One Hundred and Twenty (120) days following the termination, completion, or default in this Contract to remove the tailings for which payment has been made.

REMOVAL OF TAILINGS : Buyer shall pay Owner for tailings removed no later than THIRTY (30) days after such removal pursuant to the terms set out herein, or at a greater rate if Buyer desires. Buyer shall provide to Owner weigh slips from all vehicles indicating the weight of tailings removed. Buyer shall provide advance notice to Owner of when materials are being removed. Owner may establish reasonable checks and conditions regarding removal of the tailings to ensure accurate reporting of tailings which are removed. Before more than Two Hundred (200) Tons of materials are removed, Buyer shall, at Buyer's sole expense, provide for a survey and engineering on Owner's premises adequately marking off and describing and locating the boundaries of the Fifty Thousand (50,000) Tons which are being sold to Buyer.

REPRESENTATIONS: Owner makes no representations regarding the quality or content of the material herein. Buyer is relying on their independent knowledge and testing in this regard.

ASSIGNMENT : Buyer may assign or transfer all or a portion of his rights under this agreement.

SUCCESSORS : This agreement shall be binding on and inure to the benefit of the respective successors, assigns and personal representatives of the parties.

NOTICES : Any written notice to any party required or permitted under this agreement shall be given at the address of the party set forth below.

IN WITNESS WHEREOF, the parties named herein have executed this agreement on the date first written above.

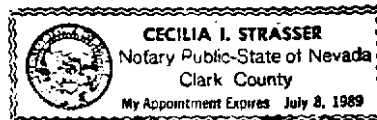
DATED this 20 day of July, 1988.

*John Santiago*  
JOHN SANTIAGO  
3485 Nakona Lane  
Las Vegas, Nevada 89109  
"OWNER"

STATE OF NEVADA )  
                          ) ss:  
COUNTY OF CLARK )

On this 20 day of July, 1988, personally appeared before me, the undersigned, a Notary Public in and for said County State, JOHN SANTIAGO, who acknowledged to me that he executed the foregoing Sales Agreement, freely and voluntarily and for the uses and purposes therein mentioned.

*Cecilia I. Strasser*  
NOTARY PUBLIC



DATED this 18 day of July, 1988.

CIGNA GROUP INC.  
28914 Roadside Drive  
Unit E-4  
Agoura Hills, CA 91301

BY Richard Schultz  
RICHARD SCHULTZ, Officer  
"Buyer".

STATE OF CALIFORNIA )  
COUNTY OF Los Angeles ) ss:

On this 18 day of July, 1988, personally appeared before me, the undersigned, a Notary Public in and for said County and State, RICHARD SCHULTZ, who acknowledged to me that he executed the foregoing Sales Agreement freely and voluntarily and for the uses and purposes therein mentioned.

DATED this 19 day of July, 1988.

Hugo Cadena  
NOTARY PUBLIC  
BY Hugo Cadena  
HUGO CADENA, Officer  
"Buyer"



STATE OF CALIFORNIA )  
COUNTY OF Los Angeles ) ss:

On this 19 day of July, 1988, personally appeared before me, the undersigned, a Notary Public in and for said County and State, HUGO CADENA, who acknowledged to me that he executed the foregoing Sales Agreement freely and voluntarily and for the uses and purposes therein mentioned.

Fernando Preciado  
NOTARY PUBLIC



COPY

RETURN TO:

No. 89195

FILED AND RECORDED AT REQUEST OF

Cigna Group

July 25, 1988

At 30 MINUTES PAST 4 O'CLOCK

P. IN BOOK 80 OF OFFICIAL

RECORDS, PAGE 532 LINCOLN

COUNTY, NEVADA

FRANK C. HULSE

COUNTY RECORDER

By Mary Cordis, Deputy

