

MINERAL LEASE

THIS AGREEMENT made and entered into this 31th day of December, 1994 by and between Gary A. Carrigan, hereinafter referred to as "LESSOR", and THE LINCOLN GROUP, hereinafter referred to as "LESSEE".

WITNESSETH:

In consideration of the payment of One Hundred Dollars (\$100.00), and the mutual covenants and conditions herein contained and the mutual benefits to be derived herefrom, it is agreed by and between the parties as follows:

1. Lessor does hereby grant, lease, demise and let exclusive unto Lessee, for the purpose of exploring for and mining all ores and minerals, the following patented mining claims situated in Lincoln County, State of Nevada, described as follows:

SNOWSHOE
SNOWSHOE No.1
WHITEHORSE
WHITEHORSE No.1

2. Said claim as above described and the minerals in and under said claims are hereinafter called the "premises". Lessor hereby grants to Lessee the right to use so much of the surface of the premises as may be reasonable, necessary, desirable or convenient, in carrying out the purposes of this agreement.

3. This mineral lease is granted for a period of one year, with an option to renew for additional years at a minimum payment of \$100.00 per month, per claim as mutually agreed upon or an additional amount based on values realized. If values realized warrant, the option described in Paragraph #4 below will be exercised and the monthly rental payments will begin prior to the anniversary date.

4. Lessor reserves and Lessee agrees to pay the Lessor a Six (6%) percent Production Royalty on all mineral bearing ores based on "Gross Revenue Realized from Sales". "Gross Revenue Realized from Sales" shall mean all purchase price money amounts paid to Lessee for sale of any mineral bearing ore removed and sold from the premises, with the purchase price being that F.O.B. transport vehicle price, paid to Lessee as the mineral bearing ore leaves the lease premises.

5. Lessee agrees to hold lessor harmless against any legitimate liability claims that may arise from negligence in the mining operation.

6. During the term of this lease, Lessor shall continue to have access to the property to conduct usual inspection of the mining operation.

7. Lessee agrees not to use or store hazardous chemicals on site. All trash, refuse and debris will be removed from the site and disposed of in the proper manner.

8. The Lessee agrees to close, with grates or gates or other suitable materials, surface entrances to all tunnels, drifts and shafts located on premises.

9. The undersigned agrees to hold all confidential or proprietary information or trade secrets ("information) in trust and confidence and agrees that it shall be used only for the contemplated purpose, shall not be used for any other purpose or disclosed to any third party.

10. All operations will be conducted within the confines of State, Federal and Local laws and rules.

11. Any notice given to Lessor under this mineral lease shall be deemed to have been given if mailed by certified or registered mail, the address is as follows:

Gary A. Carrigan
Post Office Box 381
Pioche, Nevada 89043

or other address as shall be furnished by Lessor to Lessee by written notice. Any notice to Lessee shall be deemed to have been given if mailed by certified or registered mail, addressed to Lessee as follows:

Norman R. Brock
Anthony R. Van Orsdal
THE LINCOLN GROUP
Post Office Box 477
Pioche, Nevada 89043

or such other address as shall be furnished by Lessee to Lessor by written notice. Notice shall be deemed to have been served on the date of mailing as shown on the post office receipt.

12. This mineral lease embraces the entire understanding of the parties and shall be binding upon the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

192195
Norman R. Brock
January 3, 1995
23 MINNESOTA 1
B. 112
C. 59
Yuriko Setzer
By Lidia Bouchie deputy

LESSOR: Gary A. Carrigan
Gary A. Carrigan

LESSEE: THE LINCOLN GROUP
Norman R. Brock
Norman R. Brock
Anthony R. Van Orsdal
Anthony R. Van Orsdal