

**SHORT FORM OF EXPLORATION AGREEMENT  
AND OPTION TO PURCHASE**

Short Form of Exploration Agreement and Option to Purchase dated as of October 21, 1992, ("Effective Date") between PIOCHE-ELY VALLEY MINES, INC., a Nevada corporation, having its principal place of business at 10830 North Central Expressway, Suite 175, Dallas, Texas 75231 ("Owner") and HOMESTAKE MINING COMPANY OF CALIFORNIA, a California corporation having its principal place of business at 650 California Street, 11th Floor, San Francisco, California 94108-2788 ("Homestake").

1. Agreement and Term. (a) Owner and Homestake have entered into an Exploration Agreement and Option to Purchase covering all of the property described in Exhibit A, together with all (i) tailings, dumps and mine wastes, (ii) surface rights, easements and rights-of-way appurtenant or incident thereto, (iii) mining, mineral and water rights appurtenant or incident thereto, and (iv) improvements, fixtures, personal property, mining machinery and tools thereon useful or convenient for mining and related uses ("Property").

(b) This agreement shall commence on the Effective Date and continue for an term of seven years.

2. Option to Purchase. Homestake shall have the exclusive and irrevocable Option to purchase an interest in the Property at any time while this agreement is in effect.

3. Exclusive Possession. Except as may be expressly provided in Exhibit A, Homestake shall have exclusive possession and quiet enjoyment of the Property while this agreement is in effect.

4. Additional and After-Acquired Rights. If Owner (or any of them) acquires any right or interest in the Property or within the boundaries of the Property while this agreement is in effect, such right or interest shall automatically become part of the Property for all purposes of this agreement.

5. Additional Terms. Additional Terms and conditions are contained in the full agreement between the parties. This Short Form shall not modify said agreement.

PIOCHE-ELY VALLEY MINES, INC.

By: J.A. Crichton  
Print Name: J.A. CRICHTON  
Its: President

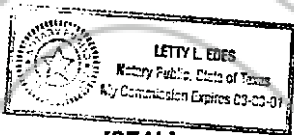
HOMESTAKE MINING COMPANY OF CALIFORNIA

By: W.F. Lindquist  
Print Name: W.F. Lindquist  
Its: Vice President

STATE OF TEXAS )  
COUNTY OF DALLAS ) ss.

On October 10, 1997, before me, Letty L. Edes, a duly commissioned Notary Public for said State, personally appeared, J.A. Crichton, personally known to me to be the President of Pioche-Ely Valley Mines, Inc., a Nevada corporation, and personally known to me to be the person who executed the within instrument and on 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.



[SEAL]

Letty L. Edes  
Notary Public in and for said State  
Residing at: 3636 Holliday  
Dallas, TX 75224  
My Commission Expires: 3-3-01

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, 19\_\_\_\_, before me, \_\_\_\_\_ a duly commissioned Notary Public for said State, personally appeared, \_\_\_\_\_, personally known to me to be the \_\_\_\_\_ 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.

[SEAL]

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

*See attached Calif. notary*

## Exhibit A

The Property consists of those certain patented and unpatented mining claims located generally in Township 1 North, Ranges 66 and 67 East, Lincoln County, Nevada, and more particularly described as follows:

**Part I.**  
**A. Patented Claims**

Claim Name	Mineral Survey No.	Patent No.
Daly East	2526	46548
Key Note	3180	83147
Lucky Boy	3180	83147
Imperial	3181	84930
Iron Duke	3181	84930
Double Decker	3183	74644
Columbia	3183	74644
Commander	3182	77977
Dupont No. 1	3820	441200
Volcano	4305	646889
Buckhorn	4185	496585
Buckhorn No. 2	4185	496585
Deertrail	4185	496585
Jonathan	4185	496585
Jonathan No. 2	4185	496585
Rawhide	4185	496585
Smuggler	4185	496585
Gelder	4160	504310
Gelder No. 2	4160	504310
West End	4160	504310
Start Up	4160	504310
Start Up No. 2	4160	504310
Gold Eagle No. 3	4160	504310
Gold Eagle No. 4	4160	504310
Gold Eagle Consolodated	4160	504310
Hard Road	4160	504310

Ely Valley	3725	221093
Ely Valley No. 2	3725	221093
Ely Valley No. 3	3725	221093
Ely Valley No. 4	3725	221093
Ely Valley No. 5	3725	221093
O.K.	3725	221093
Alice	3725	221093
Golden Fleece	3725	221093
Margaret Pillins	3725	221093
Silver Dick	3864	245094
Annice	3864	245094
Jefferson	3864	245094
Baby Mine Fraction	3864	245094
Ophir	4072	339883
Flagstaff	4072	339883
Navy	2153A	34618
Melissa	38	31074

**Part I.B. Unpatented Claims**

Claim Name	Location Date	Book/Page	BLM NMC #
Army	1/13/1900	L/227	80347
Battery	2/12/1900	L/323	80348
Northside	2/12/1900	L/325	80349
Mendha	1/8/1900	L/218	80350
North Side No. 2	5/17/1909	D-1/35	80351
Navy West	1/29/1900	L/262	80352
Southside	3/7/1900	L/326	80353
Southside No. 1	5/20/1909	D-1/35	80354
Mendha East	1/8/1900	L/220	80355
Northside No. 1	5/16/1909	D-1/34	80356
Wide Awake	10/26/1907	Y/122	80370
Golden Wren	3/4/1907	W/37	80373
Dupont No. 4	7/27/1909	D-1/16	80376
Dupont Fraction No. 3	2/11/1907	V/137	80377
Nail Driver	11/12/1906	U/372	80378
Superior No. 1	9/27/1922	G-1/260	80385

Lincoln County

Superior No. 2	9/27/1922	G-1/260	80386
Harvester No. 2	11/20/1927	H-1/272	80390
Harvester No. 3	5/23/1940	M-1/345	80391
Harvester No. 42	5/11/1946	N-1/440	80430
O.K. No. 2	5/20/1929	H-1/466	80431
O.K. No. 3	1/25/1907	W/90	80432
O.K. No. 4	9/23/1907	Y/211	80433
O.K. No. 5	5/9/1929	H-1/475	80434
O.K. No. 7	5/9/1929	H-1/475	80436
Marion	1/28/1918	F-1/227	80450
Marion No. 2	2/2/1918	F-1/227	80451
Marion No. 3	9/12/1929	J-1/164	80452
Marion No. 4	9/12/1929	J-1/165	80453
Marion No. 7	9/13/1929	J-1/166	80456
Blue Bell No. 1	1/11/1911	E-1/15	80457
Blue Bell No. 2	1/11/1911	E-1/15	80458
Blue Bell No. 3	1/11/1911	E-1/16	80459
Blue Bell No. 4	1/11/1911	E-1/16	80460
Blue Bell No. 5	7/1/1931	K-1/117	80461
Blue Bell No. 6	7/1/1931	K-1/118	80462
Blue Bell No. 7	7/1/1931	K-1/118	80463
Blue Bell No. 8	7/1/1931	K-1/119	80464
Sure Thing	6/24/1926	H-1/95	80465
Sure Thing No. 1	8/17/1926	H-1/96	80466
Sure Thing No. 2	8/17/1926	J-1/167	80467
Blue Bell No. 10	7/1/1931	K-1/119	80477
Blue Bell No. 11	10/8/1935	L-1/89	80478
Blue Bell No. 12	10/8/1935	L-1/89	80479
Blue Bell No. 13	10/8/1935	L-1/90	80480
Blue Bell No. 14	10/9/1935	L-1/90	80481
Blue Bell No. 15	10/9/1935	L-1/91	80482
Harebell	9/13/1993	107/256	681915
Cathy Fraction	9/7/1993	107/254	681916
Anne Fraction	10/26/1987	77/464-465	443772
Joyce Fraction	10/3/1987	77/474-475	443777
Telex	11/4/1987	77/494-495	443787

**Part II. Poorman Area**

**A. Patented Claims**

Claim Name	Mineral Survey No.	Patent No.
Jig	57	28391
Youngatti	57	28391
Capen	57	28391
Albion	57	28391
Poorman's Prospect	57	28391

**B. Unpatented Claims**

Claim Name	Location Date	Book/Page	NMC #'s
September	10/2/1929	J-1/204	80357
Acme	5/30/1928	H-1/321	80358
Acme No. 2	5/30/1928	H-1/321	80359
Acme No. 3	5/30/1928	H-1/321	80360
Acme No. 4	5/30/1928	H-1/322	80361
Acme No. 5	3/25/1928	H-1/322	80473
Acme No. 6	3/25/1928	H-1/323	80474
James No. 1	9/1/1939	M-1/194	80362
James No. 2	9/1/1939	M-1/194	80363
James No. 3	9/1/1939	M-1/195	80364
James No. 4	8/6/1940	M-1/379	80365
James No. 5	8/6/1940	M-1/379	80366
James No. 6	8/6/1940	M-1/380	80367
James No. 7	8/6/1940	M-1/380	80368
Garbo #23	4/20/1990	91/45	597895

Garbo #24	4/20/1990	91/46	597896
Garbo #25	4/20/1990	91/47	597897
Garbo #26	4/20/1990	91/48	597898
Garbo #27	4/20/1990	91/49	597899
Garbo #28	4/20/1990	91/50	597900
Garbo #29	4/20/1990	91/51	597901
Garbo #30	4/20/1990	91/52	507902
Garbo #31	4/20/1990	91/53	597903
Garbo #49	4/25/1990	91/71	597921
Garbo #50	4/25/1990	91/72	597922
Garbo #52	4/25/1990	91/73	597923
Garbo #53	4/25/1990	91/74	597924
Garbo #54	4/25/1990	91/75	597925
Garbo #55	4/25/1990	91/76	597926
Garbo #56	4/26/1990	91/77	597927



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

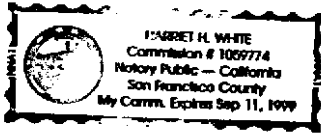
County of San Francisco

On October 21, 1997 before me, Harriet H. White, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William F. Lindqvist  
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Harriet H. White  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

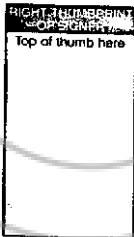
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer  
Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer  
Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

NO. 103898

RECORDED AT REQUEST OF

HOMESTAKE MINING CO.

NOVEMBER 3, 1997

AT 01 MINUTES PAST 1 O'CLOCK

PM IN BOOK 131 OF OFFICIAL

RECORDS PAGE 127 LINCOLN

COUNTY, NEVADA

YURIKO SETZER

BY Jessie Boucher COUNTY RECORDER DEPUTY

BOOK 131 PAGE 135