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ITEM 92

EXPLORATION LICENSE, OPTION TO LEASE,

AND OPTION TO PURCHASE

THIS OPTION AGREEMENT, made this ____ day of _____, 1992, between DAVIS-GOLDFIELD MINING CORP., a Nevada corporation, and RALPH DAVIS, Optionor, and BROADWAY, INC., a California corporation, whose registered office is 1545 Broadway, #301, San Francisco, CA 94109, and business address is 100 Shoreline Highway, Suite 175A, Mill Valley, California 94941, Optionee, and does by these presents agree to subject itself to the jurisdiction of the State of Nevada and the laws of the state of Nevada, and if necessary shall register to do business in the state of Nevada, and that this agreement is entered into this ____ day of _____, 1992, for the term hereinafter set forth.

RECITALS:

A. Optionor owns and is in possession of those mining claims set forth in Exhibit A, which is the proposed Lease and Option to Purchase other than this document, which is attached hereto and incorporated herein as set forth herein.

B. Optionee is familiar with said mining claims and does have a joint venture agreement with certain companies that have had access to said mining claims, and the Optionor has made no representation with relation thereto.

C. Optionor recognizes that the ore bodies are present, and that the proper reduction and treatment thereof will require the investment of large sums of money.

D. The Optionee is able and willing to develop said claims

and to furnish the finances therefor, and it is necessary that a binding agreement be entered into between the parties for the obtaining of the financing.

In consideration of the execution of the redemption agreement for the redemption of the stock of the Optionor corporation, and which is Exhibit B, to this option agreement, as well as dismissal of Action Number CV90-7577 in the Second Judicial District Court of the State of Nevada, as condition precedent and consideration for this Exploration License, Option to Lease and Option to Purchase, and when those conditions precedent are met this agreement shall become effective. The Optionor and its counsel have been informed that a Dismissal With Prejudice is being circulated at the time of drafting this document; that in the event it is executed it shall be attached hereto as Exhibit "C."

Section 1: Optionor grants to the Optionee a license for a period of six months hereof, the right to enter into and take exclusive possession of all or any part of the mineral property described in Exhibit A attached hereto and incorporated herein, upon the condition precedent that the title that is clouded in suit number CV90-7577 in the Second Judicial District Court of the State of Nevada, asserting a mining lien upon the described property, that said lien shall be lifted and that good and viable title without any cloud through Green International, Inc., formerly known as The Argee Corporation, on said property shall be performed within sixty (60) days of the date of this agreement; that all of the terms and conditions hereof are subject to good title to be transferred unto the Optionee, and it is recognized by Optionor and Optionee that the Optionee has control with relation to any

defective title through said action; that during the period the Optionee shall have the right to prospect, explore, test, develop, and work at its own discretion and its own expense, and if contracting with third parties shall file a Notice of Nonresponsibility to protect the title of the Optionor, and that said activity may be performed during the term of this agreement; that said work shall be done in a proper minerlike manner, and that such property shall be carefully operated and the minerals contained therein may be extracted in an economical minerlike manner; that any minerals extracted shall be retained by the Optionee for and on behalf of the Optionor.

Section 2: Option to Lease: At any time during the period of this agreement, the Optionee shall have the right to demand and receive from the Optionor a mining lease in the property described in Exhibit A and in a general form of Exhibit B attached hereto and incorporated herein.

Section 3: Ownership of Ores: All ores extracted by Optionee during the period prior to exercise of this option shall be and remain the property of the Optionor; however, Optionee shall have the right to take and have as its own for assay samples and mill tests from such property ore in the amount of no more than 500 pounds of ore, or no more than two ounces of gold.

Section 4: Machinery and Equipment: No equipment, tools, machinery, improvements, or personal property of any nature or description brought or placed on such property prior to exercise of this option by Optionee for use in such work shall become a fixture, but all such equipment, structures, improvements, and other property shall remain the property of Optionee, subject to

removal by Optionee. In the event Optionee does not exercise this option, it shall be entitled to remove all such equipment, tools, machinery, structures, improvements, and personal property from such property within 90 days after the expiration of this option. In furtherance of the work contemplated in this and the preceding sections, Optionee shall be entitled to use and enjoy any and all improvements, structures, machinery, tools, equipment, and other personal property now situated on such property and belonging to Optionor.

That further, any equipment, buildings or personal property of the Optionor may be utilized by the Optionee upon request and obtaining permission therefor.

Section 5. Option to Purchase: In consideration of the premises and a due performance of the condition precedents herein set forth, i.e., the transfer of any interest pursuant to the Redemption Agreement, Exhibit B, and the settlement of the law suit between Green International, Inc., formerly known as The Argee Corporation, Case No. CV90-7577, Second Judicial District Court for the State of Nevada, in and for the County of Washoe, clearing the title of those claims set forth in Exhibit A, the Optionee has the right to purchase all of the right, title and interest of the Optionor in and to the premises described in Exhibit A; that the Optionee has prepaid the amount of minimum royalty which shall be consideration for this option in the sum of \$3,000.00 per month during the term of this option and license; that the option for the purchase of this property for the sum of \$850,000.00 shall be exercised within 90 days from the first day of March, 1992; that the Optionee shall place in escrow a minimum sum of \$250,000.00, at

which time all the documents shall be drafted, and that within 30 days from the date of the exercise of the option, the additional \$600,000.00 shall be paid into the escrow with Reno Escrow Company, 248 S. Sierra Street, Reno, Nevada 89501, Escrow No. 1992-64.

That subsequent to the 90 days after the option for \$850,000.00, the Optionor grants to the Optionee a second option to purchase the property for \$1,150,000.00, which option may be exercised within 30 days from the first day of June, 1992; that said option shall be exercised by the method set forth in Section 6 hereof, with a certified check or other financial arrangements to be agreed upon.

Section 6. Exercise of the Option to Purchase: The option to purchase within ninety (90) days from the first day of March, 1992 may be by written notice to the Optionor through his counsel, Paul A. Richards, Esq., 248 S. Sierra St., Reno, NV 89501, accompanied by cash or certified check or other financial arrangements which at that time may be agreed upon.

The second term option may be exercised by the Optionee by delivering to the Optionor at the above address the written notice of the intent to purchase the property, accompanied by a good-faith check of Two-Hundred Fifty-Thousand Dollars (\$250,000.00), with a right to pay the remainder within an additional period of sixty (60) days.

Any and all ores extracted pursuant to this agreement shall become the property of the Optionee.

Section 7. Execution of the Deeds: The Optionor shall deposit with Reno Escrow Company at 248 S. Sierra St., Reno, NV 89501, the necessary deeds to all of said property upon notice of

intent to exercise the option to purchase herein; that they shall be good and sufficient deeds, conveying to the Optionee all of the right, title and interest to the property described in Exhibit A attached hereto and incorporated herein; that the property owned separately by Ralph Davis, which is also described in Exhibit A attached hereto and incorporated herein, is to be deeded to the corporate structure of Davis-Goldfield Mining Corp.

That both options to purchase shall terminate upon the exercise of the option to lease, which term shall be prescribed in said lease.

Section 8. Exercise of Option to Lease: If, prior to expiration of this agreement, Optionee elects to exercise the option granted herein and receive a mining lease to such property as above provided, it shall so notify Optionor, and, on such notice, Optionee shall be entitled to receive in accordance with and subject to the terms of this agreement a lease in the form of the lease attached hereto as Exhibit A. Optionor agrees on such notice to make, execute, and deliver such a lease to Optionee. In the event Optionee elects not to exercise this option, it shall peaceably surrender such property to Optionor in as good condition as it now is, reasonable wear and tear excepted, and free and clear of any and all liens and encumbrances incurred by Optionee in its operations on and about such property. In the event Optionee elects not to exercise this option, Optionee shall also deliver to Optionor, free and clear of expenses, copies of all data, plans, analyses, photographs, and other determinations and reports that Optionee shall have made or caused to have been made or otherwise obtained in and about such property during its possession of the

same agreement.

Section 9. Miners' Liens; Liability for Damages: Optionee, during its possession of such property, agrees to protect the same against all claims of labor and materialmen and against all liens and liabilities arising out of the acts of Optionee on such property, and to permit Optionor to place and maintain such notices on such property as shall be lawfully necessary to protect Optionor against any and all claims for damages for injury incurred by workmen in Optionee's employ on such property, or by any other person or persons.

That further, the Optionee shall at the request of the Optionor place and maintain the notices for and on behalf of the Optionor. Also, the Optionee is required to show proof of insurance for employees, invitees, licensees and trespassers upon the property. The Optionee shall have adequate security, fences, roadblocks and other protection for third parties in the areas where it is working.

Section 10. Supervision by Owner: During the possession of such property by Optionee under this option, Optionee agrees to permit a duly authorized representative of Optionor to remain on such property to represent Optionor and to observe the performance by Optionee of each and all of the terms of this agreement. However, if such representative fails to work harmoniously with the superintendent of Optionee, or if the presence of such representative becomes a source of trouble, then, on written request by Optionee to Optionor, Optionor shall see that such objectionable conduct ceases or shall replace such representative with another so that the work may continue harmoniously. In the

event that after such request, objectionable conduct on the part of such representative does not cease, Optionee shall be entitled to remove such representative from the premises, and Optionor shall be entitled to appoint another representative to take the place of the representative so removed, as often as any particular representative becomes a source of trouble.

Section 11. Monthly Payments and Terms: This agreement is executed on the date first above written; the timing of the agreement and the term thereof is set from January 1, 1992 through June 30, 1992; this agreement shall terminate on June 30, 1992 pursuant to the terms hereof; from January 1, 1992 the Optionee shall pay the sum of \$3,500.00 each month as advanced minimum royalty through the first day of June, 1992, unless the options granted herein are exercised.

OPTIONOR:

DAVIS-GOLDFIELD MINING CORP.

By: _____
Title: _____
Tax I.D. Number _____

OPTIONEE:

BROADWAY, INC.

By: _____
Title: _____
Tax I.D. Number _____

STATE OF _____)
 : SS.
COUNTY OF _____)

On this _____ day of _____, 199__, personally appeared before me, a Notary Public, Ralph Davis, the President of DAVIS-GOLDFIELD MINING CORP. who acknowledged that he executed the foregoing instrument for and on behalf of the corporation and for the uses and purposes stated therein.

NOTARY PUBLIC

STATE OF _____)
 : SS.
COUNTY OF _____)

On the _____ day of _____, 199__, personally appeared before me, a Notary Public _____, the _____ of BROADWAY, INC., who acknowledged that he executed the foregoing instrument for and on behalf of the said corporation for the uses and purposes stated therein.

NOTARY PUBLIC

STOCK REDEMPTION AGREEMENT

COMES NOW, DAVIS-GOLDFIELD MINING CORP., a Nevada corporation, First Party, the corporation to redeem its stock, and RED ROCK MINING (USA) INC., GIANT PACIFIC PETROLEUM, INC., a corporation, and 907788 ONTARIO, LIMITED., a corporation, all predecessors-in-interest of Red Rock Mining (USA) Inc., Second Party:

W I T N E S S E T H :

Whereas, that upon the books and records of Davis-Goldfield Mining Corp., a Nevada corporation, there are 84,694 shares originally issued to Pacific Gold & Uranium, a Nevada corporation; these shares were transferred upon the assignment of the Lease Agreement of Davis-Goldfield Mining Corp. to Red Rock Mining, an Australian corporation; and

Whereas, that Red Rock Mining, the Australian corporation, transferred the shares or interests therein to 907788 Ontario, Limited, or Giant Pacific Petroleum, Inc., and thence to Red Rock Mining (USA) Inc.; and

Whereas, that the interested party in and to all three corporations is Bruce Weaver, who has represented unto Davis-Goldfield Mining Corp., First Party, that he is the authorized agent for and on behalf of all three corporations to enter into this agreement on their behalf for redemption of the shares; and

Whereas, that Woodhill Consultants Ltd., a Nevada corporation, is a joint venturer on certain properties in the Goldfield mining district in Esmeralda County, Nevada, between the Second Parties and others to finance and operate certain mining properties in the Goldfield, Nevada area; and

Whereas, that Davis-Goldfield Mining Corp., as well as Ralph Davis personally, own certain properties in the area for lease or sale;

THEREFORE, IT IS AGREED:

1. In consideration of the First Party completing a lease or sale with Woodhill Consultants Ltd., Red Rock Mining (USA) Inc. and its predecessors-in-interest, i.e., 907788 Ontario Limited and Giant Pacific Petroleum, Inc., through their proper officers, will release and assign unto Davis-Goldfield Mining Corp., a Nevada corporation, First Party, 84,694 shares or their interests therein, and further shall indemnify Davis-Goldfield Mining Corp. from any claim arising in their ownership or interest in and to said stock of Davis-Goldfield Mining Corp. so it receives clear title thereto.

2. That Red Rock Mining (USA) Inc. does hereby warrant that it is the proper party as owner of the interests heretofore to be transferred to Davis-Goldfield Mining Corp.

3. That upon the execution of the Option to Lease and Option to Sell by Ralph Davis and Davis-Goldfield Mining Corp., with Woodhill Consultants Ltd., that Red Rock Mining (USA) Inc. shall release, disclaim, cancel and renounce any and all claims that it may have or have had in Davis-Goldfield Mining Corp. and any stock or percentage interest held therein.

4. The stock certificates have been lost and have not been transferred on the books and records of Davis-Goldfield Mining Corp. Thus, the Affidavit of Lost Certificates executed by Bruce Weaver of the interested parties, attached hereto and incorporated herewith as Exhibit A, together with a Resolution authorizing the execution of that Affidavit and authorizing the release of any interests that all three corporations may have in and to Davis-Goldfield Mining Corp., shall become effective upon the execution of the Option to Lease and the Option to Sell said property.

DAVIS-GOLDFIELD MINING CORP.

By Ralph Davis
Ralph Davis, President

Ralph Davis
Ralph Davis, Individually

RED ROCK MINING (USA) INC.

GIANT PACIFIC PETROLEUM
INC.

By _____

By _____

90788 ONTARIO LIMITED

By _____

AGREED:

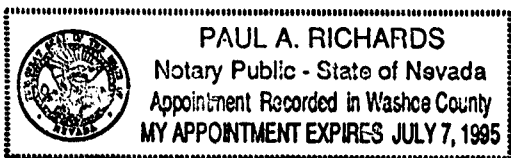
WOODHILL CONSULTANTS, LTD.

By _____

STATE OF Nevada)
COUNTY OF Washoe)

ss:

On this 26th day of December, 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared RALPH DAVIS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on his own behalf and on behalf of Davis-Goldfield Mining Corp. as its President.



[Signature]
NOTARY PUBLIC
My commission expires: 7-7-95

STATE OF _____)
COUNTY OF _____)

ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Red Rock Mining (USA) Inc., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____)

ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Giant Pacific Petroleum, Inc., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____) ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of 907788 Ontario, Limited, to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____) ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Giant Woodhill Consultants, Ltd., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

MINING LEASE AND OPTION TO PURCHASE

THIS MINING LEASE AND OPTION TO PURCHASE (the "lease") is made and entered into effective the _____ day of _____, 1992, by and between DAVIS-GOLDFIELD MINING CORP., a Nevada corporation (herein known as "Lessor") and BROADWAY, INC., a California corporation (herein known as "Lessee").

WITNESSETH:

For and in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Rights Granted.

1.1 Grant of Lease. That certain property located in the Goldfield Mining District, Esmeralda County, State of Nevada, and more particularly described in Exhibit A, a copy of which is annexed hereto and incorporated herein, and shall be referred to as "Property" or "Mining Property," together with all mines, ores, minerals, dumps, tailings and mineral deposits of every kind and character whatsoever in, on or under the Property; all mineral interests now and hereafter acquired by Lessor in the Property; the exclusive right to enter upon and to use the Property for the purpose of surveying, exploring for, and defining the extent and quality of all minerals and all mineral deposits in, on or under the Property, and for developing, mining, stockpiling, milling, processing, removing, shipping and marketing such minerals and mineral deposits by whatever methods Lessee may deem appropriate, including without limitation surface or solution mining; the right to dispose of and deposit on the Property ore, waste, minerals and overburden from the Property or from nearby properties owned or controlled by Lessee; the right to construct and use buildings, roads, power and communication lines, tailing ponds and other improvements determined by Lessee as appropriate for Lessee's full enjoyment of the Property; the right to construct and use tunnels, adits or workings now or hereafter located in, on or under the Property as may be reasonably necessary, convenient or suitable for or incidental to any of the rights or privileges of Lessee hereunder; the right to use all or a portion of the surface of the Property and all easements and rights-of-way appurtenant thereto in

such manner as may be reasonably necessary, convenient or suitable for or incidental to any of the rights or privileges of Lessee hereunder or otherwise reasonably necessary or appropriate to effect the purpose of this lease; and together with all water rights, easements and all rights-of-way for ingress or egress to and from the Property to which Lessor may be entitled.

1.2 Use in Connection With Other Lands. The rights granted to Lessee in this lease to use the surface of the Property and to construct and use buildings, roads, power and communication lines, tailings ponds, tunnels, adits, workings and other improvements located in, or under the Property, including appurtenances thereto, may be exercised by Lessee in connection with mineral rights in and under lands in the general vicinity of the Property which are owned or acquired by or leased to Lessee from third parties, or which are otherwise controlled by Lessee, as well as in connection with mineral rights owned by Lessor and leased to Lessee hereunder.

2. Term. The term of this lease shall be for a period of five years from the date hereof; the Lessee is hereby granted an option to extend this lease for a period of five consecutive ten-year terms upon written notice pursuant to paragraph 5.1. After the first notice of extension hereof and subsequent to four years into said extension and from that time on, the Lessee may have an option to purchase said property as set forth in Exhibit A attached hereto and made a part hereof.

3. Title.

3.1 Warranty. Lessor represents that he owns the full and undivided interest in and to the mining claims comprising the Property described in Paragraph 1. free and clear of all liens, claims and encumbrances whatsoever; that he has not assigned or encumbered his interest in the Property; that there are no present outstanding preferential rights to acquire all or a portion of the Property granted or are required to be granted by Lessor to others; that all taxes, if any, which may be applicable, have been fully paid; that the Property is not in any manner encumbered as a result of any conduct or activity of Lessor; that Lessor has no knowledge of, and has received no notice of, any claims against Lessor's title as warranted herein or of any claims to the ground in conflict with said mining claims; and that Lessor has full and complete authority to execute this lease and grant the rights herein conferred.

Lessor warrants and will forever defend the above warranted title and rights of the Lessee, and its successors and assigns, in the said warranted Property against all claims and

demands of any entity, person or persons whatsoever.

3.2 No Liability for Loss of Claims. Lessee shall not be held liable for the loss of any claims due to any act of governmental agencies, provided that Lessee had taken all reasonable means to protect and maintain said mining claims. Lessee shall comply timely with any current and future laws or regulations, both state and federal, affecting title to the Property.

3.3 Title Examination and Curative Work.

3.3.1 Defective Title and Refund. Subject to Lessee's rights set forth in Paragraph 3.1, Lessee shall have one (1) year from the date hereof in which to conduct a title examination of the Property. If such examination reveals defects in the title to the Property as warranted, Lessee may notify Lessor within said one (1) year period of such defects and Lessor shall thereafter refund to Lessee all funds paid to Lessor hereunder.

3.3.2 Curing Title Defects. The defect in the title relating to the Argee/Green suit which filed a miner's lien upon the title of the Lessor is now in the process of being settled; that suit is defined as Action No. CV90-7577 in the Second Judicial District Court of the State of Nevada, in and for the County of Washoe. The Lessor shall not cure that title, as the Lessee has control thereof and is fully aware of that cloud. Notwithstanding Lessee's rights under Paragraph 3.1, and the lien in the action set forth herein, the Lessee shall be required to clear them. Notwithstanding this particular cloud, the Lessee may, but in no event shall be required to, take any and all actions necessary to cure title defects or other circumstances which violate any of the Lessor's warranties of title. Any such actions shall be in the Lessor's name and at the expense of Lessor. In the event that Lessee determines that any actions are needed to cure any defects in Lessor's title, then Lessee may deduct the reasonable cost of such curative work from the royalties to be paid to Lessor pursuant to this lease. Lessee, at its option, may pay and discharge any taxes, mortgages or other liens existing, levied or assessed on or against the Property, and shall be subrogated to the right of any holder or holders hereof, and may reimburse itself for any such expenditures out of the royalties to be paid to Lessor pursuant to this Lease or by enforcement of subrogated rights against Lessor in any court of competent jurisdiction. Lessor shall cooperate with Lessee in performing such title curative work.

3.4 Information and Data. Upon execution of this lease, Lessor shall deliver to Lessee all records, data and

information in its possession or reasonably available to him relating to title to the Property, and all maps, surveys, technical reports, drill logs, mine, mill and smelter records and other technical data pertaining to the Property in its possession or reasonably available to it. That the Lessee hereof does have certain agreements with the prior Lessee, Red Rock Mining (USA) Inc. and the Lessor shall use his best efforts to obtain that information; however, Lessor is not bound to.

3.5 Lessor Title. All rental and/or royalty payments are based upon the Lessor's warranty that Lessor owns a one hundred percent (100%) interest in the Property. If it is determined that Lessor holds less than one hundred percent (100%) interest in the Property, and if this lease is not terminated as provided herein, then all royalty payments and other benefits to which Lessor is entitled shall be reduced proportionally.

4. Royalties and Expenditures. Lessee shall pay Lessor the following royalties and make the following expenditures:

4.1 Advance Minimum Royalties. During the terms of this lease, Lessee shall pay to the Lessor the following advance minimum royalties: \$3,500.00 per month, on the first month anniversary and each month anniversary thereafter until Commercial Production.

Once Commercial Production has commenced on the Property, production royalties shall be paid to Lessor by Lessee in lieu of advance minimum royalties; however, if production royalties should not equal in any month the amount that would otherwise be payable to Lessor as advance minimum royalties pursuant to this Paragraph 4.1, or if production is suspended pursuant to Paragraph 6.2 below, then Lessee shall pay to Lessor an additional sum so that total payments to Lessor in such month equal the advance minimum royalty that would have been paid to Lessor if there were no production on the Property. Such additional sum shall be paid to Lessor at the time Lessee makes the final production royalty payment to Lessor for such month. "Commercial Production" shall be deemed to have commenced on the first day of the month following the first sixty (60) consecutive days in which mineral products have been produced from the Property at an average rate not less than sixty percent (60%) of the initial rated capacity of facilities used in production of mineral products from the Property.

4.2 Production Royalties.

4.2.1 Calculation of Royalties.

During the term of this lease or any extension thereof,

Lessee agrees to pay the Lessor a production royalty equal to the net smelter return percentages set forth below from the sale of the mineral products mined on the Property. Gold prices used in the following table shall mean the average price of gold in the United States dollar over the entire month for which a Production Royalty is payable, established by using the daily afternoon price of gold during such month fixed on the London bouillon market.

<u>Gold Price</u>	<u>Percentage of Net Smelter Returns</u>
\$000 to 500	3.5%
501 to 600	4.5%
601 to 700	5.5%
Any raise of price of gold above 500 at \$100 per oz. per percentile	1.0%

4.2.2 Definition. "Net Smelter Returns" (NSR) are defined as the gross proceeds received by Lessee from the sale of mineral products produced in Lessee's plant or mill servicing the Property, including ores, ore bullion, metals, minerals or mineral substances ("mineral products"), less (a) all costs to Lessee of handling, weighing, sampling, determining moisture content, insuring and packaging such material and transporting it from said plant or mill to the point of sale; (b) ad valorem taxes, severance taxes and such other taxes as are imposed, based, or calculated upon Lessee's production, but not income taxes, and (c) all smelting, refining and treatment charges and penalties charged by an independent smelter or other independent purchaser for such production.

Net Smelter Return:

- (i) Custom smelting costs, treatment charges and penalties, including but without being limited to, metal losses, penalties for impurities and charges for refining, selling and transportation from smelter to refinery and from refinery to market; provided, however, in the case of leaching operations, all processing and recovery costs incurred by Lessee beyond the point at which the metal being treated is in solution shall be considered as treatment charges (it being agreed and understood, however, that such processing and recovery costs shall not include the cost of mining, crushing, dump preparation, distribution of leach solutions or other mining and preparation costs up to the point at which the metal goes into solution);
- (ii) costs of transporting Leased Substances from the Leased Premises to a concentrator or other place of treatment or other

place of treatment;

(iii) costs of transporting Leased Substances from the concentrator to a smelter or other place of treatment; and

(iv) production taxes, severance taxes and sales, privilege and other taxes measured by production or the value of production.

Net returns for Leased Substances processed at a smelter owned, operated or controlled by Lessee or treated on a toll basis for Lessee shall be computed in the above manner, with deductions for all charges and items of cost equivalent to the deductions set forth above. With respect to any mill tailings or other residue remaining after processing of Leased Substances, it is hereby agreed that Owner shall have no responsibility for or interest in such tailings or residues, and Lessee is deemed to be the owner of such materials and shall be responsible for disposal thereof in any manner as it shall see fit.

4.3 Time of Payment; Report; Inspection of Records.

All production royalties shall be computed and paid, or notice of a credit against production royalties as provided herein shall be given, to Lessor on or before fifteen (15) days following the close of the calendar month during which Lessee shall have received payment for mineral products sold by Lessee. At the time of making each such payment, Lessee shall deliver to Lessor a statement showing the amount of such production royalties and the manner in which it was determined. All accounting records relating to the calculation of production royalties shall be available for an inspection by an authorized representative of Lessor for the purpose of confirming the accuracy of such statements. Any such inspection shall be for a reasonable length of time during regular business hours, at a mutually convenient time, upon reasonable notice by Lessor. Any complaint, notice to inspect, and objection which Lessor may wish to raise with respect to production royalties payable hereunder shall be made by Lessor to Lessee in writing within one hundred eighty (180) days after the end of the quarter in which such payment was paid to Lessor or in which credit was applied against production royalties. Any complaint, notice to inspect and objection not timely made by Lessor shall be deemed to have been absolutely waived by Lessor.

4.4 Credit for Minimum Royalty Payments.

The Minimum Royalty Payments shall be deductible from those first payments that are due from production. The credit shall be cumulative against those production royalties otherwise payable to the Lessor for any and all Advanced Minimum Royalty payments paid by Lessee to Lessor hereunder and not previously

recovered as credits against Production Royalties. The monthly royalty payments need be greater than the minimal monthly payments or the Lessee shall make up the difference.

4.5 Payments; Where Made. All payments hereunder shall be delivered to Lessor in the manner and at the addresses for notices stated in Paragraph 15. The date of placing such payment in the regular United States mail by Lessee addressed to such addresses shall be the date of such payment.

5. Option to Purchase; Escrow.

5.1 Option to Purchase. After the ninth (9th) year of the term of this lease, Lessee shall have the option to purchase the Property and all of the right, title and interest of Lessor therein for the sum of Three-Million Dollars (\$3,000,000), NOT including any royalties previously paid to Lessor by Lessee under Paragraph 4 of this lease, payable upon exercise of the option. All sums paid Lessor pursuant to Paragraph 4.1 above shall, in addition to being consideration for the mining lease granted herein, be consideration for the option to purchase granted herein.

If Lessee elects to exercise its option to purchase, it shall give notice to Lessor of such election, with a copy of such notice and a Lessee's check for the purchase price going to Escrow Agent for delivery to Lessor against delivery to Lessee of a Grant Deed vesting title to the Property in Lessee and conveying to Lessee all of the right, title and interest in and to the Property free and clear of all liens, encumbrances and other claims. Upon recordation of said deed, this lease shall terminate, and Lessee shall have no further obligations to Lessor whatsoever.

5.2 Escrow. The escrow shall be opened at that company that is agreed upon by mutual agreement between Lessor and Lessee.

5.3 Delivery of Deed and Instructions. Delivery of deed and instructions will be upon the election of the exercise of the option. All deeds and other documents shall be delivered to the escrow agent.

6. Conduct of Operations. Lessee shall exercise its rights under this lease in accordance with the following terms:

6.1 Operations. Lessee shall conduct all operations on the Property in accordance with good mining practices. Lessee may use or employ all such methods of exploration, development and mining as it may desire or find most profitable and economical and may, when it deems it necessary or desirable, discontinue

operations entirely so long as it shall meet its obligations hereunder to make the payments provided for in Paragraph 4.1 when due; provided, however, that Lessee shall not be required to mine, preserve or protect in its mining operations any ores, minerals or mineral substances which under good mining practices cannot be mined or shipped at a profit to the Lessee at the time encountered. Lessee's rights under this Paragraph 6.1 to discontinue operations on a temporary basis is in addition to its right to suspend operations under Paragraph 14.

6.2 Ore Processing. The Lessee shall determine whether the ore will be beneficiated, processed or milled, or sold in the raw state, with the entire operation of production under its discretion, the caveat that the Lessee shall use good professional mining practices in its operation; further, that the Lessee shall file and receive with the appropriate agencies of the state of Nevada those plans to be fully approved by those agencies.

6.3 Ore Samples. The mineral content of all ore mined and removed from the Property and the quantities of constituents recovered by Lessee shall be determined by Lessee or, with respect to such ore which is sold, by the mill or smelter to which the ore is sold, in accordance with standard sampling and analysis procedures.

6.4 Commingling. Lessee shall have the right of commingling all ores, minerals or mineral substances which are mined by Lessee under this lease with ores, minerals or mineral substances from other properties owned or controlled by Lessee, provided that the commingling is accomplished only after the volume or weight of all such ores, minerals or mineral substances, as the case may be, has been fairly and accurately measured and all such ores, minerals or mineral substances have been sampled. An accurate record of the weight or volume, along with the results of the sampling of all such ores, minerals or mineral substances which are to be commingled, shall be kept and made available to Lessor at all reasonable times.

6.5 Insurance; Compliance with Laws. Lessee agrees to carry such insurance, covering all persons working in or on the Property for Lessee, and will fully comply with the requirements of the Statutes of the State of Nevada pertaining to Workmen's Compensation and occupational disease and disabilities as are now in force or as may be hereafter amended or enacted. In addition, Lessee agrees to carry liability insurance with respect to its operations in reasonable amounts in accordance with acceptable industry practices. That the Lessor shall be named a party insured upon the insurance policy of a minimum amount of One Million Dollars (\$1,000,000).

Further, Lessee agrees to do and perform all of its operations in material compliance with all valid and applicable laws, rules and regulations of the United States, the State of Nevada and any department or political subdivision thereof having jurisdiction in the matter, including without limitation, such laws, rules and regulations pertaining to social security, unemployment compensation, wages and hours, and conditions of labor, and Lessee shall indemnify and hold Lessor harmless for payment of any damages occasioned by Lessee's failure to comply with said laws.

6.6 Inspections. Lessor and its authorized agents who are experienced in mining operations, at Lessor's sole risk and expense, shall have the right, exercisable during regular business hours, at a mutually convenient time, and in a reasonable manner conforming to Lessee's safety rules and regulations and so as not to interfere with Lessee's operations, to go on the Property for the purpose of confirming that Lessee is conducting its operations in the manner required by this lease. Lessor shall hold Lessee harmless from all claims for damages arising out of any death, personal injury or property damage sustained by Lessor or Lessee, and their respective agents or employees, while in or upon the Property pursuant to this Paragraph 6.6 or otherwise, which death, injury or damage does not result from Lessee's negligence and is occasioned by Lessor's exercise of its inspection rights.

6.7 Liens and Encumbrances. Lessee shall keep the title to the Property free and clear of liens and encumbrances resulting from its operations hereunder, provided that Lessee may refuse to pay any claims asserted against it which it disputes in good faith. At its sole cost and expense, Lessee shall promptly contest any suit commenced to enforce such a claim, and, if the suit is decided against Lessee, shall promptly pay the judgment and shall post any bond and take all other action necessary to prevent any sale of the Property, or any part thereof.

6.7.1 In the event the Lessee begins production, enters into any third party contracts to perform any work upon the Property, as well as employees for the Lessee, the Lessee shall file a notice of non-responsibility for and on behalf of the Lessor. Any failure to do so shall be a default under the terms hereof, and the Lessee shall deliver up the possession of the Property herein leased within thirty (30) days of the notice of the breach of this provision.

6.8 Reclamation.

6.8.1 By Lessee. Lessee shall reclaim the Property in compliance with all applicable statutes and regulations

and other provisions of this lease with regard to only Lessee's business activities on the Property. Such reclamation may be complied with after termination of this lease, and Lessee shall have access to the Property after termination of this lease in order to satisfy such obligations.

6.8.2 Indemnification of Lessee. There shall be no indemnification of the Lessee of (1) the condition or use of the Property at any time prior to the commencement of this leasehold, (2) any damages that may arise to or for contamination of the Property, (3) the correction, repair or decontamination of the Property, whether upon the decommissioning or abandonment of facilities or otherwise, or anything that may arise under any present or future federal, state or local statutes, ordinances, rules or regulations with respect to environmental conditions or are in the nature of claims by third parties for personal property injuries; the Lessee takes the Property in an as-is condition in that the Lessee is fully familiar with the Property in question.

6.9 Residue in Tailings. All residue or tailings remaining after the initial processing or milling of the crude ores mined from the Property of the Lessor that on any values taken therefrom the royalties shall be paid by the Lessee to the Lessor pursuant to the terms of this lease. In the event after this lease is terminated, other than by the exercise of the option to purchase, and one year has expired, then all such tailings shall be the sole and exclusive Property of the Lessor, free and clear from any rights, claims or obligations of Lessee.

7. Indemnity.

Lessee agrees to Indemnify and hold Lessor harmless from and against any loss, liability, expense or damage that it may occur through third persons or corporations for injury to or death of persons or damage to property which is a result of Lessee's negligence or the negligence of Lessee's employees or agents in conducting any operations of the Property.

8. Title Disputes. Notwithstanding anything herein to the contrary, if a title dispute arises or develops with respect to all or any portion of the Property, the following agreements and conditions shall be operative and covered:

8.1 Relinquishment of Disputed Areas. Lessee shall have the right, at its sole option, to relinquish to Lessor those areas that may be disputed with relation to the title of the Property. In the event of this relinquishment, it shall not affect the minimum advance royalties set forth in Paragraph 4.1.

8.2 Reimbursement; Retention of Payments. In the event that Lessee has already mined ore from the disputed areas and has paid to Lessor any payments under Paragraph 4.2, but is later required by court order to pay damages or otherwise reimburse third party claimants for or with relation to such ore, Lessor shall be obligated to reimburse Lessee for all such damages and reimbursements which Lessee is required to pay such third party claimants for ore mined from the disputed area.

In the event that Lessor shall fail to reimburse Lessee as hereinabove provided in this Paragraph 8.2 within thirty (30) days following delivery to Lessor of written notice that Lessee has been required by court order to make any such payment, Lessee shall have the right, exercisable in its sole discretion, to retain all payments to be paid to Lessor as provided in Paragraph 4 which thereafter become due hereunder, until such time as it has recovered from said retained payments an amount equal to the amount for which Lessor is obligated to reimburse Lessee as aforesaid, together with interest on the unpaid balance thereof at the rate of ten percent (10%) per annum compounded quarterly. The provisions of the immediately foregoing sentence shall not be deemed to limit or restrict in any manner the rights of Lessee to bring legal action against Lessor to recover the amounts for which Lessor is obligated to reimburse Lessee as provided in this Paragraph 8.2, it being understood that the rights of Lessee pursuant to this Paragraph 8.2 shall be cumulative and not alternative or restrictive.

Retention by Lessee of the payments provided for in paragraph 4 pursuant to this Paragraph 8.2 shall not, under any circumstances, be deemed to constitute a default by Lessee hereunder, and the amount so retained or applied by Lessee shall, for all purposes of determining compliance by Lessee with the provisions of this lease, be deemed to have been paid to Lessor or expended upon the Property at the time said payments would, except for such retention, have been payable to Lessor.

8.3 Retention of Production Royalties. Additionally, upon notice of any title dispute concerning the Property, Lessee shall have the right, if it so elects, to retain all payments under Paragraph 4.2 which become due and payable hereunder with relation to any ore removed from the disputed portions or areas of the Property, until such time as Lessee has received from Lessor written evidence satisfactory to Lessee that said title dispute has been resolved and that Lessor is legally entitled to receive such payments attributable to such ore. Retention of the payments pursuant to this Paragraph 8.3 shall not, under any circumstances, be deemed to constitute a default by Lessee hereunder, and Lessee shall not be obligated to pay any interest with relation to amounts

so retained by Lessee.

8.4 Subsequent Title Disputes; Miscellaneous. The foregoing procedure shall govern as to each title dispute and the disposition of one title dispute shall not affect subsequent title disputes or adjustments. Lessee shall not be required to make any payment under Paragraph 4.2 to Lessor concerning any ore mined from disputed areas which are ultimately determined to be properties owned by third parties.

9. Default.

9.1 Termination by Lessor. In the event of a default hereunder on the part of Lessee, Lessor shall give to Lessee written notice specifying in detail the particular default or defaults asserted. Lessee shall have Ninety (90) days after the receipt of said notice within which either to cure such specified defaults or undertake and diligently prosecute such actions as are reasonably deemed necessary to cure the same including, but not limited to, the right to make up any deficiencies in Lessee's advance minimum royalty payments or by paying such sums to Lessor. In the event of such a cure by Lessee, this lease shall continue in full force and effect as though no default had occurred. In the event such curative action is not so completed or diligent efforts to cure such defaults are not undertaken within such Ninety (90) day period, Lessor may elect to terminate this lease by giving notice to Lessee as provided in Paragraph 15. The sole liability of Lessee to Lessor for any default under the terms of this lease shall be such termination and the retention by Lessor of any payments previously made to Lessor hereunder, and Lessee shall have no further obligations hereunder or liability to Lessor by way of damages of any kind or otherwise, except with respect to: (a) payments to Lessor pursuant to Paragraph 4 accrued prior to termination; and (b) the obligations as provided in Paragraphs 6.8, 11, 12, and 13. THIS TERMINATION IS CUMULATIVE WITH PARAGRAPH 6.7.

9.2 Dispute as to Default. If there is a bona fide dispute as to whether an event of default exists, or whether a default has been cured, then there shall be no termination unless, after an adverse final determination by a court of competent jurisdiction as to such default, Lessee fails to cure such default within the same time period as specified in paragraph 9.1.

10. Termination. Lessee shall have the right to terminate, surrender and relinquish this lease, or all or any portion thereof as it may relate to all or any portion of the Property, at any time by giving written notice to Lessor of such election as provided in Paragraph 15. Such termination shall be effective when such notice is effective as provided in Paragraph 15. Upon termination by

Lessee under this Paragraph 10 as to all of the Property, Lessee shall have no further liability or obligations under this Lease with respect to the Property, or to any portion thereof, to which such termination applies, except with respect to: (a) payments to Lessor pursuant to Paragraph 4, accrued prior to the effective date of such notice; and (b) the obligations as provided in Paragraphs 6.8, excluding Paragraph 6.8.1, 11, 12, and 13. In the event Lessee terminates this lease as to all of the Property pursuant to this Paragraph 10, Lessor shall retain any payments previously made to Lessor hereunder as full consideration for the rights granted herein and as liquidated damages for reasonable impairments of the surface and improvements from activities authorized by this lease. This shall not affect the duties of Lessee under Paragraph 6.8.1.

11. Return of Data. Promptly upon the termination of this lease as to all of the Property, Lessee shall return to Lessor all title, metallurgical, geological, geophysical, milling and other data furnished to Lessee by Lessor. At such time, Lessee shall make available to Lessor for examination and copying all survey maps, drill hole logs, sample locations, and assays (but no interpretive data) developed by Lessee with respect to the Property during the term of this lease and not previously delivered to Lessor. Lessor shall at all times during the term of this lease and after termination indemnify and hold Lessee harmless against any and all claims by third parties to whom Lessor has shown any data produced by Lessee.

12. Release. Upon termination of this lease as to all or any portion of the Property, Lessee will, at the written request of Lessor, provide Lessor with a written release and relinquishment, in recordable form, of its rights hereunder with respect to the portion of the Property to which such termination applies.

13. Surrender of Possession and Removal of Equipment. Upon termination of this lease as to all or any portion of the Property, Lessee shall surrender possession of the Property, or that portion thereof to which such termination applies, subject to the condition that Lessee shall have the right at any time within One (1) year after the surrender or termination of this lease as to such Property to remove all of Lessee's machinery, supplies, fixtures, buildings and other structures placed on the Property by Lessee. Title to such property not removed within One (1) year shall pass to Lessor, free and clear of any rights, claims or obligations of Lessee.

14. Force Majeure.

14.1 Effect of Occurrence. In the event Lessee is rendered unable, wholly or in part, by force majeure applying to

it, to perform its obligations under this lease (other than its obligations to make payments of monetary amounts due hereunder), it is agreed that such obligations of Lessee, so far as they are affected by such force majeure, shall be suspended during the continuance of any liability so caused, but not for a longer period; that the various periods and terms provided for herein shall be extended for a period equivalent to such period for force majeure; and such cause shall, so far as possible, be remedied with all reasonable dispatch. Lessee will promptly notify Lessor of the commencement and termination of any event of force majeure.

14.2 Definition. The term "force majeure," as used herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, accidents, uncontrollable delays in transportation, inability to obtain necessary materials in the open market, lack of a reasonable market for such of the materials and mineral products as are developed by Lessee on the Property, application of any state or federal laws, regulations or requirements (expressly including inability to obtain necessary governmental approvals, licenses and permits on terms reasonably acceptable to Lessee), or other matters beyond the reasonable control of Lessee, whether similar to matters herein specifically enumerated or not, which delay Lessee's exercise of its rights under this lease; provided, however, that performance shall be resumed within a reasonable period of time after such cause has been removed; and provided further that Lessee shall not be required against its will to adjust any labor dispute or to question the validity of or to refrain from judicially testing the validity of any state or federal order, regulation or law.

15. Notices.

15.1 Method of Delivery. Any notice or delivery of information herein contemplated to be given to Lessee shall be given in writing by personal delivery, or by certified mail, return receipt requested, and addressed to:

Broadway, Inc.
1000 Shore Line Highway
Suite 175A
Mill Valley, CA 94941

or to such other address or addresses as Lessee may from time to time designate in writing pursuant to this Paragraph 15. Any notice or delivery of information herein contemplated to be given to Lessor, with the exception of reports required under Paragraph 4, shall be given in writing by personal delivery or by certified mail, return receipt requested, and address to:

Davis-Goldfield Mining Corp.
c/o Ralph Davis
1170 Ptarmigan Road
Vail, CO 91657

or to such other address or addresses as Lessor may from time to time designate in writing pursuant to this Paragraph 15.

Payments of moneys to Lessor pursuant to Paragraph 4 shall be by personal delivery, or by mail and addressed to:

or to such other address or addresses as Lessor may from time to time designate in writing pursuant to this Paragraph 15.

15.2 Effectiveness. Except as otherwise provided herein, service of notice of delivery of information shall be effective and complete upon personal delivery, or upon the third day after the deposit thereof in the United States mail, certified return receipt requested, and with postage prepaid and addressed as aforesaid.

16. Tax Payment. During the term of this lease, Lessee shall pay when due all general ad valorem taxes and assessments assessed against the Property, and all other lawful public taxes and assessments, whether general, specific or otherwise, assessed and levied upon or against the Property. Lessee, at its sole cost and expense, shall have the right in good faith to contest any of the above taxes and assessments, but shall not permit or suffer the Property or any part thereof, or any minerals mined thereon, to be sold at any time for such taxes or assessments. Lessee shall not be liable for any special assessment for local improvements or benefits which are not attributable to or benefit Lessee's operations.

Lessor shall cause to be sent to Lessee all tax or assessment statements, bills or notices issued by any governmental authority concerning the Property promptly upon receipt of the same and prior to a payment due date.

17. Further Documents. At Lessee's request, Lessor shall execute and deliver to Lessee a memorandum form of this lease suitable for recording purposes and any further instruments, agreements, documents, or other papers reasonably required by Lessee to effect the purposes of this lease.

18. Entire Agreement. This writing sets forth the entire agreement and understanding between the parties, there being no

oral agreements, promises or representations which are or may be incidental or supplementary to the provisions hereof. No change, addition to, or waiver of any of the provisions of this lease shall be binding upon the parties hereto unless in writing and signed by an authorized representative of the party to be found. No waiver by any party or a breach of any of the provisions of this lease shall be construed as a breach of any of the provisions of this lease and shall not be construed as a waiver of any subsequent breach, whether of the same or of a different character.

19. Inurement. Subject to Paragraph 21, this lease is, and shall be, binding upon and inure to the benefit of the heirs, representatives, successors and assigns of the parties hereto.

20. Governing Law. This lease shall be constructed and enforced in accordance with the laws of the State of Nevada, except insofar as it may become necessary to comply with federal statutes, rules or regulations.

21. Assignment.

21.1 By Lessee. Lessee may not assign this lease without giving Lessor written notice thereof and obtaining therefrom Lessor's consent in writing; the Lessee shall obtain and present to Lessor prior to any assignment all the financial data of the assignee as may be reasonably necessary for Lessor to determine the proposed assignee's ability to perform.

22. Headings. The headings used in this lease are inserted for convenience only and shall not be considered a part of this lease or used in its interpretation.

23. Recording. This lease shall be recorded and the Lessees shall record therewith a notice of non-responsibility and shall do so upon renewing this lease pursuant to the terms of Paragraph 6.7.

24. Authority. Each signatory to the lease warrants that he is authorized to execute this lease on behalf of the person or entity for which he is signing.

25. Litigation Costs. If suit is instituted to enforce any of the terms of this lease, the prevailing party shall be entitled to an award of reasonable attorney fees and all costs of litigation in addition to any other relief awarded to the prevailing party.

26. Confidentiality. Lessor shall not, without the prior written consent and approval of Lessee, knowingly disclose to any third party any information or data received from Lessee which is

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

By: _____
Title: _____
Tax I.D. Number _____

By: _____
Title: _____
Tax I.D. Number _____

STATE OF _____)
COUNTY OF _____) SS.

On this _____ day of _____, 199____, personally appeared before me, a Notary Public, Ralph Davis, the President of

DAVIS-GOLDFIELD MINING CORP. who acknowledged that he executed the foregoing instrument for and on behalf of the corporation and for the uses and purposes stated therein.

NOTARY PUBLIC

STATE OF _____)
COUNTY OF _____) : SS.

On the ____ day of _____, 199__, personally appeared before me, a Notary Public _____, the _____ of Broadway, Inc., who acknowledged that he executed the foregoing instrument for and on behalf of the said corporation for the uses and purposes stated therein.

NOTARY PUBLIC

EXHIBIT A

MINING PROPERTY SCHEDULE

The following patented mining claims and unpatented millsite claims located in Sections 23, 25, 26, 35 and 36 of Township 2 South, Range 42 East, and Sections 1 and 2 of Township 3 South, Range 42 East, Esmeralda County, Nevada.

<u>Name of Claim</u>	<u>Mineral Survey No.</u>	<u>Date of Patent</u>	<u>Esmeralda Co. Recording</u>	
			<u>Book</u>	<u>Page</u>
Jumbo	2195	01/24/06	3	122
Lucky Boy	2197	01/24/06	3	124
Grizzly Bear	2198	01/24/06	3	126
Clarmont	2196	01/24/06	3	123
Slim Jim Fraction	2283	10/06/06	4	47
Mohawk No. 2	2283	10/06/06	4	47
May Queen	2534A	07/20/07	5	321
Combination Fraction	2308	06/22/07	5	418
Rustler Fraction	2375	09/20/07	6	514
Combination No. 1 (all that portion of the south half above the 380 ft. level)	2375	09/20/07	6	514
Combination No. 2 (all that portion of the north half above the 380 ft. level)	2375	09/20/07	6	514
Red Top	2217	03/27/07	7	242
Little Red Top	2217	03/27/07	7	242
Laguna	2564	12/05/07	7	207
Last Chance	2564	12/05/07	7	207
Miss Jessie	2564	12/05/07	7	207
OK Fraction (1/2 of 3/4 interest in that portion lying southerly of the southerly end line of the Combination No. 2 Patented Lode Claim extended easterly in its own direction)	2566	10/25/07	7	138
Booth	2431	02/27/08	7	476
Lookout	2952	02/14/10	10	618
Reno	2952	02/14/10	10	618
Columbus	2952	02/14/10	10	618
Desert Rose	3202A	05/26/10	10	522
Yankee Doodle	3202A	05/26/10	10	522
Gold Wedge	3664	01/05/11	17	157
Sidewa	3142	10/13/10	17	69
Curly George	2225	06/08/07	17	625
Boom	2225	06/08/07	17	626
Jumbo Fraction	4201	03/18/15	22	454
Bulldog Fraction	4200	03/18/15	22	453
Last Dollar	2598	07/28/11	22	206
Gold Fleece	2988	1907	3-V	173

Exhibit A, Page 2.

NEW PROPERTY

<u>Claim</u>	<u>Mineral Survey No.</u>	<u>Patent No.</u>
Florence	2357	45014
Cornishman	2750	46216

All located in Section 1, Township 3 South, Range 42 East of MDB&M.

STOCK REDEMPTION AGREEMENT

COMES NOW, DAVIS-GOLDFIELD MINING CORP., a Nevada corporation, First Party, the corporation to redeem its stock, and RED ROCK MINING (USA) INC., GIANT PACIFIC PETROLEUM, INC., a corporation, and 907788 ONTARIO, LIMITED., a corporation, all predecessors-in-interest of Red Rock Mining (USA) Inc., Second Party:

W I T N E S S E T H :

Whereas, that upon the books and records of Davis-Goldfield Mining Corp., a Nevada corporation, there are 84,694 shares originally issued to Pacific Gold & Uranium, a Nevada corporation; these shares were transferred upon the assignment of the Lease Agreement of Davis-Goldfield Mining Corp. to Red Rock Mining, an Australian corporation; and

Whereas, that Red Rock Mining, the Australian corporation, transferred the shares or interests therein to 907788 Ontario, Limited, or Giant Pacific Petroleum, Inc., and thence to Red Rock Mining (USA) Inc.; and

Whereas, that the interested party in and to all three corporations is Bruce Weaver, who has represented unto Davis-Goldfield Mining Corp., First Party, that he is the authorized agent for and on behalf of all three corporations to enter into this agreement on their behalf for redemption of the shares; and

Whereas, that Woodhill Consultants Ltd., a Nevada corporation, is a joint venturer on certain properties in the Goldfield mining district in Esmeralda County, Nevada, between the Second Parties and others to finance and operate certain mining properties in the Goldfield, Nevada area; and

Whereas, that Davis-Goldfield Mining Corp., as well as Ralph Davis personally, own certain properties in the area for lease or sale;

THEREFORE, IT IS AGREED:

1. In consideration of the First Party completing a lease or sale with Woodhill Consultants Ltd., Red Rock Mining (USA) Inc. and its predecessors-in-interest, i.e., 907788 Ontario Limited and Giant Pacific Petroleum, Inc., through their proper officers, will release and assign unto Davis-Goldfield Mining Corp., a Nevada corporation, First Party, 84,694 shares or their interests therein, and further shall indemnify Davis-Goldfield Mining Corp. from any claim arising in their ownership or interest in and to said stock of Davis-Goldfield Mining Corp. so it receives clear title thereto.

2. That Red Rock Mining (USA) Inc. does hereby warrant that it is the proper party as owner of the interests heretofore to be transferred to Davis-Goldfield Mining Corp.

3. That upon the execution of the Option to Lease and Option to Sell by Ralph Davis and Davis-Goldfield Mining Corp., with Woodhill Consultants Ltd., that Red Rock Mining (USA) Inc. shall release, disclaim, cancel and renounce any and all claims that it may have or have had in Davis-Goldfield Mining Corp. and any stock or percentage interest held therein.

4. The stock certificates have been lost and have not been transferred on the books and records of Davis-Goldfield Mining Corp. Thus, the Affidavit of Lost Certificates executed by Bruce Weaver of the interested parties, attached hereto and incorporated herewith as Exhibit A, together with a Resolution authorizing the execution of that Affidavit and authorizing the release of any interests that all three corporations may have in and to Davis-Goldfield Mining Corp., shall become effective upon the execution of the Option to Lease and the Option to Sell said property.

DAVIS-GOLDFIELD MINING CORP.

By Ralph Davis
Ralph Davis, President

Ralph Davis
Ralph Davis, Individually

RED ROCK MINING (USA) INC.

GIANT PACIFIC PETROLEUM
INC.

By _____

By _____

90788 ONTARIO LIMITED

By _____

AGREED:

WOODHILL CONSULTANTS, LTD.

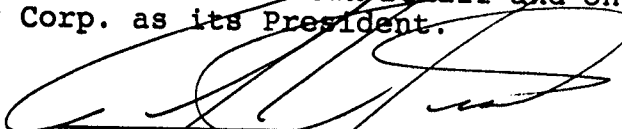
By _____

STATE OF Nevada)
COUNTY OF Washoe)

ss:

On this 26th day of December, 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared RALPH DAVIS, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on his own behalf and on behalf of Davis-Goldfield Mining Corp. as its President.




NOTARY PUBLIC
My commission expires: 7-7-95

STATE OF _____)
COUNTY OF _____)

ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Red Rock Mining (USA) Inc., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____)

ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Giant Pacific Petroleum, Inc., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____) ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of 907788 Ontario, Limited, to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

STATE OF _____)
COUNTY OF _____) ss:

On this ____ day of _____, 199__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, a _____ of Giant Woodhill Consultants, Ltd., to me known to be the _____ of and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed on behalf of such corporation.

NOTARY PUBLIC
My commission expires: _____

Case No. CV90-7577

Dept. No. 4

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
IN AND FOR THE COUNTY OF WASHOE

GREEN INTERNATIONAL, INC.
formerly known as THE ARGEE
CORPORATION,

Plaintiff,

vs.

RED ROCK MINING (U.S.A.),
INC., DAVIS-GOLDFIELD MINING
CORPORATION, et al.,

Defendants.

STIPULATION FOR DISMISSAL

The above-entitled action having been fully settled,
compromised and satisfied,

IT IS HEREBY STIPULATED AND AGREED by and between plaintiff,
Green International, Inc. formerly known as The Argee Corporation,
and defendants, Davis-Goldfield Mining Corporation and Ralph Davis,
the parties through their respective counsel, that said action
shall be dismissed with prejudice in its entirety, and each party

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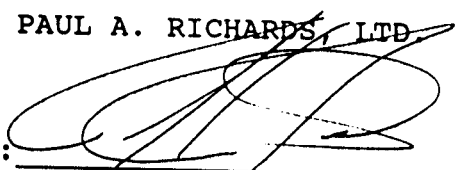
1 to bear its own costs and attorney's fees.

2 DATED this _____ day of _____, 1991.

3 VARGAS & BARTLETT

PAUL A. RICHARDS, LTD.

4
5 By: _____
6 C. THOMAS BURTON, JR., ESQ.
7 201 West Liberty Street
8 P.O. Box 281
9 Reno, NV 890504
10 Attorneys for Plaintiff

By: 
PAUL A. RICHARDS, ESQ.
248 S. Sierra Street
Suite 1
Reno, NV 89505
Attorney for Defendants,
DAVIS-GOLDFIELD MINING
CORPORATION & RALPH DAVIS

Mac, for your information *Mac*

MINUTES OF SPECIAL MEETING OF
DAVIS-GOLDFIELD MINING CORP.

A telephonic meeting was held of the Davis-Goldfield Mining Corp. on the ____ day of December, 1991. Present at the meeting were Ralph Davis, President, and _____ and _____.

The purpose of the meeting was for the authorization of the Exploration License, Option to Lease and Option to Purchase of the mining property of this corporation to Woodhill Consultants, Ltd., or nominee, pursuant to the terms of the Option Agreement and Lease Agreement attached hereto and marked Exhibit A.

Secondly, was the authorization of the proper officers to redeem stock of this corporation that had been transferred from this corporation originally to Pacific Gold and Uranium, a number of 84,694 shares; and thirdly, to authorize fees and other matters with counsel, Paul A. Richards, Ltd., of Reno, Nevada, and further to issue additional stock after redemption for two mining claims owned by Ralph Davis.

Upon Motion duly made, seconded and unanimously carried, the President was authorized to redeem the stock of this corporation and waiving any monies due from Red Rock Mining (USA), Inc., if necessary to do so, to obtain the 84,694 shares.

Further, the President was authorized to issue 28,231 shares to Paul A. Richards to obtain these particular shares.

Upon Motion made, seconded and unanimously carried, the President was authorized to enter into a mining lease with Woodhill Consultants, Ltd. for a period of 50 years or more, at his discretion, or in the alternative to sell the same within sixty (60) days from the 1st of March, 1992 for \$850,000.00, for an additional option for thirty (30) days after the expiration of the first option of ninety (90) days for the sum of \$1,150,000.00; that this offer shall be accepted prior to the 30th day of June, 1992.

Upon Motion duly made, seconded and unanimously carried, the President was authorized to pay unto Paul A. Richards, Ltd. the sum of 28,231 shares upon receipt thereof under the redemption agreement.

Upon Motion duly made, seconded and unanimously carried with relation to the sale price of the property within the first ninety (90) days at \$750,000.00 shall be paid unto the corporation; that Paul A. Richards or his nominees shall receive the other \$100,000.00 as finder's fees plus other costs attendant to the sale thereof.

That the mining lease attached hereto, marked Exhibit B and incorporated herein is duly approved, and

the President is authorized to sign the same upon execution of the option to lease by the optionee.

There being no further business to come before the meeting, the meeting was adjourned.

Dated this ____ day of December, 1991.

Ralph Davis, President

CERTIFICATION OF RESOLUTION

BY SHAREHOLDERS

COMES NOW the following shareholders of record of Davis-Goldfield Mining Corp., a Nevada corporation, and do hereby certify their approval of the corporate resolution for the leasing or sale of the corporate mining property in Esmeralda County, Nevada, to Woodhill Consultants, Ltd., pursuant to the terms of the Lease and Agreement heretofore drafted by counsel of this corporation.

RESOLVED: That the proper officers of this corporation by and through the President may redeem 84,694 shares of stock of this corporation heretofore issued to Pacific Gold & Uranium, ultimately transferred to Red Rock (USA), Inc., a Nevada corporation, pursuant to the officers and directors of that corporation, together with Giant Pacific Petroleum, Inc. and 907788 Ontario, Ltd., together with Woodhill Consultants, Ltd., a Nevada corporation, with whom this corporation is negotiating for the lease or sale of its mining property in Esmeralda County, Nevada.

IT IS FURTHER RESOLVED that the President be authorized to enter into a mining lease with Woodhill Consultants, Ltd., a Nevada corporation, with a five-year term, with options to renew for every 10 years, with an advance royalty in the sum of \$3,500.00 per month.

IT IS FURTHER RESOLVED that the President be authorized to enter into an Option to Purchase by Woodhill Consultants, Ltd. to be exercised within 60 days from the first day of January, 1992, for the sum of \$850,000.00 in cash, authorizing counsel for the corporation, Paul A. Richards, Ltd., of Reno, Nevada, to draft

the documents therefor, and that all documents be placed with Reno Escrow Company at 248 S. Sierra St., Reno, NV 89501, to transfer good title to Woodhill Consultants, Ltd., including those separate claims owned by Ralph Davis which shall be transferred to this corporation and be a part of that package.

IT IS FURTHER RESOLVED that upon the termination of the option for \$850,000.00, 60 days after January 1, 1992, that an additional option be granted for the sum of \$1,150,000.00, to be closed within 151 days from January 1, 1992.

IT IS FURTHER RESOLVED that this resolution be duly approved by the shareholders of this corporation, and that it is represented to the Board of Directors that more than 51% have approved this resolution and shall execute a certification of approval therefor.

Dated: January __, 1992.

State of _____)
County of _____)

7,969 shares = 3.04%

I, _____, am a shareholder of Davis-Goldfield Mining Corp., and am authorized to make this verification for and on its behalf. I have read the foregoing Certification of Resolution by Shareholders and know the contents thereof. I am informed and believe, and on that ground state that the matters set forth therein are true.

Shareholder

Subscribed and Sworn to before me
this ____ day of January, 1992.

Notary Public

✓
1170 E. Puumigan Road
Vail, Colorado
81657

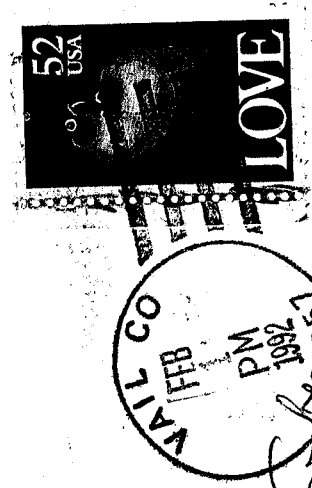
Feb 8th
11:25 AM
Sergeant

Do:

Radph see Racodley
Bridger

Mr. J. MacLaren Foster
2275 Mueller Drive
Reno, W. 89507

PAID A Rickard, Atty
248 S. Sierra 323 1317
Reno, Nevada
Suite 1
Richard Bldg.



DG Letter

Dear Stockholder,

The enclosed certification should be executed by you before a Notary Public and returned to me as soon as possible.

In brief, we hope to sell the Goldfield property and distribute the proceeds to the shareholders. Your share of ownership is shown on page 2 under the space for your signature.

The dates should be changed, January to February where applicable.

If Woodhill Consultants, Ltd. do not purchase the property, we will enter into a 5 year mining lease with advance royalty payments of \$3,500.00 per month. This is a better lease than our previous lease with Red Rock (USA) Inc.

Sincerely,

Ralph E. Davis Jr.
1170 Ptarmigan Road
Vail, Co. 81657

Dear Mac,

The enclosed "Minutes of Special Meeting of Davis-Goldfield Mining Corp." will help you understand better what may be taking place. Personally, I hope we sell it. I worry about dealing with more stock promoters and people who are not capable of running a rather complicated mine operation.

I'll visit with you on the phone to let you ask any questions you have.

If we sell, it could be best for all.

If we lease, the minimum royalty puts the pressure on them and at least I will not have to fight for payment. We've spent more than 10,000⁰⁰ this past year. I don't relish more of that nonsense.

Our best to Sue.

Reyn