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THIS AGREEMENT, made and entered into this 1st day of June, A.D. 1916, by and between J. R. Hibbs, Dave M. Trepp & A. J. Heinecke

_____, first parties, THE TONOPAH MINING COMPANY OF NEVADA, a corporation, second party, and THE TONOPAH BANKING CORPORATION, third party, witnesseth;

That the first parties are the owners of the following unpatented mining claims, containing an area of about 82.66 acres, as follows, to-wit:-

Lyle, Tajo, Gibbs and Southern also

deer springs, Pocatowas springs & other springs in area with the property

said claims being located at ^{near} Palmetto Mountain, unorganized Mining District, Esmeralda County, State of Nevada;

And, whereas, the first parties are desirous of realizing upon the said above mentioned property, and are willing to give an option unto the said second party and its assigns to enable it to examine and develop the same and measure and test the values of the ore in said claims;

And, whereas, the said second party is willing to make an examination with the view of acquiring said property as hereinafter provided, and is willing to send its engineers and representatives for the purpose of making said examination and tests of ores in said property;

Now, therefore, in consideration of the premises, and the mutual promises herein contained, and the sum of One (\$1.00) Dollar to each of the parties hereto in hand paid by the other, the receipt whereof is hereby severally acknowledged, the parties hereto do agree as follows:

(1) The first parties hereby agree to give and grant, and do hereby give and grant, unto the second party, its suc-

cessors and assigns, for the period of one year from the date hereof, an option to purchase the said above mentioned property, during which time the said second party shall have the full and unrestricted right and privilege to go upon the said property for the purpose of making examination and tests of said mines and prosecuting its plans of development in accordance with the methods employed by mining engineers of the United States of America, and to extract the ores and minerals therefrom, and to mill and reduce the same to the extent that may be necessary to determine the tonnage of ore-deposits in said mining claims and the metallic value thereof; the net profits from said ores so extracted and treated during the period of time preceding the exercise of the option herein given, shall be turned over to the said first parties and shall be credited against the amount hereinafter provided to be paid unto the first parties in case the said second party shall elect to purchase said property;

(2) If said second party shall approve said properties upon examination and shall elect to exercise this option by purchasing the said properties, THE TONOPAH BANKING CORPORATION, Trustee, as hereinafter provided, shall deliver unto the said second party, its successors and assigns, a duly executed deed of said mining claims, for and in consideration of the sum of Sixty Thousand (\$60,000.) Dollars, to be paid as follows, to-wit:- Ten Thousand (\$10,000.) Dollars thereof to be paid at the time of the delivery of said deed unto the said second party, its successors or assigns, and the balance of said purchase price shall be paid as follows: i.e., Ten Thousand (\$10,000.) Dollars shall be paid at the end of each succeeding three months after the date of said deed, until such deferred payments, together with the Ten Thousand (\$10,000.) Dollars paid at the time of the execution and delivery of said deed, shall aggregate the sum of Sixty Thousand (\$60,000.) Dollars, which said deferred payments to the amount of Fifty Thousand (\$50,000.) Dollars shall

be secured by a mortgage on said property in favor of said first parties, which said mortgage shall constitute a first lien thereon, and when said deferred payments shall amount to the sum of Fifty Thousand (\$50,000.) Dollars the said first parties shall satisfy or cause to be satisfied said mortgage on the record thereof;

(3) The first parties further agree to furnish unto the second party as soon as possible after request therefor a true and correct abstract of title to said mining claims, and if said title shall be found to be imperfect in any particular the said first parties hereby covenant and agree to do all in their power to perfect the same;

(4) Said first parties shall during the period that this option has to run, and so long thereafter as any instalment of said mortgage remains unpaid, have access to all workings at any time;

(5) The first parties agree that simultaneously with the execution and delivery of this contract they will execute a good and sufficient deed of said mining claims to THE TONOPAH BANKING CORPORATION, as trustee, and shall deliver said deed to said trustee with instructions that said trustee shall have said deed recorded in the county where the said claims are located, and if the said second party shall exercise the option hereby given by becoming the purchaser of said property for itself or its successors or assigns, the said THE TONOPAH BANKING CORPORATION as such trustee shall execute a deed conveying said property unto the said second party or its successors or assigns, as said second party shall direct, and if the said second party, its successors or assigns, shall decline at any time during the period that this option has to run, or at the expiration thereof, to become the purchaser of said property, said trustee shall reconvey said properties to the parties of the first part or their nominees as they may direct, and the said THE TONOPAH BANKING CORPORATION is made a party hereto

for the sole purpose of binding itself to perform the duties conferred upon it in this the fifth paragraph of this agreement;

(6) It is hereby agreed between the parties hereto that if second party desires to exercise the option herein given by becoming the purchaser of said properties, it shall give written notice of such intention to the said THE TONOPAH BANKING CORPORATION, and said notice shall be given by enclosing the same in a stamped, sealed and registered envelope addressed to THE TONOPAH BANKING CORPORATION, TONOPAH, NEVADA, and posting it with the United States Mail in the City of Philadelphia, State of Pennsylvania;

(7) It is agreed between the parties of the first part and the party of the second part that if the latter should determine that said mining property is without merit, and shall conclude to abandon its examination and development of said property, it will immediately notify the said trustee to reconvey said property unto the parties of the first part, or their nominee;

(8) In case the said second party shall decline to purchase said property then there shall be no liability arising against either of the parties hereto in favor of the other;

(9) This agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto;

In witness whereof the parties of the first part have hereunto set their hands and seals, and the party of the second and third parts have each caused these presents to be signed by its President, and its corporate seal to be affixed hereunto, attested by its Secretary, thereunto duly authorized, the day

and year first above written.

Signed, sealed and delivered in the presence of:

(SEAL)

(SEAL)

(SEAL)

(SEAL)

THE TONOPAH MINING COMPANY OF NEVADA

By _____
President

Attest:

Secretary

THE TONOPAH BANKING CORPORATION

By _____
President

Attest:

Secretary