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Item 20

BRIEF OF THE SETTLEMENT CONTRACT BETWEEN KENNECOTT COPPER COMPANY AND THE CONSOLIDATED COPPERMINES DATED JULY 1, 1937

This is a detailed contract covering 34 legal pages.

Article 1. Kennecott is to continue to mine pit ore as that company deems best and to mine and pay for Coppermines ore thus extracted. The cut-off point is set at .7% copper and Coppermines can have its representative to judge whether its mined product is waste or ore.

Article 2. Limits are set for the perimeter of the pit in Coppermines ground but can extend to any limit in Kennecott ground.

Until seven years after date and until Con Copper mines 11,000,000 tons of its own ore through the Emma Nevada Shaft the Coppermines will not mine in Tract A, the limits of which are given and after starting in Tract A, they will not mine in Tract B in less than three years thereafter, but Con Copper, regardless of the effect on the pit, shall be free at all times to mine all ore above the 6660 level in certain parts in Tracts A and B and after two years in all of Tract A above the 6660 level.

An outright exchange of ores is provided for.

Con Copper assigns to Kennecott all ore above the 6470 level in the Oro claim while Kennecott assigns to Con Copper all ore above the 6600 drift of the Emma Nevada Shaft in the Champion claim within certain defined limits.

Article 3. Overlapping workings made by the companies in the others ground on the above claims are surrendered.

Article 4. ALL COURT DECISIONS ARE SET ASIDE.

Article 5. Kennecott shall pay Con Copper for all the gold in the ore since January 1, 1937 at $34.91 an ounce instead of $20.00.

Article 6. Con Copper transfers to Kennecott the Watson or Haffner Fraction.

Article 7. Provides sideline agreements remain.

Article 8. Deals with boundary mining.

Article 9. Deals with possible code restrictions.

Article 10. Provides that Kennecott shall deliver up to 25% of its domestic water supply to Con Copper at 25¢ per 1000 gallons.

Article 11. Provides for the pumping of water for joint mining operations by Kennecott.

Article 12. Provides for freedom from labor liens for work done for the other.

Article 13. Extends the life of the present surface leases.

Article 14. Deals with possible experimental work by the Kennecott on leaching the waste dumps and the erection of treatment plants and sharing the benefits with Con Copper.

Article 15. Provides that after 15 years, or after Kennecott shall have ceased operating the McGill plant on its own ores, Con Copper shall have the right to operate the same.

Article 16. Provides that definitions of the Operating Contract shall apply.

Article 17. Provides for the responsibility of subsidiaries.

Article 18. Provides the contract shall take effect on July 1, 1937 under the laws of Nevada and be binding on the assigns, etc., followed by the signatures of the companies.

Addendum:

Before the signing of this settlement, providing in Article 4, that all court decisions be set aside, the Kennecott agreed to pay the Con Copper $500,000 in cash, in lieu of judgments totaling $900,000, and $300,000, in lieu of claims still pending in court.