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(21)

Item 19

THIS AGREEMENT, made and entered into this _____ day of _____, A. D., 1918, by and between DAVE CRAIG, of Wonder, Churchill County, State of Nevada, the party of the first part, and ELLI CANN, of Fallon, Churchill County, State of Nevada, the party of the second part, and the NEVADA WONDER MINING COMPANY, a corporation of the State of Delaware, United States of America, the party of the third part;

W I T N E S S E T H:

RECITALS:

1. - The first and second parties are owners of these certain patented quartz mining claims, commonly known and designated as "SPIDER," "WASP," "LONG HELL," "TONOPAH," and "LAST CHANCE," a contiguous group commonly known as the "Spider and Wasp Mine," situated in the western part of the Wonder Mining District, Churchill County, State of Nevada, about four (4) miles in a direct line in a westerly direction from the Nevada Wonder Mine, and appearing of record in the office of the recorder of said Churchill County, which said records are hereby referred to and made a part hereof, for a more particular description.

2. - The first and second parties are desirous of procuring capital for the development, equipment, and operation of the said mining property and are willing to give an option to the third party for a period of one ~~and one-half (1 1/2)~~ year/ from the date hereof for the purpose of examination and development of the said mining property, and of mining, measuring and testing their ore values, in accordance with the terms and conditions hereinafter set forth.

3. - The first party owns an undivided three-fourths (3/4) of said group; the second party owns an undivided one-fourth (1/4) of said group.

4. - The third party is willing to make such examination of said mining properties by its experts in order to determine the amount of ore deposits and the value thereof.

NOW, THEREFORE, in consideration of the premises, and the sum of One Dollar (\$1.00), lawful money of the United States, paid by the third party to each of the first and second parties, receipt whereof is hereby acknowledged, and other good and valuable considerations, and the mutual covenants and stipulations hereinafter contained, the parties hereto have promised, covenanted and agreed, and do hereby promise, covenant and agree, as follows:

1. - The first and second parties have given and granted, and hereby do give and grant, to the third party an option to purchase the aforesaid patented mining claims, together with all improvements, machinery and buildings situated in or upon the said mining property, for a period of one ^{year} ~~and one-half years~~ from the date hereof, during which time the third party shall have the full, exclusive and unrestricted right and privilege to enter and take possession of said property for the purpose of working, developing, operating, examining and testing said mining claims and other property of the first and second parties in accordance with the methods employed by mining engineers in 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 found advisable by the third party, and in accordance with the terms hereinafter set forth.

2. - Upon execution hereof the first and second parties will make and sign a good and sufficient deed conveying said property, and the whole thereof, to the third party, conveying a clear legal title in fee simple, free of all liens and encumbrances, which said deed shall be placed in escrow with the _____ Bank, at _____, Nevada, which said deed shall be held by said Bank, and shall be delivered by said

Bank, in accordance with the terms and provisions contained in this agreement. If the third party shall complete the purchase of said property by the payment of cash and stock to the first and second parties, as herein provided, then and in that event, and upon the completion of such purchase price, said deed shall be delivered to the third party. But if the third party shall fail to complete such purchase price, or shall surrender this option, then and in that event, said deed shall be delivered back to the first and second parties.

3. - The third party agrees to mine any ore that can be treated with a profit as promptly as possible, consistent with good mining and the ability to remove the ore and have it properly treated. Said ores may be reduced in the mill of the third party situated at Wonder, Churchill County, State of Nevada, or may be shipped to other reduction works if advisable.

4. If commercial ore of a value that can be treated in the mill of the third party is encountered the third party agrees, provided in the opinion of the third party the tonnage is sufficient to warrant the expenditure, to put in the necessary equipment for properly sampling such ore at the third party's mill so that a true valuation may be arrived at before the ore is treated. It is further agreed that the first and second parties may have, if desirous of doing so, a representative to inspect and watch the sampling of the said ore.

5. - The third party agrees that if the ore mentioned in the preceding paragraph No. 4 is finally treated at the mill of the third party, or if said ore is shipped to outside reduction works, royalties thereon shall be paid to the first party, as follows:-

\$3.00 per ton on each ton of ore up to the value of \$15.00 per ton;

\$4.00 per ton on each ton of ore between the value of \$15.00 and \$20.00 per ton;

Upon all ores exceeding the value of \$20.00 per ton, there shall be paid an additional royalty of \$1.00 per ton for each additional \$5.00 in value.

Any and all royalties paid to said first party shall be credited and apply upon the purchase price payable to the first party as hereinafter set forth, and shall be applied to the installment payment next thereafter falling due.

6.- In case the third party shall, at any time during the life of this agreement, find the said properties to be of a value of not less than (\$1,000,000), and shall determine to exercise the option hereby given and granted, a notice of such intention shall be given to the first and second parties by registered letter addressed to said Dave Craig, at Wonder, Nevada, and said Eli Cann, at Fallon, Nevada.

Subject to the right of the third party to surrender up this option at any time, during the life thereof, payment of the purchase consideration shall be made as follows: That is to say, the said third party shall pay the said Dave Craig an aggregate sum of Twenty-two Thousand Five Hundred Dollars (\$22,500.00), payable in sundry instalments, as follows, that is to say:

Forty (40) days from and after the signing of this agreement, the third party will pay the sum of Eighteen Hundred Seventy-Five Dollars (\$1875.00). Six months from and after the signing of this agreement, the third party will pay the sum of Nine Thousand Three Hundred Seventy-five Dollars (\$9,375.00). One year from and after the signing of this agreement, the third party will pay the sum of Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00), thus completing the payments due said Dave Craig for his three quarters ($\frac{3}{4}$) interest in the above described property.

In the event the third party shall determine to exercise the option hereby given, the third party will cause a company to be incorporated and organized under the laws of the State of Delaware, or any other suitable jurisdiction to be determined by the third party, as soon as conveniently may be, with an authorized capitalization of One Million Dollars, divided into one million shares of the par value of \$1.00 each, and five per cent (5%) of said one million shares shall be delivered to the second party at the above named bank.

In the event of the exercise of this option, and the purchase of said property as hereinabove set forth, and upon the delivery of said escrow deed to the third party, the third party forthwith will convey said property to said proposed incorporation.

7. - The third party agrees to work not less than fifty (50) shifts per month on the above-mentioned property providing labor can be secured and other conditions make it possible to continue the work. In case of being unable to continue the work on account of strikes, inability to secure supplies, or on account of fires, storms, or any other act of God, the third party does not lose its rights to proceed with this agreement as soon as possible thereafter.

8. - The first and second parties further agree to furnish to the third party, as soon as possible after demand therefor, a full, true and correct abstract of title to said properties, and if said title shall be found to be imperfect in any particular, the first and second parties will do all in their power to correct said imperfections.

9. - The first and second parties agree neither to convey or encumber the title to said properties during the life of this agreement.

10. - It is understood and agreed that if said property shall be found to be without merit, or impracticable of operation, before the expiration of the life of this option, the third party will promptly surrender this option and will not hold the same for the expiration of the then unexpired time; and any moneys that may have been paid theretofore on account of the purchase price shall be and remain the property of the respective first and second parties.

11. - In case the third party shall decline to take over the said property as herein provided, there shall be no liability arising against either of the parties hereto in favor of the other.

12. - The first and second parties further agree to locate any and all claims adjoining the above-described property, or other properties in said district, for the third party, as may be decided upon by the representative of the third party, said claims to become a part and parcel of this contract to be conveyed to the third party at the same time the property heretofore described in this agreement is conveyed, or upon demand of the third party.

13. - It is further agreed that all improvements placed on the property by the third party may be removed by the third party without objection from the first and second parties, should the third party decide not to exercise this option; excepting such shaft work, mine timbering and anything that would lead to the destruction of the work which shall have been done on the property.

14. - It is hereby agreed between the parties hereto that all notices required to be given by the third party shall be by registering such notice in a stamped and sealed registered envelope addressed to Dave Craig, town of Wonder, State of Nevada, and Eli Cann, City of Fallon, State of Nevada, and posting the same in the City of Philadelphia, State of Pennsylvania.

15. - This agreement shall inure to the benefit of and be binding upon the executors, administrators, heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said first and second parties have hereunto set their names and seals, and the third party has hereunto caused its name to be set by its President and its corporate seal to be hereunto affixed, duly attested by its Secretary, the day and year first above written.

_____(SEAL)

_____(SEAL)

NEVADA WONDER MINING COMPANY,

By _____
As its President.

Attest:

By _____
As its Secretary.

A G R E E M E N T .

The said first party and third party do hereby further agree.

WITNESSETH:

RECITALS:

(1) The first party being the owner of certain quartz mining claims commonly known and designated as Overlook, Overlook #1, Overlook #2 and Overlook #3, adjoining the Spider and Wasp group, does hereby agree to deliver to the third party a good and sufficient deed for the same, one year from the date of the signing of the Spider and Wasp agreement.

(2) In consideration for the same, the third party agrees to pay the said first party the sum of Seven Thousand Five Hundred Dollars (\$7,500.00), cash.

(3) The third party agrees to do the assestment work on these claims for the year 1919.

(4) It is further mutually agreed that all conditions regarding the extraction of ore from these claims shall be the same as heretofore mentioned in the Spider and Wasp agreement.

(Seal)

(Seal)

Nevada Wonder Mining Company.

By _____
As its President.

Attest:

By _____
As its Secretary.