

LEASE

THIS INDENTURE made this 5th day of JANUARY, 1965, between Wind River Mining Co., a Washington corporation, hereinafter sometimes referred to as First Party, Lessor and Ray S. Baxter, hereinafter sometimes referred to as Second Party, Lessee, WITNESSETH:

That the Lessor for and in consideration of the rents, covenants, and agreements hereinafter expressed to be paid, kept, and performed by the Lessee, has leased, let and demised, and by these presents does lease, let and demise unto the Lessee, the following described premises and property, situate, lying and being in Paradise mining district, in the County of Skamania, in the

State of Washington, to-wit:

	Book	Page		Book	Page
Paradise Mine	40	242	Lode Star #1	H	345
Wind River #1	H	345	Wind River #2	H	347
Wind River #3	H	374	Wind River #4	H	344
Wind River #5	I	208	Wind River #6	I	209
Wind River #7	I	210	Wind River #8	I	211
Wind River #9	I	212	Wind River #10	I	213
Wind River #11	I	214	Wind River #12	I	215
Wind River #13	I	216	Wind River #14	I	217
Wind River #15	I	218	Wind River #16	I	219
Wind River #17	I	220	Wind River #18	I	221
Wind River #19	I	222			

together with any and all mining equipment now owned by Lessor and situated upon said premises, including but not limited to the following particular items of personal property:

- 1 - D-7 Caterpillar tractor Serial Number 4-T-7375 with Hyster towing winch and Letourneau straight cable dozer.
- 1 - 100 KW light plant powered by GMC 671 Serial Number 66014 with 125 HP induction motor
- 1 - 500 CFM Air compressor powered by D13000 cat engine
- 1 - HL3 mucking machine
- 1 - Emco air locomotive
- 1 - Drilling machine Gardner Denvers with air leg.
- 1 - Gardner Denver double drum slusher hoist Serial Number HEE166522
- 1 - Ingersoll-Rand single drum air hoist.
- 1 - Single drum with wigger head air hoist
- 1 - 1950 1 1/2 ton Chevrolet truck Flat bed Serial Number AHCA245251.
- 1 - Portable sawmill with P-70 diesel engine
- 1 - Colorado Iron Works 4x3 Ball Mill complete
- 1 - 8"X12" Hendy Jaw Crusher

To Have and to Hold the same for the terms of ten years

from the date hereof, for the purpose of prospecting, mining, drilling, boring, or digging for oil, gas, asphalt, lead, zinc, gold, copper, silver, and all and every other kind or kinds of valuable mineral, ore, fossils, or vegetable substance whatever, with the right to use so much of the surface of the land and any buildings and other property located upon such land and so much of the timber and building stone found thereof as may be properly needed to successfully conduct the prospecting and mining operation; also the right-of-way over and across the land whereon to construct and operate such line or lines of railroad or roads including bridges and waterways as may be necessary to carry on and prosecute the objects of this indenture; also the right to erect buildings, derricks and pumping plants, for the business of boring, prospecting, mining and prosecuting the object of this indenture, with the right to remove any buildings or constructions, refineries, concentration mills, machinery, and pipe lines placed upon said premises by the Lessee, at any time or at the expiration of this lease.

The Lessee further covenants and agrees that the Lessor shall have the right at all reasonable times to enter upon the leased premises and inspect the same.

The Lessee further covenants and agrees to occupy and hold all crevices, side veins, spurs, feeders, cross loads, parallel loads or mineral deposits of any kind which may be discovered in working under this lease as the property of lessor; with the privilege to lessee of working the same as an appurtenance of the demised premises during the term of this lease and not to locate or record the same, or allow the same to be located or recorded except in the name of the Lessor.

The Lessee agrees with the Lessor to keep books of account showing the amount of ore extracted from the mine, the amount of ore shipped, sold, traded, and the amount of money received

BOOK 105 P. 29

from the sale of the ores or the value extracted therefrom; that from and out of the values obtained from the ores so extracted and which may be found in, on, or around the mine, and reduced, treated, sold or shipped, the Lessee will pay to the Lessor TEN (10%) PER CENT of the gross receipts including subsidies thereof which shall be paid and delivered to the Lessor at the end of each three (3) month period during the term of this lease; that a duplicate of mill, smelter, or retort return shall be furnished by the mill owner or by the owner of the smelter or retort to the Lessor; records of core samples, maps and assays to be furnished Lessor upon request, and copies of all such records to be turned over to Lessor upon termination of this Lease, and that books of account shall be opened at all reasonable times to the Lessor and his representatives.

The Lessee covenants and agrees with the Lessor to maintain all equipment and buildings leased hereunder in good condition, reasonable wear and tear thereof excepted, during the term of this lease.

The Lessor covenants and agrees with the Lessee that the Lessee shall have sole access to the property leased hereunder save and except that the Lessor shall have access to said premises and property at reasonable times for the purposes of inspecting the same.

The Lessor further covenants and agrees with the Lessee that Lessee shall use any mining methods he deems advantageous in the operation of said mine.

The Lessor hereby grants to the Lessee an option to renew this lease for an additional period of ten years upon the same terms and conditions as are herein granted upon the condition that Lessee shall serve written notice of his intention to so renew said lease upon the Lessor within 90 days of the expiration of the term herein granted.

The Lessee covenants and agrees to work said mine

in a workman like manner and in the event that he fails to do so or to keep any of the covenants and agreements herein contained, then the Lessor, at his option, may terminate said lease upon giving the Lessee 90 days written notice of his intention to do so and in the event that Lessee finds it unprofitable to operate said mine under the terms of this lease, then Lessee shall serve written notice upon Lessor of his intention to terminate said lease and said lease shall become null and void THIRTY (30) days after service of said written notice upon the Lessor.

Lessee agrees to pay all personal property tax, excise tax, and sales tax levied upon the property leased hereunder during the term of this lease; and to maintain industrial accident, and liability insurance to adequately cover any loss that may be sustained by the Lessor hereunder.

Lessee promises and agrees to save the Lessor harmless from any loss as a result of actions at law or suits in equity arising out of Lessee's use and operation of the property leased hereunder.

Lessee further promises and agrees that a minimum of Forty hours work will be performed in the operation of property leased hereunder each month during the term of this lease, unless adverse weather conditions render it impractical.

It is further understood and agreed that in the event that Lessee be by act of God, fire, flood, water, strike, lock-out, or any other cause beyond his control prevented from full filling any conditions or terms of this lease, such failure shall not be considered a breach of the terms hereof, but the Lessee agrees, in any such case to use all reasonable diligence to remove such preventing cause.

Lessee covenants and agrees that at the end of the term herein granted or any sooner termination of said lease to surrender, yield, and deliver to the Lessor, his heirs, executors, administrators or assigns quiet and peaceable possession of the premises in good condition.

PAGE FOUR - LEASE

In the event that it becomes necessary for either of the parties hereto to engage the services of an attorney to enforce the terms of this lease, or to recover for the breach of any of the terms hereof, then it is understood and agreed that the party at fault shall pay such sum as is reasonable to the party not at fault as and for attorney's fees incurred in enforcing the provisions of said agreement or bringing action for damages for breach of the terms contained herein.

IN WITNESS WHEREOF the parties hereto have executed these presence the day and year first above written.



Wind River Mining Co.
By: George E. Chilgast
Ray S. Baxter

STATE OF OREGON)

County of Multnomah)

SS.

On this 6th day of January, 1965,

before me, the undersigned, a notary public in and for said county and state, personally appeared the within named George E. Chilgast and Ray S. Baxter, known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF I have hereunto set my hand and affixed my official seal the day and year last above written.



Homer L. Allen
NOTARY PUBLIC FOR OREGON
My Commission Expires: 11/17/67

OF
WIND RIVER MINING CO.

JANUARY 2, 1965

This meeting was called to order by the President, George C. Philpott, and the Secretary recorded the minutes. All directors were present except Ray S. Baxter and by unanimous action hereby waive the time, place and purpose of the meeting and consent to it being held.

Letter of resignation from Ray S. Baxter dated December 15, 1964 was read and his resignation was unanimously accepted.

THEREUPON, Gilbert L. Miller was appointed to serve the term on the Board of Directors and as Assistant Secretary which was held by Ray S. Baxter.

A lease which was submitted by Ray S. Baxter covering certain property in Skamania County, Washington was read and discussed.

Thereupon, a vote was taken whether or not to accept the lease as written and said lease was unanimously accepted.

Thereupon it was,

RESOLVED, that the Board of Directors direct the President to sign said lease as lessor for the Wind River Mining Co.

There being no further business coming before the meeting, same was adjourned subject to the call of the President.

DIRECTORS

George C. Philpott
Gilbert L. Miller
H. E. Shumaker
Bernard J. Menard
Henry M. Nelson
Robert D. Smith

Gilbert L. Miller
SECRETARY

65/85

105

33

5-3-65

I THOMAS J. TUCKER owner
of property described
as St. Cloud Ranch River
frontage located in SKAGWAN-
IA County Wash.

Herby Iense To DONALD
D. Capps & Robt. K. GARWOOD
known as Capps & Garwood
Log Patrol #110 for
sum of one dollar \$1.00
Herby TAKEN in hand -

Signed: Thos J. Tucker
with Donal Dutton

By

WITNESSES

105