

part, to include these outlying claims under the terms of this Option, Optionee's only obligation will be to do assessment work with respect to such included claims, as provided in Paragraph 6, for current and future assessment years, but only if this Option remains in effect on or after June 1st in any such year. It shall be the responsibility of the Optionor to name, enumerate and describe for the Optionee as soon as possible any claims which, if Optionee so elects, may be made part of this Option by virtue of location within the aforesaid one (1) mile limit. The above paragraph shall not be applicable to leases or options on other properties not owned by the Optionor within the aforesaid one (1) mile perimeter.

9. Optionee will not initiate patent proceedings on any of the mining claims described in Exhibit "A" of this Option Agreement until after such time as said mining claims have been purchased in full, the conditions for such purchase having been outlined in paragraph 2 of this Agreement. However, if, in the event during the life of this Agreement that patent proceedings become necessary in order to preserve claim title, Optionee does have the right to request Optionor to initiate and prosecute proceedings to patent any of the said claims, all expenses attendant thereto to be paid by Optionee.

10. Upon the execution of this instrument, Optionee, its authorized agents, employees, contractors, and representatives shall have the exclusive right to enter into and upon the land covered by the Mining Claims and to conduct thereon, to the extent and at such locations as it shall deem desirable, prospecting, exploring, developing, drilling, trenching, stripping, excavating, test pitting, sampling and other exploration and development activities for the purpose of determining mineral content thereof and to place thereon any equipment, structures,