TABLE OF CONTENTS

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

	Page
1. FINANCIAL ELIGIBILITY	1
2. APPLICANT'S RIGHTS IN LAND	1-3
3. PHYSICAL DESCRIPTION	3-5
4. ACCESSIBILITY OF PROPERTY	5
5. EXPLORATION WORK	5
6. EXPERIENCE	5-6
7. ESTIMATE OF COSTS	6-10

APPENDIX

1. Refusal of loans by Financial Institutions
2. Lease of patented claims in Nellie Bly group
3. Lease of patented claims in Janus Group

POCKET ENVELOPE

1. Maps

COPY
O. M. E.
RECEIVED
NOV 23
INITIALS

MME Form 40
Jan. 65

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

JANUS MINING COMPANY
Virginia City, Montana

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: 6523

DATE RECEIVED: 11/23/65

REGION: I

DIVISION CODE:

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	
CORPORATION	X
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED **Montana**

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Alvin B. Seibert,	St. Louis, Missouri,	President
A. J. Katches,	Virginia City, Montana,	Vice President
Fred W. Hoffman,	Riverton, Wyoming,	Secretary-Treas.
A. J. Katches,	Virginia City, Montana,	General Manager
R. G. Ingersoll, Jr.,	Butte, Montana,	Geologist
Walter H. Myers,	Virginia City, Montana,	Mine Supt.
H. A. Bolinger, Jr.,	Bozeman, Montana,	Attorney
John J. Kelly,	Bozeman, Montana,	C.P.A.

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: **Silver and gold**

ESTIMATED COST OF PROJECT: $ **120,142.00**

PROPERTY NAME	LOCATION COUNTY	STATE
Terra Cotta Group	Madison	Montana

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

November 18, 1965
DATED

Alvin B. Seibert
BY *(Signature)*

President
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C

1. FINANCIAL ELIGIBILITY:

(a) Janus Mining Company has discussed the subject of a loan with the First National Bank in Bozeman, Bozeman, Montana, our bank of account; Security Bank & Trust Company of Bozeman, Bozeman, Montana; the Bank of St. Louis, Security Trust Company, Mercantile Trust Company, all of St. Louis, Missouri, and we have been advised in general that this type of financing mainly pertaining to mineral exploration for mineral reserves would not be granted. True copies of the correspondence to the relative banks are enclosed in the appendix.

(b) Not applicable.

(c) That the officers of the company agree to finance their share of the exploration costs, and assignments of royalty given and agreed to be given to various and sundry persons on all properties owned by the company and not held under lease to the extent of not to exceed 7% of the gross smelter returns. The assignments of this royalty have been given to secure operating capital and moneys to finance the company's participation for the government loan.

2. APPLICANT'S RIGHTS IN LAND:

(a) and (b)

COMMON NAME OF GROUP - NELLIE BLY

Nellie Bly, Alder Fraction, Prescot and Malta Lodes designated by the Surveyor General as Survey No. 9722 embracing a portion of Township 7 South, Range 3 West, M.P.M., in the Highland Unorganized Mining District, for a more particular description of which reference is made to page 115, Book 145, Records of Madison County, Montana.

The above claim is under lease dated June 9, 1965, from A. J. Katches, Lessor, to Janus Mining Company, Lessee. Minimum royalty - $1,000.00 paid in advance to June 9, 1966. Lessor to pay 10% net smelter returns after deducting payment of minimum royalty. True copy of the lease enclosed in the appendix.

COMMON NAME OF GROUP - JANUS

Highland Lode (Patented) Mining Claim, designated by the Surveyor General as Lot No. 7295, embracing a portion of Township 7 South, Range 3 West, M.P.M., Highland Unorganized Mining District, Madison County, Montana, and containing 20 acres, more or less, for a more particular description of which reference is made to page 635, Book 64, Records of Madison County, Montana.

The above patented claim held under lease dated August 9, 1965, between Lowell M. Paige, et al, Lessors, to Janus Mining Company, Lessee. Minimum royalty paid in advance - $300.00 a year to August 9, 1966, and annually thereafter. Royalty 12½% net smelter returns after deducting minimum royalty. True copy of lease enclosed in the appendix.

The following unpatented mining claims are owned by Janus Mining Company upon which all location and annual representation work has been done as required to September 1, 1965, and additional work, labor and improvements and benefit has been done in connection with all of the claims and is being performed continuously at this time.

COMMON NAME OF GROUP - JANUS

The unpatented lode mining claims situated in Section 1, Township 7 South, Range 3 West, M.P.M., and further described in the respective Books and pages in the office of the County Clerk and Recorder of Madison County, Montana, as follows:

Janus Lode Mining Claim, Book 211 of Locations, page 11;
Janus No. 1 Mining Claim, Book 211 of Locations, page 13;
Janus No. 2 Mining Claim, Book 211 of Locations, page 15;
Janus No. 3 Mining Claim, Book 211 of Locations, page 17;
Janus No. 4 Mining Claim, Book 211 Of Locations, page 19;
Giltedge Mining Claim, Book 211 of Locations, page 297;
Giltedge No. 1 Mining Claim, Book 211 of Locations, page 299;
Giltedge No. 2 Mining Claim, Book 211 of Locations, page 301;
Giltedge No. 3 Mining Claim, Book 211 of Locations, page 423;

COMMON NAME OF GROUP - NELLIE BLY

The unpatented lode mining claim situated in Township 7 South, Range 3 West, M.P.M., and further described in the respective Book and pages in the office of the County Clerk and Recorder of Madison County, Montana, as follows:

Desiree Lode Mining Claim, Book 211 of Locations, page 35.

COMMON NAME OF GROUP - TERRA COTTA *

The unpatented lode mining claims all situated in Township 7 South, Range 3 West, M.P.M., and further described in the respective Books and pages in the office of the County Clerk and Recorder of Madison County, Montana, as follows:

Silver Cable Lode Mining Claim, Book 211 of Locations, page 23;
Silver Cable No. 1 Lode Mining Claim, Book 211 of Locations, page 25;
Terra Cotta Lode Mining Claim, Book 211 of Locations, page 31;
Terra Cotta No. 1 Lode Mining Claim, Book 211 of Locations, page 33;

COMMON NAME OF GROUP - SIDEBOARD

The unpatented lode mining claims all situated in Township 7 South, Range 3 West, M.P.M., and further described in the respective Books and pages in the office of the County Clerk and Recorder of Madison County, Montana, as follows:

Sideboard Lode Mining Claim, Book 211 of Locations, page 27;
Sideboard No. 1 Lode Mining Claim, Book 211 of Locations, page 29.

COMMON NAME OF GROUP - LATCHSTRING

The unpatented lode mining claims all situated in Township 7 South, Range 3 West, M.P.M., and further described in the respective Books and pages in the office of the County Clerk and Recorder of Madison County, Montana, as follows:

Latchstring Mining Claim, Book 211 of Locations, page 321;
Latchstring No. 1 Mining Claim, Book 211 of Locations, page 323;
Latchstring No. 2 Mining Claim, Book 211 of Locations, page 419;
Latchstring No. 3 Mining Claim, Book 211 of Locations, page 421;
Greybache Mining Claim, Book 211 of Locations, page 413;
Greybache No. 1 Mining Claim, Book 211 of Locations, page 415;
Greybache No. 2 Mining Claim, Book 211 of Locations, page 417;

PATENTED PLACER MINING CLAIMS

Lot 46, Mining Survey No. 515, Mineral Entry No. 397, Placer;
The South ten (10) acres of Mining Survey No. 517, Mineral Entry No. 460, Placer;
Lot 55, Mining Survey No. 1267, Mineral Entry No. 1001, Hungry Hollow Placer;
Mineral Entry No. 3188

NOTE: Map of Alder Gulch Area enclosed in pocket for further description of location of properties.

* This is property applicable to this application.

(c) All of the properties above described are free and clear of any liens or encumbrances except for assignments of royalty given and agreed to be given to various and sundry persons on all properties owned by the company and not held under lease to the extent of not to exceed 7% of the gross smelter returns. The assignments of this royalty has been given to secure operating capital and moneys to finance the company's participation with a government loan.

3. PHYSICAL DESCRIPTION:

(a) No work has been done on Janus Mining Company property. Northeast of the Terra Cotta No. 1 claim and along the strike of the Terra Cotta vein, some trenches and pits and several adits and crosscuts have cut the vein at shallow depth. Immediately to the Southeast of the Terra Cotta Lode claim and parallel to the Terra Cotta vein is the Oro Cache vein. (See plan map) This heavily mineralized structure was a big producer in the Alder Gulch mining region, with a total production estimated to value $500,000. A series of adits was driven on the vein up the slope of the hill to exploit this narrow, high-grade vein. The bulk of Oro Cache production came in the 17 years between 1864 and 1880, inclusive, so records of tonnage and grade are

not available.

(b) None

(c) No ore has been produced from the Terra Cotta vein on Janus Mining Company property. No production figures are available on either the shallow workings to the northeast or the Oro Cache workings to the southeast other than the estimate of a half million dollar value on the Oro Cache production.

(d) Ore reserves on Janus Mining Company property must be estimated from mining, exploration, or production figures from properties surrounding the Terra Cotta Group of claims. The width of the Oro Cache vein was narrow, about four feet. The high value placed on the tonnage from the mine would indicate a fairly good ratio of ore to waste, possibly 1:2.

Proposed exploration by the Janus Mining Company on the Terra Cotta claims entails crosscutting 300 feet to the vein, then drifting for 1500 feet on the structure. It is estimated that one-third of this drift will be in ore and that a block 500 feet long, 500 feet high, and four feet wide will be developed. Using a factor of 12 cubic feet to the ton, this block will yield 83,333 tons of ore. The average grade of ore produced in the Virginia City mining district from 1901 to 1935 was 6.81 ounces of silver per ton and 0.41 ounces of gold per ton, a ratio of over 16 silver to 1 gold.

Using this average for Janus Mining Company estimated reserves, the value of 83,333 tons of ore is $1,929,992 (silver - $1.293 per ounce; gold - $35.00 per ounce). On the basis of estimated tonnage and grade, 567,498 ounces of silver could be in reserve.

Not considered in the gross calculations is the value of the silica in the ore. Most ore from this mining region is mined from quartz veins and shipped as siliceous silver-gold ore. A premium is paid for high silica content.

(e) The geologic setting of this group of claims is the Pre-Cambrian Cherry Creek series which consists of quartz-feldspar gneiss, quartz-mica schist, crystalline limestone, quartzite, and hornblende-biotite schist. Fissure veins in the general Alder Gulch area are of two types: lenses of quartz in strong, gouge-filled fissures which, when closely spaced, form large ore bodies. These lenses pinch and swell and are generally from zero to ten feet wide, although zones 40 feet wide are known. The second type of fissure vein is a narrow, tabular type of quartz-filled tension fracture, three to five feet in width--although ten feet is known. The Terra Cotta vein has strong clays defining the structure and intermittent quartz lenses. The mineralogy of the vein is probably free silver and gold plus sulfides of these metals.

(f) Underground exploration of the Terra Cotta Group of claims of the Janus Mining Company should reveal substantial reserves of siliceous silver-gold ore. The enclosed map of the Alder Gulch region shows numerous ore-bearing structures extending for thousands of feet, exploited by a series of adjoining claims. The Terra Cotta structure is similar in all respects to the other veins paralleling Alder Gulch and should, through deep development, show persistence of structure and strong mineralization.

(g) Three sets of this application and necessary maps are submitted.

4. ACCESSIBILITY OF PROPERTY:

(a) Mr. Walter H. Myers, Mine Superintendent, Virginia City, Montana, and A. J. Katches, Vice President and Manager, Virginia City, Montana, will aid OME representative who may examine the property. The property is accessible by good road and is located in Alder Gulch approximately three miles south of Virginia City, Montana.

(b) The shipping point on the Northern Pacific Railway Company is Alder, Montana, a distance of approximately nine miles on a hard-surface road from Virginia City, Montana. The quoted cost for shipping from Alder, Montana, to Anaconda, Montana, is $2.70 per ton for the type of ore to be mined at an average value of less than $50.00 per ton.

5. EXPLORATION WORK:

(a) The proposed exploration of the Terra Cotta Group of claims consists of a crosscut 300 feet long driven in a northeasterly direction to cut the Terra Cotta vein, and a drift 1500 feet long to explore the structure for potential ore shoots (see enclosed plan map and long section of the vein). The plan map shows the portal of the adit in relation to the claim corners of the property owned by the Janus Mining Company. Size of the adit will be eight feet by seven feet.

(b) All roads have been constructed and are serviceable, and are being maintained by the company.

(c) Should an OME contract be completed, work will start immediately and as soon as the necessary equipment is installed, which should not take more than 30 days. We estimate that 12 foot advance per day will be made by working two shifts and drilling and blasting a six foot round on each shift. The 1800 feet of proposed development work will be completed in approximately 180 working days, or approximately 7 months.

6. EXPERIENCE:

Experience and qualifications of A. J. Katches, Vice President and General Manager, are:

Minneapolis Honeywell Corp., Brown Instrument Division - Special training - title: Electronics Engineer - design, application, and operations industrial controls - steel mill and chemical plant operations.

Graco Corp., - lubricating equipment manufacturing - 425 employees - title: Ass't Chief Engineer - design and manufacturing.

Scott-Atwater Mfg Co., - OB motors and metal products manufacturing - 1600 employees - title: Supt of Mfg and metals fabrication engineer.

U.S.A., Frankford Arsenal - design and manufacturing military ammunition - 1 of 5 men selected from industry for special training manufacturing military ammunition - planning and operations ammunition plants event war - title: Manufacturing Military Ammunition Expert.

Twin Cities Ordnance Plant - small arms ammunition mfg - 30, 45, and 50 cal. - title: Supt of Mfg - Chief Engineer, development 50 cal steel cartridge case - member various War Dept small arms ammunition divisions - TCOP 27,000 employees.

U.S.A. Shell and Bomb Loading Plant - powder manufacturing and loading - title: Supt of Manufacturing - 1900 employees.

Brown & Bigelow Corp., War Production Div., - mfg bomb fuses - 2100 employees Title: Supt of Manufacturing.

U.S. Steel Corp., American Steel & Wire Division, mfg steel - title: Divisionl Eng. - confidential engineering reports re: steel mill operations to top management, 13 plants - U.S. Steel negotiator CIO Union contract.

After 1948 has served as mining engineer for various companies as an employee, part owner or officer including:

Mid-Continent Exploration Company - partner and chief engineer.

Great Western Chemical Mining Corp - Director and President.

Spa Laboratories Foundation - Director of Mining & Manufacturing.

Has been familiar with the properties involved in the application several years prior to 1963, and has devoted time exclusively to study and possible development of properties from fall of 1963.

Experience and qualifications of Walter H. Myers, Mine Superintendent, are:

Worked for Anaconda Company as mining engineer for 18 years commencing 1926. After 1944, employed as general manager of U.S. Grant Mining Company, Alameda Mine, Bamboo Chief Mine, and Easton-Pacific Mine, near Virginia City, Montana; Was a member of the American Institute of Mining and Metallurgical Engineers and Montana Society of Engineers until 1950.

7. ESTIMATE OF COSTS:

		Detail	SUBJECT TO OME Participation
(a) Independent Contractors	$	None	$ None
(b) Personal Services Supervision)		)	

7. Estimate of Costs (continued)

SUBJECT TO OME

	Detail $	Participation
Consultants Geological Engineering	$750.00 per month	
4 Miners at $21.00 per day, $31.50 for sixth day		
2 Motorman and Dump Workers at $21.00 per day $31.50 for sixth day		
Employment would be continuous and the services are available		Note 1*

(c) Operating Materials and Supplies

Railroad:	
Rail - 28 Ton at 300.00	8,400.00
Track Bolts - 400 pounds at 30.94 cwt	123.76
Track Spikes - 600 pounds at 21.23 cwt	127.38
Track Splices - 280 pair at 1.60	448.00
Tools:	
Pipe Wrenches 24" - 6 at 8.75	52.50
Pipe Wrenches 18" - 6 at 5.55	33.30
Mine axes - 8 at 7.00	56.00
Mine Saws - 2 at 12.50	25.00
Mine Picks - 12 at 3.92	47.04
Pinch Bars - 4 at 3.50	14.00
Shovels - 12 at 4.47	53.64
Bit Knocker - 2 at 8.63	17.26
Drill Bits - 360 at 4.80	1,728.00
Explosives:	
Powder - 9 Ton at 300.00	2,700.00
Blasting Caps - 72 boxes at 3.30	237.60
Fuse - 28 (3,000 feet) rolls at 46.65	1,306.20
Supplies and Timber:	
Nails - 200 pounds 60 d at 13.22 cwt	26.44
Nails - 200 pounds 40 d at 13.22 cwt	26.44
Water Tank	30.00
Drill Steel - 120 (6 foot) pieces at 18.25	2,190.00
Timber - 59,000 board feet at 65.00 per M	3,835.00
Hose, Tubing, Pipe and Fittings:	

7. Estimate of costs (continued)

SUBJECT TO OME

	Detail	Participation
Air Hose - 300 feet at 6.49	$ 164.70	
Water Hose - 300 feet at 2.456	73.68	
Knox Valves - 10 at 4.35	43.50	
Ventilation Tubing - 2100 feet at 1.35	2,835.00	
Air Speed Connections - 12 at .98	11.76	
Dixon Hose Couplings 1" at 12 at 2.94	35.28	
Dixon Hose Couplings ½" - 12 at 2.22	26.64	
Pipe 2" Iron - 1800 feet at 55.13 per 100 ft	992.34	
Pipe 1" Iron - 1800 feet at 25.52 per 100 ft	459.36	
	26,119.82	Note 1*

(d) Operating Equipment

Compressor - new electric Atlas Capco	11,000.00	11,000.00
Air Receiver - used	150.00	-
Tram Motor - battery operated	23,680.00	23,680.00
Eimco Rocker Shovel	4,250.00	4,250.00
Mine Cars - 3 Grandby 57 cubic foot at 400.00	1,200.00	1,200.00
Blower Fan - TM8	790.00	-
Rock Drill - JR 38 C Jackleg	1,280.00	1,280.00
Chain Saw	154.00	-
Mine Lamps - 12 MSA	448.00	-
Timber Truck	400.00	-
Rail Bender	285.00	-
Dump Block	250.00	-
	43,887.00	Note 2 **

(e) Initial Rehabilitation and Repairs — None — None

(f) New Buildings, Fixtures, Installations

The property will have the following facilities in which OME participation is not being required:

Compressor building
Tool house
Change house
Timber and truck storage
Ore bin
Toilet facility
Timber shop

7. Estimate of costs (continued)

SUBJECT TO OME

		Detail	Participation
(g) Miscellaneous	$		
Repairs will consist of replacement of worn parts on rock drill, replacement of cables, chains, and valve springs for Eimco shovel, Valves and other parts for compressor and repairs on truck.	Estimate	1,125.00	Note 1*
Accounting and payroll taxes are included in estimated cost per foot.			
Estimated Costs Per foot.			
Labor		13.60	
Supervision, Geology and Engineering		3.00	
Payroll Taxes and industrial accident insurance		2.30	
Railroad - 40 pound rails			
Rails	4.20		
Track Spikes	.30		
Track Bolts	.15		
Track Splices	.15		
Ties	.30	5.10	
Air line (2") and Water Line (1")		.97	
Explosives			
Powder	3.50		
Blasting Caps	.06		
Fuse	.28	3.84	
Compressed Air		1.15	
Ventilation Tubing		1.56	
Fuel (Fan Motor)		.10	
Drill Steel		2.64	
Drill Bits		1.95	
Repairs (Compressor, Rock Drill, Shovel)		.26	
Pipe Fittings		.12	
Waste Dump upkeep		.25	
Water Supply		.10	
Accounting		1.40	
Truck Expense		.40	
Miscellaneous		.50	
Cost Er Foot Untimbered		39.24	
Timber per foot		9.00	
Cost Per Foot Timbered		48.24	
900 feet underground untimbered at 39.24		35,316.00	35,316.00
900 feet underground timbered at 48.24		43,416.00	43,416.00
TOTAL			$ 120,142.00

7. Estimate of Costs (continued)

*** Note 1:**

Cost included in computation of estimated cost per foot.

**** Note 2:**

Operating equipment - the value of major items of equipment which are included for OME PARTICIPATION is equal to $23.00 per foot on this property.

APPENDIX

JANUS MINING COMPANY
Virginia City, Montana

October 29, 1965

First National Bank in Bozeman
Bozeman, Montana

Attention: Mr. C. L. Newland

Dear Mr. Newland:

I would appreciate an acknowledgment and reply relative to a loan to the Janus Mining Company in the amount of $75,000.00, which funds are needed to carry on certain mineral exploration programs as discussed in detail with you on several occasions.

I will appreciate an early reply.

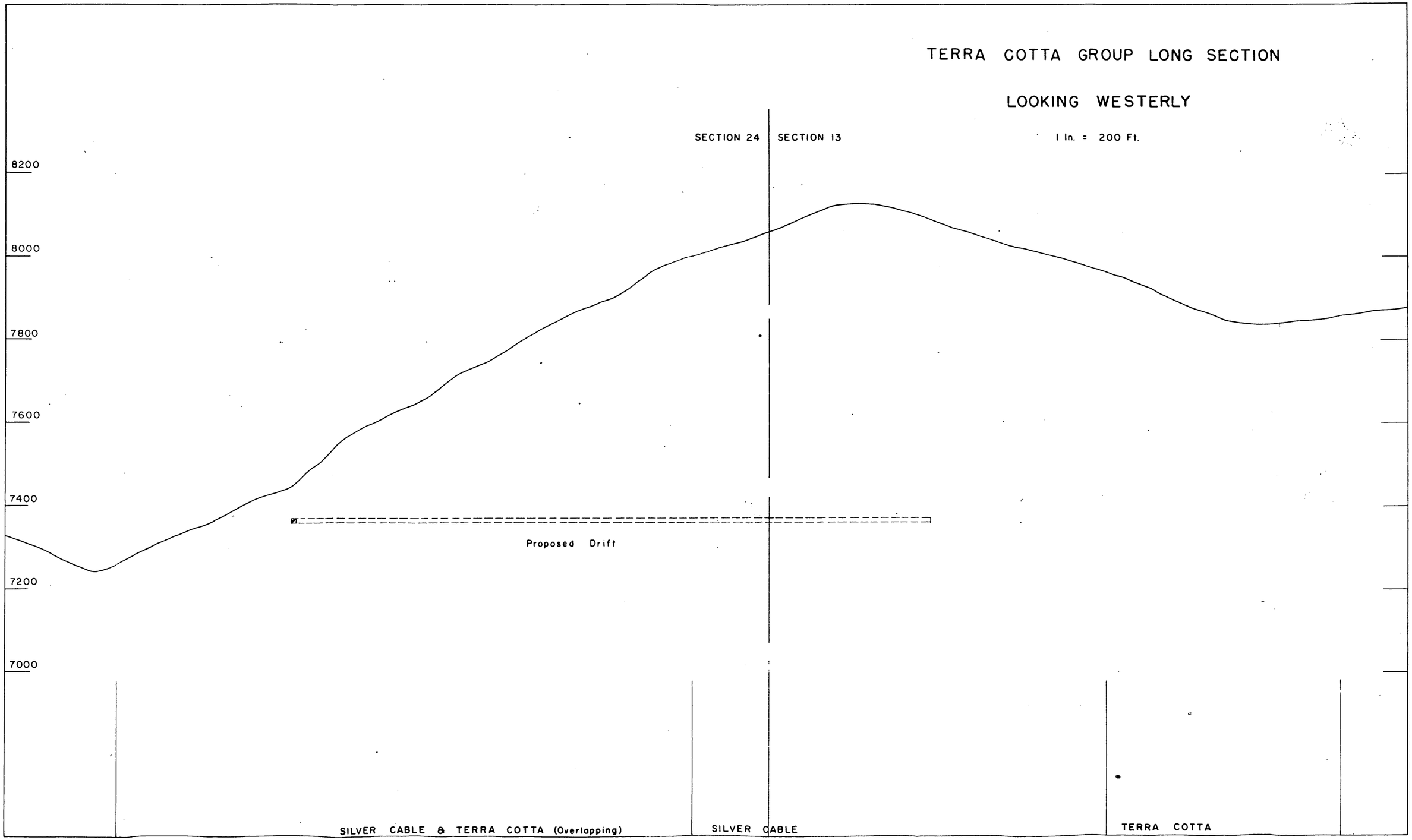
Yours very truly,

JANUS MINING COMPANY

By A. J. Katches
A. J. Katches, Vice President and
General Manager.

AJK/clt

XERO COPY XERO COPY XERO COPY XERO COPY


TERRA COTTA GROUP LONG SECTION
LOOKING WESTERLY
1 In. = 200 Ft.
SECTION 24
SECTION 13
8200
8000
7800
7600
7400
7200
7000
Proposed Drift
SILVER CABLE & TERRA COTTA (Overlapping)
SILVER CABLE
TERRA COTTA

1ST NATIONAL BANK
IN BOZEMAN
AFFILIATED WITH FIRST BANK STOCK CORPORATION

C. L. NEWLAND
CASHIER

Bozeman, Montana

November 15, 1965

A. J. Katches
Janus Mining Company
Virginia City, Montana

Re: Loan Request

Dear Mr. Katches:

In regard to our conversation of July 23rd, this letter is to inform you that our bank does not participate in the type of financing which we were visiting about. This is mainly financing pertaining to exploration for mineral reserves or speculation mining interest.

The $75,000.00 loan request will have to be refused because it is not our bank policy to make such loans. Also it might be well to mention at this time that we feel that with the high loan demand we must take care of our normal customers who have operated in the Valley for a number of years.

I regret the refusal of your loan at this time but as stated above it is not our policy to make loans in the mining or exploration for mineral fields.

Yours very truly,

C. L. Newland

C. L. Newland
Cashier

CLN/ca

XERO COPY XERO COPY XERO COPY XERO COPY

JANUS MINING COMPANY
Virginia City, Montana

October 29, 1965

Security Bank & Trust Company
of Bozeman
Bozeman, Montana

Attention: Mr. Philip R. Sandquist

Dear Mr. Sandquist:

I would appreciate an acknowledgment and reply relative to a loan to the Janus Mining Company in the amount of $75,000.00, which funds are needed to carry on certain mineral exploration programs as discussed in detail with you on several occasions.

I will appreciate an early reply.

Yours very truly,

JANUS MINING COMPANY

By A. J. Katches
A. J. Katches, Vice President and
General Manager.

AJK/clt

XERO COPY XERO COPY XERO COPY XERO COPY

SECURITY BANK
& Trust Company • BOZEMAN, MONTANA
Phone 586-5466
PHIL SANDQUIST, Executive Vice President

November 16, 1965

Mr. A. J. Katches
Janus Mining Company
Virginia City, Montana

Re: Loan Request

Dear Mr. Katches:

In regard to your letter of October 29th, 1965, this letter is to inform you that our bank does not participate in financing pertaining to exploration for mineral reserves or speculation mining interest.

The $75,000.00 loan request will have to be refused because it is not our bank policy to make such loans.

I regret the refusal, but it is not our policy to make loans in the mining or exploration for mineral fields.

Yours very truly,

Philip R. Sandquist
Executive Vice President

PRS/rsb

XERO COPY XERO COPY XERO COPY XERO COPY

GArfield 1-1193

national
MATRIX SERVICE
408-14 N. 15TH STREET • ST. LOUIS 3, MO.

July 8, 1965

Mr. L. John Gable, Vice President
Security Trust Company
706 Locust Street
St. Louis, Missouri

The Janus Mining Company is interested in securing a loan of $140,000.00 for purposes of mineral exploration in the area of Virginia City, Montana. We are presenting detailed information of the properties covered by our leases.

Please give this application your immediate attention and advise me of your decision.

Yours truly,

Alvin B. Seibert

Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Mo. 63103

DIRECT PRESS BAKED MATS • R. O. P. COLOR MATS • STEROTYPE • PLASTIC AND RUBBER PLATES • PROOFS • MAILING

XERO COPY XERO COPY XERO COPY XERO COPY

SECURITY TRUST COMPANY
EIGHTH AND LOCUST STREETS • SAINT LOUIS, MISSOURI 63177

July 13, 1965

Mr. Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Missouri 63103

Dear Mr. Seibert:

Thank you for presenting the Janus Mining Company loan request to Security Trust even though I am sorry to report that we are unable to grant the loan.

Hoping you might again have an opportunity to request our services and thanking you again for the above.

Sincerely,

L. John Gable
Vice President

LJG/mkf

Bank with Security, we like to serve you!

XERO COPY XERO COPY XERO COPY XERO COPY

GArfield 1-1193

national
MATRIX SERVICE
408-14 N. 15TH STREET • ST. LOUIS 3, MO.

July 8, 1965

Mr. E. E. Fincke, Vice President
Mercantile Trust Company
8th & Locust Streets
St. Louis, Missouri

The Janus Mining Company is interested in securing a loan of $140,000.00 for purposes of mineral exploration in the area of Virginia City, Montana. We are presenting detailed information of the properties covered by our leases.

Please give this application your immediate attention and advise me of your decision.

Yours truly,

Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Mo. 63103

DIRECT PRESSURE BAKED MATS • R. O. P. COLOR MATS • STEROTYPE • PLASTIC AND RUBBER PLATES • PROOFS • MAILING

XERO COPY XERO COPY XERO COPY XERO COPY

MERCANTILE TRUST COMPANY
NATIONAL ASSOCIATION
SAINT LOUIS, MISSOURI 63166, CENTRAL 1-3500

July 13, 1965

Mr. Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Missouri 63103

Dear Mr. Seibert:

After reviewing your application for a loan to the Janus Mining Company, we have concluded that we are not interested in favorably entertaining your request at this time.

You have our best wishes for success and perhaps we will have another opportunity to review your banking needs.

Sincerely,

E. E. Fincke
Vice President

EEF:fc

XERO COPY XERO COPY XERO COPY XERO COPY

GArfield 1-1193

national
MATRIX SERVICE
408-14 N. 15TH STREET • ST. LOUIS 3, MO.

July 8, 1965

Mr. Paul P. Keim, Vice President
Bank of St. Louis
Ninth & Washington Ave.
St. Louis, Missouri

The Janus Mining Company is interested in securing a loan of $140,000.00 for purposes of mineral exploration in the area of Virginia City, Montana. We are presenting detailed information of the properties covered by our leases.

Please give this application your immediate attention and advise me of your decision.

Yours truly,

Alvin B. Seibert

Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Mo. 63103

DIRECT PRESS RE BAKED MATS • R. O. P. COLOR MATS • STEROTYPE • PLASTIC AND RUBBER PLATES • PROOFS • MAILING

XERO COPY XERO COPY XERO COPY XERO COPY

OFFICERS
PRESTON ESTEP
CHAIRMAN OF THE BOARD
JACK G. BUTLER
PRESIDENT
DANIEL S. HAPKE
VICE PRESIDENT, SECRETARY, GENERAL COUNSEL
J. W. DORNHAUER
VICE PRESIDENT
LEWIS L. HOLLAND
VICE PRESIDENT
PAUL P. KEIM
VICE PRESIDENT
TRUST OFFICER
OTTO E. KEY
VICE PRESIDENT
CHARLES M. LILES
VICE PRESIDENT
MINARD T. MACCARTHY
VICE PRESIDENT
JACK W. MINTON
VICE PRESIDENT
WILLARD J. NICHOLS
VICE PRESIDENT
JOHN C. SEILER
VICE PRESIDENT
ASSISTANT CASHIER
EARL W. WEAVER
VICE PRESIDENT
LEO H. KUEPER, JR.
GENERAL AUDITOR
JOSEPH A. TROCHTA
ASSISTANT VICE PRESIDENT
CASHIER
MATT G. REBB
ASSISTANT VICE PRESIDENT
ASSISTANT CASHIER
WILSON T. BELL
ASSISTANT VICE PRESIDENT
DONALD MENKE
ASSISTANT VICE PRESIDENT
JAMES O'FLYNN
ASSISTANT VICE PRESIDENT
RAYMOND OTT
ASSISTANT VICE PRESIDENT
FRANCIS H. PHELAN
ASSISTANT VICE PRESIDENT
EUGENE POELKER
ASSISTANT VICE PRESIDENT
HARRY L. BELL
ASSISTANT CASHIER
ASSISTANT SECRETARY
LAWRENCE B. BLESCH
ASSISTANT CASHIER
ASSISTANT TRUST OFFICER
EARL A. BLANKENMEISTER
ASSISTANT CASHIER
WILLARD GASSER
ASSISTANT CASHIER
J. R. LYNCH
ASSISTANT CASHIER
DONALD NAERT
ASSISTANT CASHIER
HAROLD G. RATHMANN
ASSISTANT CASHIER
GEORGE PFLUEGER, JR.
ACCOUNTING OFFICER
FRANK KUSSMAN
ASSISTANT ACCOUNTING OFFICER
FRED TUBBESING
ASSISTANT TRUST OFFICER
HERBERT S. HEIL
MANAGER, SAFE DEPOSIT DEPARTMENT

Bank of St. Louis

NINTH AND WASHINGTON AVENUE

Saint Louis 66, Mo.

GARFIELD 1-1850

BOARD MEMBERS
JOHN C. BAINE
PRESIDENT, TRANSIT SERVICES CORP. OF METROPOLITAN ST. LOUIS
HARTLEY G. BANKS
PRES. COLUMBIA SAVINGS BANK
W. H. BIXBY
G. H. WALKER & CO.
PERCY S. BLOCK
FRANK C. BLUMEYER
PRES. ST. LOUIS INSURANCE CORP.
WALTER E. BURTELOW
PRESIDENT
JEFFERSON-GRANDE BANK OF ST. LOUIS
JACK G. BUTLER
PRESIDENT
PRESTON ESTEP
CHAIRMAN OF THE BOARD
PRES. TRANSIT CASUALTY CO.
LEO A. FISHER
INVESTOR
MARTIN HAUSER
PRES. LITCHFIELD CREAMERY COMPANY
F. GUY HITT
CHAIRMAN OF THE BOARD
BANK OF BENTON
BANK OF ZEIGLER
ROSCOE C. HOBBS
VICE-PRES. HOBBS-WESTERN CO.
PAUL B. JAMISON
EDW. D. JONES
EDW. D. JONES & CO.
JOHN F. KREY
PRESIDENT, KREY PACKING COMPANY
MARTIN LAMMERT IV
VICE-PRES. LAMMERT FURNITURE COMPANY
EDWARD V. LONG
UNITED STATES SENATOR
HENRY A. LONGMEYER
FEED LOT OPERATOR
ARTHUR W. LUCAS
VICE PRESIDENT
MONSANTO CHEMICAL COMPANY
MINARD T. MACCARTHY
VICE PRESIDENT
RICHARD A. MEYER
VICE-PRES. ANHEUSER-BUSCH, INC.
JACK W. MINTON
VICE PRESIDENT
CHRIS J. MUCKERMAN
PRES. ST. LOUIS FIRE & MARINE INSUR. CO.
A. H. PERRY
PRES. INSURANCE COMPANY OF ST. LOUIS
R. E. PETERING
VICE PRESIDENT AND TREASURER
THE EMERSON ELECTRIC MFG. COMPANY
R. B. POTASHNICK
PRES. POTASHNICK CONSTRUCTION CO. INC.
JOSEPH F. RUWITCH
PRES. RICHARD LINOLEUM & RUG COMPANY
J. E. WILLIAMS, JR.
PRES. J. E. WILLIAMS CONST. CO.

July 13, 1965

Mr. Alvin B. Seibert
Janus Mining Company
410 North 15th Street
St. Louis, Missouri 63103

Dear Mr. Seibert:

After discussing the application of Janus Mining Company for a $140,000.00 loan for purposes of exploration in Virginia City, Montana, we regretfully report that we are unable to give such a loan favorable treatment.

We are indeed sorry that we cannot help you.

Yours truly,

Paul P. Keim
Vice President

PPK/ht

MEMBER FEDERAL
DEPOSIT INSURANCE
CORPORATION

30 Minutes Free Parking At The Rear of the Bank

$10,000 MAXIMUM
INSURANCE FOR EACH
DEPOSITOR

XERO COPY

EXPLORATION AND MINING LEASE

THIS AGREEMENT, made and entered into this 9th day of June, 1965, by and between A. J. KATCHES, VIRGINIA CITY, MONTANA, hereinafter called the LESSOR (whether one or more), and JANUS MINING COMPANY, a MONTANA corporation, VIRGINIA CITY, MONTANA, hereinafter called the LESSEE, W I T N E S S E T H:

That for and in consideration of the sum of Three and 50/100 Dollars in hand paid, the receipt and sufficiency of which is hereby acknowledged by the LESSOR, and in further consideration of the agreements and provisions hereinafter contained, the LESSOR does hereby demise and lease for the purposes hereinafter set forth, to the LESSEE, the following described lands and premises, to-wit:

NELLIE BLY, ALDER FRACTION, PRESCOT AND MALTA LODES DESIGNATED BY THE SURVEYOR GENERAL AS SURVEY NO. 9722 EMBRACING A PORTION OF TOWNSHIP 7 SOUTH, RANGE 3 WEST, M. P. M. IN THE HIGHLAND UNORGANIZED MINING DISTRICT, FOR A MORE PARTICULAR DESCRIPTION OF WHICH REFERENCE IS MADE TO PAGE 115, BOOK 145, RECORDS OF MADISON COUNTY, MONTANA

to have and to hold the same exclusively with all rights and privileges thereunto appertaining, for the purpose of exploring for, developing, mining, removing, and selling any and all minerals and ores which the LESSEE may desire, together with the right of ingress and egress, and drilling, digging, and otherwise penetrating into the said lands, and building roads and erecting other improvements thereon as may be reasonable and necessary in such operations; all for the period of time hereinafter described, and all without liability on the LESSEE'S part for any surface damage caused thereby; provided, that the LESSEE shall seasonably commence operations hereunder and shall prosecute the same diligently and continuously, weather permitting.

EXPLORATION PERIOD. The period of this lease from the date hereof to and including June 9, 1965, shall be known as the exploration period, during which time the LESSEE shall have all the rights and privileges herein set forth, for the purpose of exploring said leased premises for minerals and ores other than oil, gas, or other hydrocarbons, by drilling, test pitting, trenching, blasting, shaft sinking, or such other geological methods of exploration as may be usual, customary, or practicable therein, including the removal of ores or minerals found, for purposes of testing or assaying or other research, but not for commercial purposes.

TERM OF LEASE. In the event the LESSEE determines, during the aforesaid exploration period, that minerals or ores exist in, upon, or under said premises in commercial quantity and quality, then this indenture shall continue in effect as a lease upon said premises, from year to year, provided the LESSEE shall pay to the LESSOR'S credit at the FIRST NATIONAL BANK at BOZEMAN, MONTANA, on or before the 9th day of June of each such year, in advance, a minimum annual advance royalty in the amount of One Thousand and no/100 Dollars ($1,000.00) which shall be credited against royalties accruing thereafter to the LESSOR for the year as to which such minimum advance royalty payment is made.

ROYALTY. For ores of copper, zinc, lead, silver, gold, or other metals produced from said premises and shipped to a mill or smelter, the LESSEE agrees to pay to the LESSOR a royalty of TEN PERCENT (10%) based upon the net mill or smelter returns of the ore mined hereunder; by "net mill or smelter returns" is meant the amount

XERO COPY XERO COPY XERO COPY XERO COPY

received for such ores from mill or smelter after deducting therefrom the cost of milling, smelting and freight or haulage charges from the mine to the mill or smelter; with payment of said royalty the LESSEE shall submit to the LESSOR a copy of their settlement sheet for each lot which settlement is made, and said settlement sheet and royalty check shall be paid within twenty days after receipt of payments by the LESSEE.

OPERATIONS. The LESSEE shall conduct all its operations hereunder in a skillful and proper manner and according to good mining practices, and, subject thereto, may use such methods of mining as to the whole or any part of the said premises as it finds most profitable and economical, or may, when deemed necessary or desirable, discontinue operations entirely hereunder; provided that all payments of taxes, royalties, and rentals have been made and that the LESSEE is not in default hereunder; provided, that in such event and upon termination hereof, the LESSEE agrees to deliver a good and sufficient and recordable release and termination hereof, releasing and returning unto the LESSOR all rights hereunder; provided further, that upon termination hereof the LESSEE shall have a reasonable time in which to remove its equipment, materials, and improvements from said premises.

TIME; ASSIGNMENTS. Mining development and production of the mineral resources of the said premises, timely performed, are of the essence hereof, subject to the terms and provisions herein set forth; and all terms and conditions hereof shall be binding alike upon the parties hereto, their respective successors, heirs, and assigns.

TITLE. The LESSOR agrees that he will, upon request of the LESSEE, furnish for examination an abstract of title to the said premises showing good and merchantable title in him, and to correct any defects therein which are required by the LESSEE, at his own expense; such abstract to be returned to the LESSOR upon completion of such examination; and the LESSOR hereby warrants that his title thereto is good and merchantable.

Hereby releasing and waiving all rights in and to said lands under the homestead exemption laws of the State of Montana.

WITNESS the hands of the parties, and to a duplicate hereof, the day and year first above set forth.

A. Gatches
LESSOR

JANUS MINING COMPANY

By Alvin B. Seibert
President

Fred W. Hoffman
Secretary

LESSEE

(SEAL)

XERO COPY XERO COPY XERO COPY XERO COPY

STATE OF MONTANA
ss.
COUNTY OF MADISON

On this 9th day of JUNE, 1965, before me personally appeared A. J. KATCHES, to me known to be the person described in and who executed the foregoing Exploration and Mining Lease, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and notarial seal, the day and year in this certificate first above set forth.

Mary Ellen Smith
Notary Public for the State of Montana.
Residing at Virginia City, Montana.
My commission expires June 12, 1965.

* * * * * * * * * * *

Acknowledgment To The Lease (Corporation)

STATE OF MONTANA
ss.
COUNTY OF GALLATIN

On this 11th day of JUNE, 1965, before me personally appeared ALVIN B. SEIBERT and FRED W. HOFFMAN, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary of JANUS MINING COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and said President and Secretary acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and notarial seal the day and year in this certificate first above set forth.

H. A. Bolinger Jr.
Notary Public for the State of Montana.
Residing at Bozeman, Montana.
My commission expires Jan 14, 1968

RECORDER'S OFFICE,
Madison County, Montana } ss.
Filed for record on the 26 day
of July A. D. 1965
at 9:30 o'clock A.M., and recorded
in Volume 205 of Mining
Records on Page 377
Records of Madison County, Montana
Paul L. Grandstaff
County Recorder
By
Fee $ 6.00 Deputy

A. J. Katches
Vs. city
M

XERO COPY XERO COPY XERO COPY XERO COPY

32633

MINING LEASE

THIS AGREEMENT, made and entered into this 9th day of August, 1965, by and between LOWELL M. PAIGE and EVA PORTIA PAIGE, husband and wife, of Sheridan, Montana, and BOYNTON G. PAIGE and HELEN M. PAIGE, husband and wife, of Philipsburg, Montana, hereinafter called the LESSOR (whether one or more), and JANUS MINING COMPANY, a Montana corporation, of Virginia City, Montana, hereinafter called the LESSEE, WITNESSETH:

That for and in consideration of the sum of TWENTY-FIVE and NO/100 DOLLARS in hand paid, the receipt and sufficiency of which is hereby acknowledged by the LESSOR, and in further consideration of the agreements and provisions hereinafter contained, the LESSOR does hereby demise and lease for the purposes hereinafter set forth, to the LESSEE, the following described and designated patented mining claim, which is located and situated in the County of Madison, State of Montana, to-wit:

> HIGHLAND LODE (PATENTED) MINING CLAIM, designated by the Surveyor General as Lot No. 7295, embracing a portion of Township 7 South, Range 3 West, Montana Meridian, Highland Mining District, Madison County, Montana, and containing 20 acres, more or less,

to have and to hold the same exclusively with all rights and privileges thereunto appertaining, for the purpose of exploring for, developing, mining, removing, transporting and selling any and all minerals and ores which the LESSEE may desire, together with the right of ingress and egress, and drilling, digging, and otherwise penetrating into the said lands, and building roads and erecting other improvements thereon as may be reasonable and necessary in such operations; all for the period of time hereinafter described, and all without liability on the LESSEE'S part for any surface damage caused thereby; provided, that the LESSEE shall seasonably commence operations hereunder and shall prosecute the same diligently and continuously, weather permitting.

EXPLORATION PERIOD. The period of this lease from the date hereof to and including August 9, 1965, shall be known as the exploration period, during which time the LESSEE shall have all the rights and privileges herein set forth, for the purpose of exploring said leased premises for minerals and ores other than oil, gas, or other hydrocarbons, by drilling, test pitting, trenching, blasting, shaft sinking, or such other geological methods of exploration as may be usual, customary, or practicable therein, including the removal of ores or minerals found, for purposes of testing or assaying or other research, but not for commercial purposes.

TERM OF LEASE. In the event the LESSEE determines, during the aforesaid exploration period, that minerals or ores exist in, upon, or under said premises in commercial quantity and quality, then this indenture shall continue in effect as a lease upon said premises, from year to year, provided the LESSEE shall pay to the LESSOR, on or before the 9th day of AUGUST of each such year, in advance, a minimum annual advance royalty in the amount of THREE HUNDRED and NO/100 DOLLARS which shall be credited against royalties accruing thereafter to the LESSOR for the year as to which such minimum advance royalty payment is made.

XERO COPY XERO COPY XERO COPY XERO COPY

ROYALTY. For ores of copper, zinc, lead, silver, gold, or other metals produced from said premises and shipped to a mill or smelter, the LESSEE agrees to pay to the LESSOR a royalty of twelve and one-half (12½%) per cent based upon the net mill or smelter returns of the ore mined hereunder; by "net mill or smelter returns" is meant the amount received for such ores from mill or smelter after deducting therefrom the cost of milling, smelting and freight or haulage charges from the mine to the mill or smelter; with payment of said royalty the LESSEE shall submit to the LESSOR a copy of their settlement sheet for each lot which settlement is made, and said settlement sheet and royalty check shall be paid within twenty days after receipt of payments by the LESSEE.

OPERATIONS. The LESSEE shall conduct all its operations hereunder in a skillful and proper manner and according to good mining practices, and, subject thereto, may use such methods of mining as to the whole or any part of the said premises as it finds most profitable and economical, or may, when deemed necessary or desirable, discontinue operations entirely hereunder; provided, that in such event, and upon termination hereof the LESSEE agrees to deliver a good and sufficient and recordable release and termination hereof, releasing and returning unto the LESSOR all rights hereunder; provided further, that upon termination hereof the LESSEE shall have a reasonable time in which to remove its equipment, materials, and improvements from said premises.

TAXES, LIENS, LAWS, AND REGULATIONS. The LESSEE shall pay all valid taxes and assessments levied against its operations or property on said patented mining claim, and to accomplish all its work and operations hereunder free at all times from liens of its laborers or contractors, and in full compliance with all applicable state and federal laws and regulations.

TIME; ASSIGNMENTS. Mining development and production of the mineral resources of the said premises, timely performed, are of the essence hereof, subject to the terms and provisions herein set forth; and all terms and conditions hereof shall be binding alike upon the parties hereto, their respective successors, heirs, and assigns.

TITLE. The LESSOR agrees that he will, upon request of the LESSEE, furnish for examination an abstract of title to the said premises showing good and merchantable title in him, and to correct any defects therein which are required by the LESSEE, at his own expense; such abstract to be returned to the LESSOR upon completion of such examination.

Hereby releasing and waiving all rights in and to said lands under the homestead exemption laws of the State of Montana.

WITNESS the hands of the parties, and to a duplicate hereof, the day and year first above set forth.

Lowell M. Paige
LOWELL M. PAIGE

Eva Portia Paige
EVA PORTIA PAIGE

Boynton G. Paige
BOYNTON G. PAIGE

Helen M. Paige
HELEN M. PAIGE

LESSOR

XERO COPY XERO COPY XERO COPY XERO COPY

JANUS MINING COMPANY

By _____ PRESIDENT

By _____ SECRETARY

LESSEE

STATE OF MONTANA
ss.
County of Madison

On this 30 day of Aug, 1965, before me, personally appeared LOWELL M. PAIGE and EVA PORTIA PAIGE, his wife, to me known to be the persons described in and who executed the foregoing Mining Lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and notarial seal, the day and year in this certificate first above set forth.

_____
Notary Public for the State of Montana.
Residing at Sheridan, Montana.
My commission expires Aug 12, 1967.

STATE OF MONTANA
ss.
County of Granite

On this 2nd day of September, 1965, before me, personally appeared BOYNTON G. PAIGE and HELEN M. PAIGE, his wife, to me known to be the persons described in and who executed the foregoing Mining Lease, and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Witness my hand and notarial seal, the day and year in this certificate first above set forth.

_____
Notary Public for the State of Montana.
Residing at Philipsburg, Montana.
My commission expires Dec 25 1966.

XERO COPY XERO COPY XERO COPY XERO COPY

Acknowledgment to the Lease (Corporation)

STATE OF MONTANA
ss.
County of Madison

On this 14th day of September, 1965, before me personally appeared ALVIN B. SEIBERT and FRED W. HOFFMAN to me personally known, who, being by me duly sworn, did say that they are the President and Secretary of JANUS MINING COMPANY and that the seal affixed to said instrument is the corporate seal of said corporation by authority of its Board of Directors and said President and Secretary acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and notarial seal the day and year in this certificate first above set forth.

Mary Ellen Smith
Notary Public for the State of Montana.
Residing at Virginia City, Montana.
My commission expires June 12, 1968.

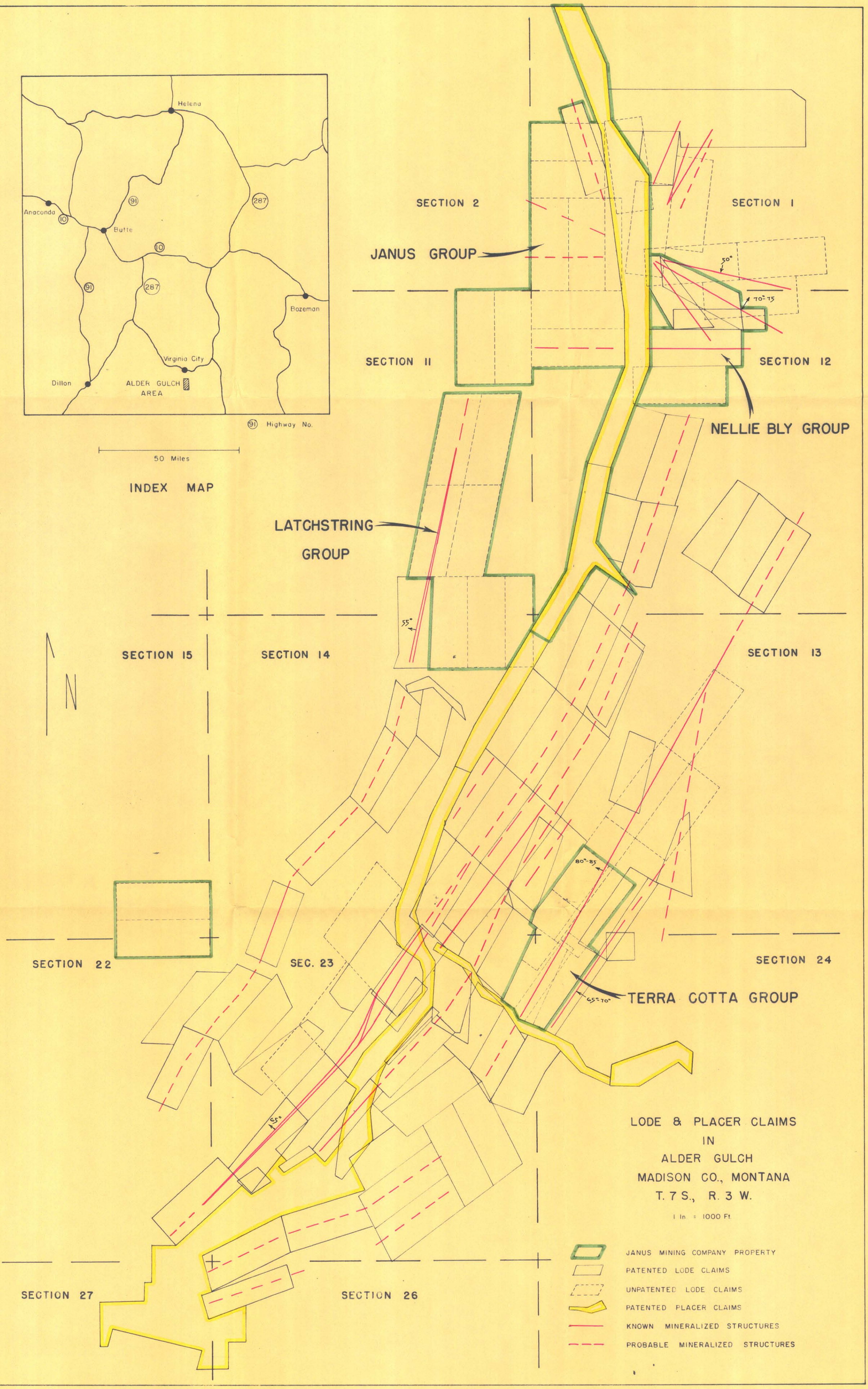
RECORDER'S OFFICE,
Madison County, Montana } ss.
Filed for record on the 14th day
of September A. D. 1965
at 3:20 o'clock P M., and recorded
in Volume 205 of Miscellaneous
Records on Page 409
Records of Madison County, Montana
Leagl S. Beardsley Brokele
County Recorder
By Richard T. Spuhler
Deputy
Fee $8.00

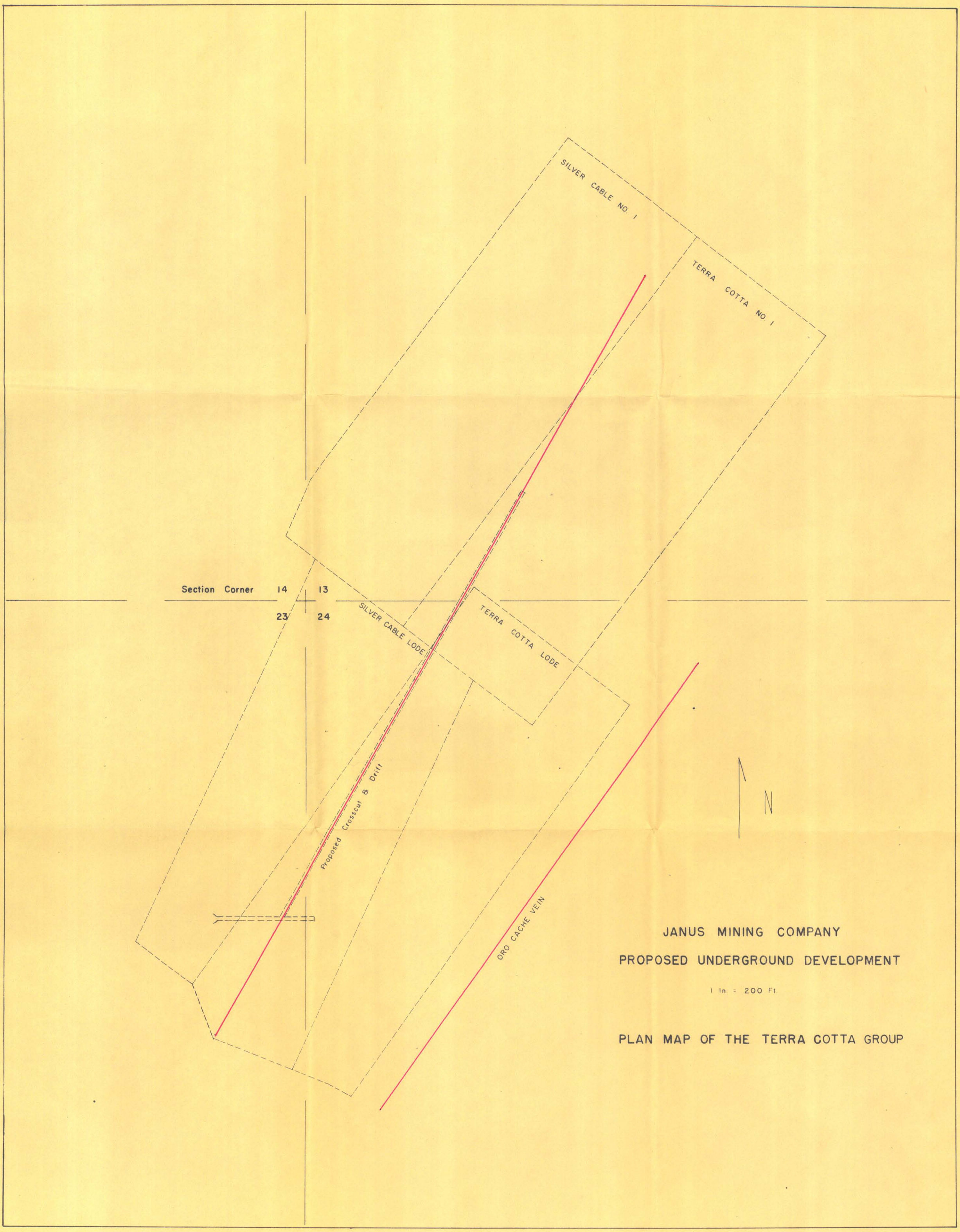
Return to
A. J. Ketches
Box 442
Virginia City, Mt.

XERO COPY XERO COPY XERO COPY XERO COPY

Helena
Anaconda
Butte
Bozeman
Virginia City
Dillon
ALDER GULCH AREA
91
287
10
Highway No.
50 Miles

INDEX MAP


SECTION 2
SECTION 1
JANUS GROUP
50°
70°-75
SECTION 11
SECTION 12
NELLIE BLY GROUP
LATCHSTRING GROUP
55°
SECTION 15
SECTION 14
SECTION 13
N
80°-85
SECTION 22
SEC. 23
SECTION 24
65°-70°
TERRA COTTA GROUP
65°
SECTION 27
SECTION 26
LODE & PLACER CLAIMS
IN
ALDER GULCH
MADISON CO., MONTANA
T. 7 S., R. 3 W.
1 In. = 1000 Ft.
JANUS MINING COMPANY PROPERTY
PATENTED LODE CLAIMS
UNPATENTED LODE CLAIMS
PATENTED PLACER CLAIMS
KNOWN MINERALIZED STRUCTURES
PROBABLE MINERALIZED STRUCTURES


SILVER CABLE NO. 1
TERRA COTTA NO. 1
Section Corner
14
13
23
24
SILVER CABLE LODE
TERRA COTTA LODE
Proposed Crosscut & Drift
ORO CACHE VEIN
N
JANUS MINING COMPANY
PROPOSED UNDERGROUND DEVELOPMENT
1 In. = 200 Ft.
PLAN MAP OF THE TERRA COTTA GROUP