

SOUTH CAROLINA

GREENVILLE COUNTY.

This contract of lease, made and entered into this 13th day of December, 1939, by and between W. P. Sloan, of Greenville County, South Carolina, Party of the First Part, and C. L. Stark, of Henderson County, North Carolina, Party of the Second Part.

W I T N E S S E T H:

That for and in consideration of the sum of One and no/100 Dollars (\$1.00) in hand paid to Party of the First Part by Party of the Second Part, the receipt of which is hereby acknowledged, and in further consideration of the terms and conditions of this instrument as hereinafter set out, and the covenants herein contained, Party of the First Part does bargain, lease and grant to Party of the Second Part, his heirs, and assigns, for a period of ten years from the date hereof, all of the mineral interest in and to the following real property bounded and described as follows:

Lying and being in Highland township Greenville and situated on Middle Tyger River and bounded on the Southeast by C. M. Landrum (now Henry Briggs and W. A. Briggs) and on the Northwest by J. W. McKinny and on the West by Gowansville Road, Containing sixty acres more or less.

upon the terms and conditions and for the uses and purposes hereinafter set out.

To Have and to hold said lands to him, Party of the Second Part, his heirs, executors, administrators, or assigns, for the period of ten years, as aforesaid, for the purpose and with the right to use said lands to dig, search for, quarry, bore, work and develop and take from the same any and all gold, silver and other minerals and substances therein contained for said term of years, together with all rights of ingress, egress and regress in and from said lands, as hereinabove described.

It is understood and agreed between the Parties hereto that Party of the Second Part shall also have the right to erect any buildings he may desire on said property whatsoever, which are necessary for use in the mining of said property, or in the proper conducting of mining operations thereon. And it is further understood and agreed between the Parties hereto that Party of the Second Part shall have the right to use any spring, branch, creek or river running in and across said land, with free access and right of way to the same without interference on the part of Party of the First Part, or anyone else, so long as the use of the same is necessary to carry on mining operations on said property and properly conduct the same.

It is further understood and agreed that Party of the Second Part shall have the right to sublease said land for the purpose of working, developing, mining and taking from the same any gold, silver or other minerals or substances which may be found thereon, and in such event said sublessee shall be granted the same rights and privileges herein granted to Party of the Second Part and shall be subject to the same restrictions as have been herein placed on Party of the Second Part, or may hereafter be placed upon him.

It is further understood and agreed between the Parties hereto that in the event that Party of the Second Part shall give up this lease and surrender his rights hereunder, then and in that event said Party of the Second Part shall have the right to remove all engines, tools, supplies, machinery and buildings from said property which Party of the Second Part may have placed thereon, and shall have a period of ninety days from the time of surrendering said lease in which to remove said buildings, machinery and equipment as stated above.

Party of the Second Part, for himself and his heirs, executors and assigns, contracts and agrees to pay to Party of the First Part for said mineral interest and the rights accruing to him under this lease a royalty of Ten (10) percent of the gross cash proceeds resulting from a sale of the minerals mined on said property, or has removed from said property, or has processed, treated or otherwise recovered therefrom, in accordance with the full mining rights given to Party of the Second Part by this agreement.

The Party of the Second Part, for himself, and his heirs, executors, and assigns, contracts and agrees to pay to the Party of the First Part, a minimum royalty during the life of this agreement as follows: \$100.00 twelve months from the date of signing this agreement and \$100.00 six months thereafter and \$100.00 every four months thereafter.

It is further agreed between the Parties hereto that all royalty payments due from minerals recovered, shall be made within ten days from the time that Party of the Second Part shall receive payment for minerals shipped, smeltered, treated or otherwise recovered by him, and it is further understood and agreed that at the time of making said royalty payments as hereinabove provided, that Party of the Second Part shall accompany said payments with a full statement of all ores mined from said property or reported by the United States Mint, Philadelphia, Pa., the price received for same and amount of royalties due Party of the First Part as hereinabove specified.

C.L.S.