

1989

Gold Standard, Inc. v. American Barrick Resources Corporation; Barrick Resources (USA), Inc.; Texaco, Inc.; Getty Oil Company; And Getty Mining Company : Brief of Appellant

Utah Supreme Court

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Gordon L. Roberts, Francis M. Wikstrom; Parsons, Behle and Latimer; Stephen G. Crockett, Robert S. Clark, Jill N. Parrish, Brian J. Romriell; Kimball, Parr, Crockett, and Waddoups; Attorneys for Defendants.

James S. Lowrie, Christopher L. Burton, George W. Pratt, James W. Peters, Deno G. Himonas; Jones, Waldo, Holbrook and McDonough; Attorneys for Appellant.

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890393

BRIEF

IN THE SUPREME COURT OF THE STATE OF UTAH

GOLD STANDARD, INC.,	:	
	:	
Plaintiff,	:	
	:	APPENDICES TO BRIEF OF
vs.	:	APPELLANT GOLD STANDARD,
	:	INC.
	:	
AMERICAN BARRICK RESOURCES	:	Case No. 890393
CORPORATION; BARRICK RESOURCES	:	
(USA), INC.; TEXACO, INC.;	:	Priority No. 10
GETTY OIL COMPANY; and GETTY	:	
MINING COMPANY,	:	
	:	
Defendants.	:	

INTERLOCUTORY APPEAL FROM AN ORDER ENTERED IN
 THE THIRD JUDICIAL DISTRICT COURT OF TOOELE COUNTY,
 STATE OF UTAH, BY THE HONORABLE FRANK G. NOEL

Gordon L. Roberts
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 Resources Corporation and
 Barrick Resources (USA), Inc.

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 Christopher L. Burton
 George W. Pratt
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 Deno G. Himonas
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 McDONALD
 1500 Interstate Plaza
 170 South Main Street
 Salt Lake City, Utah 84101
 Attorneys for Appellant Gold
 Standard, Inc.

Stephen G. Crockett
 Robert S. Clark
 Jill N. Parrish
 Brian J. Romriell
 KIMBALL, PARR, CROCKETT &
 WADDOUPS
 185 South State Street
 Suite 1300
 Salt Lake City, Utah 84111
 Attorneys for Respondents
 Texaco, Inc., Getty Oil
 Company, and Getty Mining
 Company
 (not parties to the appeal)

DEC 3

IN THE SUPREME COURT OF THE STATE OF UTAH

GOLD STANDARD, INC.,	:	
	:	
Plaintiff,	:	
	:	
vs.	:	APPENDICES TO BRIEF OF
	:	APPELLANT GOLD STANDARD,
	:	INC.
	:	
AMERICAN BARRICK RESOURCES	:	
CORPORATION; BARRICK RESOURCES	:	Case No. 890393
(USA), INC.; TEXACO, INC.;	:	
GETTY OIL COMPANY; and GETTY	:	Priority No. 10
MINING COMPANY,	:	
	:	
	:	
Defendants.	:	

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Suite 1300
Salt Lake City, Utah 84111
Attorneys for Respondents
Texaco, Inc., Getty Oil
Company, and Getty Mining
Company
(not parties to the appeal)

TABLE OF CONTENTS FOR APPENDICES TO BRIEF
OF APPELLANT GOLD STANDARD, INC.

- APPENDIX A: Excerpts from Response to Plaintiff's First Set of Interrogatories to the Barrick Defendants
- APPENDIX B: Deposition Exhibits 1177 and 424, letters dated April 2, 1985 and April 19, 1985.
- APPENDIX C: Deposition Exhibit 425, letter dated April 19, 1985.
- APPENDIX D: Excerpts from Deposition of Peter Munk.
- APPENDIX E: Application for Certificate of Authority.
- APPENDIX F: Deposition Exhibit 426, Stock Purchase Agreement dated May 15, 1985.
- APPENDIX G: Excerpts from Deposition of Stephen R. Dattels.
- APPENDIX H: Excerpt from Transcript of Hearing dated July 13, 1989.

APPENDIX "A"

GORDON L. ROBERTS (A2770)
 SCOTT M. MATHESON (A2117)
 FRANCIS M. WIKSTROM (A3462)
 JOHN B. WILSON (A3511)
 of and for
 PARSONS, BEHLE & LATIMER
 Attorneys for Defendants
 American Barrick Resources
 Corporation and Barrick Resources
 (USA) Inc.
 185 South State Street, Suite 700
 P.O. Box 11898
 Salt Lake City, Utah 84147-0898
 Telephone: (801) 532-1234

IN THE THIRD JUDICIAL DISTRICT COURT OF TOOELE COUNTY

STATE OF UTAH

* * * * *

GOLD STANDARD, INC.,)	
)	
Plaintiff,)	RESPONSE TO PLAINTIFF'S
)	FIRST SET OF INTERROGATORIES
vs.)	TO THE BARRICK DEFENDANTS
)	
AMERICAN BARRICK RESOURCES)	
CORPORATION; BARRICK MERCUR)	
GOLD MINES, INC.; TEXACO, INC.;)	
GETTY OIL COMPANY; GETTY MINING)	
COMPANY; GETTY GOLD MINE COMPANY;)	Civil No. 86-374
and JOHN DOES 1-10,)	Honorable Frank G. Noel
)	
Defendants.)	

Defendants American Barrick Resources Corporation and Barrick Resources (USA) Inc., pursuant to Rule 33 of the Utah Rules of Civil Procedure, respond to Plaintiff's First Set of Interrogatories to the Barrick Defendants as follows:

(c) Parsons, Behle & Latimer issued an oral opinion to defendants, supported by an internal memorandum concerning certain of Gold Standard's claims relating to the Mercur Mine.

(d) Internal memorandum of Parsons, Behle & Latimer dated June 7, 1985.

INTERROGATORY NO. 19: Describe in detail all information, and identify all documents, disclosed to you regarding Gold Standard's claims against the Mercur Mine before you purchased it.

RESPONSE: See response to Interrogatory No. 17 and 18.

INTERROGATORY NO. 20: State whether, in connection with your acquisition of Getty's interest in the Mercur Property and the Operating Agreement, you agreed to indemnify Getty against any losses that resulted from the assertion by Gold Standard of its claims against the Mercur Property. If so:

(a) Describe in detail the terms of the agreement;

(b) Describe the consideration given by Getty to support the agreement;

(c) Identify all persons involved in the negotiation for the agreement; and

(d) Identify every document that supports, evidences, or relates to your responses to the previous subparts of this interrogatory.

RESPONSE: No. Defendants will produce the Stock Purchase Agreement Among Getty Mining Company, Getty Gold Mine Company and Barrick Petroleum (USA) Inc. dated May 15, 1985.

INTERROGATORY NO. 21: Describe in detail the succession of ownership of the Mercur Mine, from the time you purchased Getty's interest in the Mercur Mine, to the present. Your answer should indicate any name changes in the entity holding an interest in the Mercur Mine, should describe all transfers of ownership in that interest, and describe all reasons for all such changes and transfers. In addition, if at any time the interest in the Mercur Mine is held by a wholly-owned subsidiary of other Barrick entities, identify the Barrick entit(ies) owning the subsidiar(ies) holding the interest in the Mercur Mine.

RESPONSE: The stock of Getty Gold Mine Company was acquired by Barrick Petroleum (USA) Inc. The name of Getty Gold Mine Company was changed to Barrick Mercur Gold Mines Inc. Barrick Petroleum (USA) Inc. changed its name to Barrick Resources (USA) Inc. Barrick Mercur Gold Mines Inc. was subsequently merged into Barrick Resources (USA) Inc. Barrick Resources (USA) Inc. is a wholly-owned indirect subsidiary of American Barrick Resources Corporation, as was Barrick Petroleum (USA) Inc.

INTERROGATORY NO. 22: Identify the operator for the Mercur Mine beginning from the time you purchased the Mercur mine to the present.

(c) Identify which Barrick employee(s) first received this information; and

(d) Identify every document that supports, evidences, or relates to your responses to the previous subparts of this Interrogatory.

RESPONSE: (a, b, c) Defendants do not know how the information came to their attention except to the extent that it was contained in or inferred from the documents provided to defendants by Getty/Texaco prior to the sale.

(d) Defendants will produce the documents provided for their review by Getty/Texaco with the exception of those documents privileged as work product of counsel or attorney-client communication.

INTERROGATORY NO. 28: Describe in detail all consideration paid by you to acquire your interest in the Mercur Mine.

RESPONSE: Defendants will produce the Stock Purchase Agreement among Getty Mining Company, Getty Gold Mine Company and Barrick Petroleum (USA) Inc. dated May 15, 1985, from which plaintiff can determine the answer to this interrogatory.

INTERROGATORY NO. 29: Identify all officers and directors of the following business entities, from May 1985 to the present:

- (a) American Barrick Resources Corporation;
- (b) Barrick Resources (USA); and
- (c) Barrick Mercur Gold Mines, Inc.

(b) Identify every person who has knowledge of any facts referred to in your response to subpart (a) of this interrogatory; and

(c) Identify every document that supports, evidences or relates to your response to the previous subparts of this interrogatory.

RESPONSE:

(a) The allegation was not directed to the actions of these defendants but these defendants understand that Gold Standard had no right of first refusal under the Operating Agreement as of June, 1984.

(b) Unknown at present.

(c) Operating Agreement and possibly other documents.

INTERROGATORY NO. 47: With respect to your denial of the allegations in paragraph 40 of the Amended Complaint:

(a) Describe in detail every fact upon which you base the denial;

(b) Identify every person who has knowledge of any facts referred to in your response to subpart (a) of this interrogatory; and

(c) Identify every document that supports, evidences or relates to your response to the previous subparts of this interrogatory.

RESPONSE:

(a) Barrick Petroleum (USA) Inc. purchased the stock of Getty Gold Mine Co. The Stock Purchase Agreement sets forth the terms of the sale. The mining operation has changed in some respects under the ownership of Barrick.

(b) and (c) Defendants object to parts b and c of this interrogatory on the grounds that the interrogatory is overly broad and unduly burdensome and the information requested therein concerning how mining operations have changed is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

INTERROGATORY NO. 48: With respect to your denial, in answer to paragraph 41 of the Amended Complaint, that you assumed Getty's obligations and liabilities under the Operating Agreement "[w]ith full knowledge of Gold Standard's claims":

(a) Describe in detail every fact upon which you base the denial;

(b) Identify every person who has knowledge of any facts referred to in your response to subpart (a) of this Interrogatory; and,

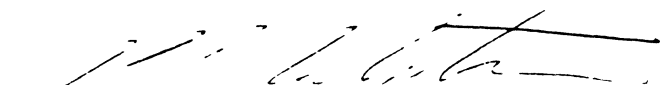
(c) Identify every document that supports, evidences or relates to your response to the previous subparts of this Interrogatory.

RESPONSE: Defendants object to Interrogatory No. 48 on the grounds that it calls for a legal conclusion and, further, that the information requested therein is privileged as

VERIFICATION


Canada)
)
Province of Ontario : ss.
)

William R. Robertson, being first duly sworn, says that he is the Secretary Barrick Mercur Gold Mines Inc. (now Barrick Resources (USA) Inc.) (the "Company") and that he has read defendants' Response ("Response") to Plaintiffs' First Set of Interrogatories to the Barrick Defendants propounded to the defendants by Plaintiff and he has signed said Response for and on behalf of the Company. The information set forth in said Response was gathered and collated by persons regularly in the employ of the Company from records and files kept by the Company in the regular and ordinary course of its business, or in the alternative, information gathered by the Company's counsel on its behalf. Said persons have reported to declarant that said Response truly and correctly reflects the contents of the Company's records with respect to the subject matter, to the best of their knowledge, wherefore, declarant states upon information and belief, that said Response is true and correct to the best of my knowledge according to and based upon the records and files of the Company and information transmitted to declarant as aforesaid.


DECLARANT, William R. Robertson

Subscribed and sworn to before me this 7th day of April, 1988.

My Commission Expires: 12/31/91


NOTARY PUBLIC
Residing at: Toronto Ontario Canada

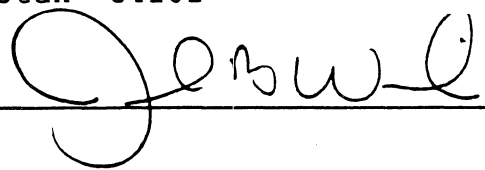
MAILING CERTIFICATE

I hereby certify that I caused to be mailed, postage prepaid, a true and correct copy of the foregoing RESPONSE TO PLAINTIFF'S FIRST SET OF INTERROGATORIES TO THE BARRICK DEFENDANTS to the following on this 8th day of April, 1988:

James S. Lowrie, Esq.
Richard B. Johns, Esq.
George W. Pratt, Esq.
JONES, WALDO, HOLBROOK & McDONOUGH
1500 First Interstate Plaza
170 South Main Street
Salt Lake City, Utah 84101

Stephen G. Crockett, Esq.
Robert S. Clark, Esq.
KIMBALL, PARR, CROCKETT & WADDOUPS
185 South State Street, Suite 1300
Salt Lake City, Utah 84111

Robert M. McDonald, Esq.
Attorney for Counterclaim defendant
Scott L. Smith
American Plaza III
47 West 200 South, Suite 450
Salt Lake City, Utah 84101



219:111187B

APPENDIX "B"

BARRICK RESOURCES CORPORATION

4/2/85

2 April 1985



Gold

Texaco Inc.
2000 Westchester Avenue
WHITE PLAINS, N.Y.
10650
U.S.A.

Dear Sirs:

Barrick Resources Corporation offers to purchase from Texaco, Inc. all assets pertaining to mining and milling of the Mercur Gold Mine, located in Tooele County, Utah, including all associated mining claims, mineral leases, surface rights and minerals rights whether held in fee simple or under a lease royalty agreement. All assets to be free and clear of any encumbrances, and all leases to be in good standing and readily assignable to Barrick Resources Corporation.

The total consideration payable to Texaco, Inc. for these assets, exclusive of gold inventories which shall be purchased for cash value, is US\$40 million, comprised as follows:

1. A \$28 million cash payment plus a secured note of US\$12 million payable from overriding royalties on all mining revenues resulting from the acquired ore bodies at Mercur.
2. The overriding royalty to accrue for the payment of the notes is payable from 50% of all the revenues (less applicable royalties) from gold sales in excess of US\$385 per oz. until the full amount has been paid.

Barrick requires a 60-day period within which it can substantiate and validate the following matters:

1. Establish clear title to all leases, especially the royalty payment affecting the various leases.
2. Clarification of the Gold Standard claim
 - a) working interest or net profit interest
 - b) Gold Standard's first right of refusal to purchase assets.
3. Final agreement on the basis of the Gold Standard net profit interest calculations, i.e. capital cost basis.

Suite 3001, South Tower, Royal Bank Plaza, Toronto, Ontario, Canada, M5J 2J1 Telephone (416) 865-0005 Telex 06-218626 BRC TOR

Texaco, Inc.

- 2 -

AP-10
28th March 1985

4. Review and spot checking of Mercur ore reserves.
5. Review of State and Federal compliance licences, future requirements, and all permits.

Barrick believes that the above factors can be clarified and validated within a 60-day period. Should Texaco, Inc. accept this purchase bid, Barrick is prepared to commence work on these factors immediately and proceed with due diligence to a final closing within the 60-day period.

Yours very truly,

BARRICK RESOURCES CORPORATION

**Peter Munk
Chairman**

PM:dw

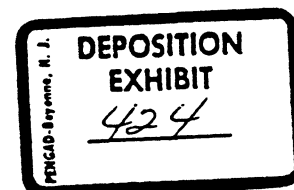
Confirmed and agreed to:

Texaco, Inc.

Per: _____

BARRICK RESOURCES CORPORATION

19 April 1985



Texaco Inc.
2000 Westchester Avenue
WHITE PLAINS, N.Y.
10650
U.S.A.

Dear Sirs:

Barrick Resources Corporation offers to purchase from Texaco, Inc. all assets pertaining to mining and milling of the Mercur Gold Mine, located in Tooele County, Utah, including all associated mining claims, mineral leases, surface rights and minerals rights whether held in fee simple or under a lease royalty agreement. All assets to be free and clear of any encumbrances, and all leases to be in good standing and readily assignable to Barrick Resources Corporation.

The total consideration payable to Texaco, Inc. for these assets, exclusive of gold inventories which shall be purchased for cash value, is US\$40 million, comprised as follows:

1. A \$30 million cash payment plus a secured note of US\$10 million payable from overriding royalties on all mining revenues resulting from the acquired ore bodies at Mercur.
2. The overriding royalty to accrue for the payment of the notes is payable from 50% of all the revenues (less applicable royalties) from gold sales in excess of US\$385 per oz. until the full amount has been paid.

Barrick requires a 60-day period within which it can substantiate and validate the following matters:

1. Establish clear title to all leases, especially the royalty payment affecting the various leases.
2. Clarification of the Gold Standard claim
 - a) working interest or net profit interest
 - b) Gold Standard's first right of refusal to purchase assets.
3. Final agreement on the basis of the Gold Standard net profit interest calculations, i.e. capital cost basis.

BB022641

Texaco, Inc.

- 2 -

19 April 1985

4. Review and spot checking of Mercur ore reserves.
5. Review of State and Federal compliance licences, future requirements, and all permits.

Barrick believes that the above factors can be clarified and validated within a 60-day period. Should Texaco, Inc. accept this purchase bid, Barrick is prepared to commence work on these factors immediately and proceed with due diligence to a final closing within the 60-day period.

Yours very truly,

BARRICK RESOURCES CORPORATION

Peter Munk
Chairman

PM:dw

Confirmed and agreed to:

Texaco, Inc.

Per: _____

FBC22642

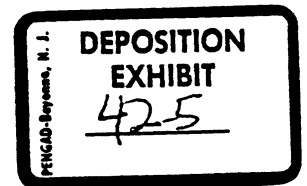
APPENDIX "C"

*BR - Acquisiti
- Getty group
Sale of Ass*

BARRICK RESOURCES CORPORATION

April 19th, 1985.

Mr. Peter Bijur,
Sr. Vice-President,
Texaco Inc.,
2000 Westchester Avenue,
WHITE PLAINS, N.Y.
10650



Dear Mr. Bijur:

Barrick Resources Corporation, or its wholly-owned U.S. subsidiary ("Barrick") offers to purchase from Texaco Inc. ("Texaco") all the outstanding shares of Getty Gold Mining Inc. ("Getty Gold") which owns and operates the Mercur Mine and all related facilities located in Tooele County, Utah.

The total consideration payable to Texaco Inc. for the shares of Getty Gold, exclusive of all gold bullion inventories, and any bank loans and inter-company indebtedness which shall be capitalized, shall be an amount of US \$40 million payable as follows:

1. US \$30 million cash payable on closing.
2. US \$10 million payable from 50% of that amount received in excess of US \$385.00 per oz. from all gold sales until the full amount of US \$10 million has been paid.

This agreement is conditional upon approval of the Boards of Directors of Texaco and Barrick which should be obtained prior to April 30, 1985. Upon the Boards' approval a formal agreement will be entered into containing normal terms, conditions, representations and warranties pertaining to a transaction of this nature. Barrick will complete normal due diligence studies prior to closing, which will substantiate and validate the following principal matters:

....2

aired File Dept.
4/18/85

00050530

Mr. Peter Bijur

- 2 -

19th April, 1985.

1. Establish proper title to all leases and the royalty payments affecting various leases.
2. Review and verify that the property contains a minimum of 11 million tons of ore reserves using a 0.045 Au oz/ton cut-off grade.
3. Review of State and Federal licences, environmental compliances and appropriate permits.
4. Complete corporate review, including appropriate audit.

We believe that there should be no difficulty in verifying the normal due diligence matters within 60 days of the Boards' approval, to permit a closing of the transaction within that period.

If the above is satisfactory, please execute a duplicate copy herewith.

Yours very truly,

BARRICK RESOURCES CORPORATION

Peter Munk,
Chairman

Agreed to this.....day of April, 1985
TEXACO INC.

00050531

APPENDIX "D"

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information needed to achieve that result.

And from my own strategic corporate purpose, the gold reserves were not an important criteria.

Q That was somebody else's responsibility to prepare for submission, for the purpose of obtaining financing?

A Yes, that is it.

Q Thank you.

In your discussions with Mr. Bijur, sir, do you recall ever discussing the Gold Standard claim?

A Well, I do not recall specifically, but it could well have been.

Q In the final negotiation, sir, or final negotiations, Mr. Munk, which resulted in the acquisition by Barrick of the mine, did you have any understanding with Texaco that you would be held harmless with respect to the Gold Standard claim?

A Well, in my mind--

MR. LEVITT: You are asking whether the final deal contained such provision?

Q Was there ever an understanding, regardless of what is in the purchase asset

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agreement.

A Well, I knew that at the end, say, at the end we agreed to comply with Texaco's determination to buy the assets--sorry, to buy the shares as against the assets.

I do remember that they categorically said that in none of their assets sales, asset sales, be it in the form of shares or actual assets, would they want to assume any ongoing contingent liability.

MR. LEVITT: You mean the program where Texaco sold off certain properties?

THE WITNESS: Yes. The program that Bijur was in charge of.

I remember having many discussions with Bijur on the general subject of why Texaco would rather take less money but will not accept any kind of ongoing liability.

Q Was that part of the negotiations that resulted in your acquisition of Mercur?

MR. LEVITT: Objection. The witness said that he was told that was Texaco's policy, that it wasn't negotiable.

THE WITNESS: Right. It was part my

APPENDIX "E"

and Corporation Code of the Utah State
 Department of Corporation
 Office of the Secretary of State, A.D. 19 85
 Corporation Documents Examined BS
 Fees paid \$ 50.00

07-01-01 (REV. 2/77)

1985 MAY 20 11 12 AM '85
 File in Duplicate

APPLICATION FOR CERTIFICATE OF AUTHORITY

GETTY GOLD MINE COMPANY
 (exact corporate name)

115276

1. A corporation of the state of Delaware, incorporated February 5, 1985, hereby applies for a Certificate of Authority to transact business in the state of Utah.
2. The Corporation period of duration is perpetual.
3. The address of the corporation in the state of incorporation is 229 South State St., Dover, Delaware 19901.
4. The registered agent in Utah and the street address of the registered office in Utah are: The Prentice-Hall Corporation System, Inc., 185 South State Street, Salt Lake City, Utah 84111
5. The business purposes to be pursued in Utah are: To engage in any lawful act or activity for which corporations maybe organized under the General Corporation Law of Delaware including mining and exploitation of mineral resources. (SP)
6. The names and address of corporation directors and officers are:

Director	List Attached
Director	
Director	
President	
Vice President	
Secretary	
Treasurer	
7. The aggregate number of shares corporation has authority to issue. (Itemize by class or series if applicable.)

Number of Shares	Class	Series	Par Value
10	Common	-	\$100
8. The aggregate number of issued shares. (Itemize by classes.)

Number of Shares	Class	Series	Par Value
10	Common	-	\$100
9. Stated Capital: \$ 1,000 (see section 16-10-2 [j] for definition)
10. Estimate of value of all assets corporation will own during next year. \$ 106,600 M
11. Estimate of value of all assets in Utah next year. \$ 106,600 M
12. Estimate of gross business corporation will transact next year everywhere. \$ 33,600 M
13. Estimate of gross business corporation will transact next year in Utah. \$ 33,600 M
14. A certificate of good standing duly authorized by the proper officer of the jurisdiction of incorporation is attached.
15. The corporation shall use as its name in Utah N/A.
 (The corporation shall use its name as set forth under application title unless this name is not available for use.)

5170102

CONSENT TO
USE OF NAME

(over)

A110201

Under penalties of perjury, I declare that this application for Certificate of Authority has been examined by me and is, to the best of my knowledge and belief, true, correct and complete.

By [Signature]
 President or Vice President
 By [Signature]
 Secretary or Assistant Secretary

SUGGESTIONS

16. The law requires payment of a corporation license fee at the rate of 1/20th of 1% of the dollar value of the total authorized shares of the corporation. There is a minimum fee of \$25.00 and a maximum of \$500.00. Domestic corporations can compute the license fee by multiplying the dollar value of the authorized shares by .0005, the decimal equivalent of 1/20th of 1%. For purposes of fee computation, no par stock is valued at \$1.00 per share.

Foreign Corporations are assessed license fees only on the portion of the shares represented in the state of Utah. The shares represented in Utah are computed as follows:

- A.
$$\frac{\text{Item 11} + \text{Item 13}}{\text{Item 10} + \text{Item 12}} = 100\%$$
- B.
$$\frac{10}{\text{Authorized Shares Item 7}} \times \frac{\$100}{\text{Par Value Item 7}} = \frac{\$1,000}{\text{Value of Authorized Shares}}$$
- C. Multiply the share value obtained in B by the percentage obtained in A.

$$\frac{\$1,000}{\text{Value of Authorized Shares}} \times \frac{100\%}{\text{Percentage from A above}} = \frac{\$1,000}{\text{Value of Authorized Shares}}$$
- D. Multiply the result obtained in C by .0005. This is the decimal equivalent of 1/20th of 1% which is the license rate of the statute.

$$\frac{\$1,000}{\text{Result from C above}} \times .0005 = \frac{\$25.00 \text{ (Minimum Tax)}}{\text{Amount of Tax Due (Minimum \$25.00)}}$$

Amendment If authorized shares are increased by amendment, additional fees may be due. Compute the fee according to the preceding instructions. Subtract the amount of fee previously paid by the corporation. The difference is the license fee due at the time of filing the amendment.

General Instructions: A filing fee of \$25.00 is required for each filing. This is in addition to any license fee as computed above.

If these forms do not provide sufficient space for information pertinent to your company, please attach additional sheets of paper containing the information. Please feel free to contact the Secretary of State's office for any assistance which you or your lawyer may need in these matters.

APPENDIX "F"

STOCK PURCHASE AGREEMENT

AMONG

GETTY MINING COMPANY,

GETTY GOLD MINE COMPANY

AND

BARRICK PETROLEUM (USA) INC.

Dated as of May 15, 1985

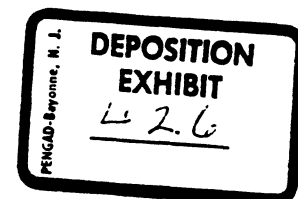


Table of Contents

	<u>Page</u>
Stock Purchase Agreement	1
Part One:	
Subject Matter of the Agreement: Definition and Rules of Construction	
1.1 Subject Matter	1
1.2 Definitions	1
1.3 Rules of Construction	2
Part Two:	
Purchase of Stock, Purchase Price and Transfer of Shares	
2.1 Purchase and Sale of Stock	2
2.2 Transfer of Stock	3
2.3 Purchase Price of Stock	3
2.4 Payment	3
2.5 Fees and Stamp and other Transfer Taxes	3
Part Three:	
Representations and Warranties	
3.1 Seller	3
3.2 Company	4
3.3 Buyer	6
3.4 No other Warranties	6
Part Four:	
Covenants	
4.1 Covenants of Seller	6
4.2 Covenants of Buyer	7
4.3 Covenants of Seller, Company and Buyer	8
4.4 Indemnification	11
4.5 Tax Indemnification	12
Part Five:	
Conditions Precedent	
5.1 Conditions Precedent of Buyer	12
5.2 Conditions Precedent of Seller	14
Part Six:	
Miscellaneous	
6.1 Notices	15
6.2 Modification	15
6.3 Governing Law and Forum	15
6.4 Assignment	15
6.5 Counterparts	16
6.6 Invalidity	16
6.7 Entire Agreement	16
6.8 Expenses	16
6.9 Waiver	16
6.10 Survival	16
6.11 Section Headings	16
6.12 Termination	16
SCHEDULE A — Financial Statement	
SCHEDULE B — Plans	
SCHEDULE C — Consents	
SCHEDULE D — Changes	
SCHEDULE E — Liabilities	
SCHEDULE F — Litigation	
SCHEDULE G — Royalties	
SCHEDULE H — Contracts	
SCHEDULE I — Mortgage Loans	
SCHEDULE J — Assets	
SCHEDULE K — Employees	
EXHIBIT 1 — Production Payment	
EXHIBIT "A" — Legal Description	

STOCK PURCHASE AGREEMENT

THIS AGREEMENT, dated as of May 15, 1985, entered into among Getty Mining Company, a Delaware corporation, having an office at 3810 Wilshire Boulevard, Los Angeles, California 90010 ("Seller"), Getty Gold Mine Company, a Delaware corporation, having an office at 2000 Westchester Avenue, White Plains, N.Y. 10650 ("Company") and Barrick Petroleum (USA) Inc., a Delaware corporation having an office at 630 Fifth Avenue New York City, New York ("Buyer").

PART ONE:

SUBJECT MATTER OF THE AGREEMENT: DEFINITION AND RULES OF CONSTRUCTION

1.1 *Subject Matter.* The subject matter of the Agreement is the sale by Seller to Buyer of ten (10) shares of the issued and outstanding Common Stock, par value \$100 of the Company (the "Stock"), the purchase of the Stock by Buyer and the terms and conditions upon which the sale will take place.

1.2 *Definitions.* For purposes of the Agreement, except as otherwise expressly provided or unless the context otherwise requires, the terms defined in this Section 1.2 have the meanings herein assigned to them, and the capitalized terms defined in Section 1.1 and elsewhere in the Agreement by inclusion in quotation marks and parentheses have the meanings so ascribed to them.

(a) "Agreement" means this Stock Purchase Agreement, including the Schedules and Exhibits.

(b) "Benefit Plans" means any of the employee benefit plans in which employees or executives of the Company participated as set forth on section I, "Benefit Plans" of Schedule B hereto.

(c) "Business Day" means a day on which banks are open for business in New York City.

(d) "Closing" means the closing of the transactions contemplated by the Agreement at 10:00 a.m. New York time, at 2000 Westchester Avenue, White Plains, New York 10650 on the Closing Date, or at such other time or place as the Parties may mutually agree upon in writing.

(e) "Closing Date" means July 15, 1985, or such other date as the Parties may mutually agree upon in writing.

(f) "Code" means The United States Internal Revenue Code of 1954, as amended.

(g) "Corporate Documents" means the Certificate of Incorporation and By-Laws of a Delaware corporation or the equivalent documents of a corporation organized under the laws of another jurisdiction.

(h) "Mercur Gold Mine" means the gold mine owned and operated by the Company on the real property situated in Tooele and Utah Counties, Utah, as more fully described on Schedule J, together with all structures, fixtures, and machinery constituting a part of or used in connection therewith.

(i) "Financial Statement" means the unaudited pro forma balance sheet of the Company as at March 31, 1985 as set forth on Schedule A.

(j) "Party" means any of Buyer, Seller or the Company.

(k) "Tax" means a tax, license, franchise or registration fee, a governmental charge, a withholding or an assessment of any other nature, including without limitation income, excise, property, sales and franchise taxes imposed by any government or any subdivision, agency or taxing authority thereof and any interest, penalty or addition to tax relating thereto.

(l) "Tax Audit" means any audit, examination or other proposed charge or adjustment by any Tax authority concerning the Tax liability reported by the Company.

(m) "Texaco" means Texaco Inc., a Delaware corporation.

(n) *Other Definitions.* The following terms have the meanings ascribed to them in the Sections noted:

	<u>Section</u>
"Action"	4.4(c)
"Cash Portion"	2.3
"Claim"	4.4(c)
"Getty"	4.2(a)
"HSR"	4.3(c)
"Indemnified Party"	4.4(d)
"Indemnifying Party"	4.4(d)
"PAYSOP"	4.2(b)
"Pension Plan"	4.3(f)
"Production Payment"	2.3
"Savings Plan"	4.3(b)
"Stock"	1.1
"Tax Beneficiary"	4.5
"Thrift Plan"	4.2(b)
"TRMI"	5.1(i)

1.3 Rules of Construction. For purposes of the Agreement including the Schedules:

(a) *General.* Unless the context otherwise requires, (i) "or" is not exclusive; (ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with accounting principles that are generally accepted in the United States of America; (iii) words in the singular include the plural, and words in the plural include the singular; (iv) words in the masculine include the feminine and words in the feminine include the masculine; (v) any date specified for any action that is not a Business Day shall be deemed to mean the first Business Day after such date; and (vi) a reference to a corporation or a partnership includes its successors and assigns and any person (whether a corporation or partnership or an officer, accountant, counsel, agent or other representative thereof) to whom the exercise of a right or the performance of an obligation hereunder has been delegated.

(b) *Parts and Sections.* References to Parts and Sections are, unless otherwise specified, to Parts and Sections of the Agreement. Neither the captions to Parts or Sections thereof nor the Table of Contents shall be deemed to be a part of the Agreement.

(c) *Other Agreements.* References herein to any agreement or other instrument shall, unless the context otherwise requires (or the definition thereof otherwise specifies), be deemed references to the same as it may from time to time be changed, amended or extended. There is no incorporation by reference unless stated.

PART TWO:

**PURCHASE OF STOCK, PURCHASE PRICE AND
TRANSFER OF SHARES**

2.1 Purchase and Sale of Stock. Seller shall sell, transfer, assign and deliver to Buyer the Stock free and clear of all liens, encumbrances, charges and claims whatsoever, including Tax liens and charges, and Buyer shall purchase, receive and accept the Stock from Seller.

2.2 Transfer of Stock. Seller shall assign, transfer and deliver the certificates evidencing the Stock, duly endorsed in blank or accompanied by appropriate instruments of transfer to Buyer at the Closing. Shares may be legended to reflect that the securities have not been registered with the Securities & Exchange Commission.

2.3 Purchase Price of Stock. The purchase price of the Stock shall be (i) thirty-one million dollars (\$31,000,000) (the "Cash Portion") and (ii) Company's grant of a production payment in the amount of nine million dollars (\$9,000,000) in the form of Exhibit I hereto (the "Production Payment").

2.4 Payment. The Cash Portion of the purchase price shall be payable by Buyer at its option either (i) in immediately available funds at the Closing Date, by means of a wire transfer to Seller's account number 0326-00189 at Bank of America in Los Angeles, California (with immediate telephone notice to G.M. Holston (914) 253-7804) or to such other account and depository designated by Seller prior to the Closing, by notice to Buyer or (ii) by a certified or official bank check drawn on a U.S. dollar account with a bank incorporated in the United States. The Production Payment shall be executed and delivered by the Company to Seller at the Closing.

2.5 Fees and Stamp and Other Transfer Taxes. Seller and Buyer shall each pay one-half of any documentary stamp and other transfer Taxes, if any, payable in respect of the Agreement, or for the transfer of the Stock to Buyer.

PART THREE: REPRESENTATIONS AND WARRANTIES

3.1 Seller. Seller represents and warrants to Buyer that:

(a) *Organization and Standing of Seller.* Seller has been duly organized and is validly existing in good standing under the laws of Delaware.

(b) *Authority.* Seller has the corporate power and authority to enter into and perform the Agreement. The execution, delivery and performance of the Agreement, including the sale and delivery of the Stock, have been duly authorized by all requisite corporate and shareholder action and the Agreement has been duly executed and delivered by Seller.

(c) *Validity of Agreement.* The Agreement is a legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with the terms of the Agreement, except as enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of Seller's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *No Violation.* The execution and delivery of the Agreement, the performance by Seller of the terms of the Agreement and the sale of the Stock do not conflict with or result in a violation of the Corporate Documents of Seller or of any agreement, instrument, order, writ, judgment or decree to which Seller is a party or is subject.

(e) *No Consent Required.* Except as otherwise provided in Section 4.3(c) and as set forth in Schedule C, no approval, authorization or other action by, or filing with, any governmental authority, is required in connection with the execution, delivery and performance by Seller of the Agreement and the sale of the Stock.

(f) *Ownership of Stock.* Seller owns the Stock, free and clear of any lien, charge, claim and encumbrance and has the right to transfer and deliver the Stock to Buyer at the Closing.

3.2 *Company.* Seller represents and warrants to Buyer that:

(a) *Organization and Standing of the Company.* The Company has been duly organized and is validly existing in good standing under the laws of Delaware and will be in good standing as a foreign corporation in Utah on the Closing Date.

(b) *Authority.* The Company has the corporate power and authority to enter into and perform the Agreement. The execution, delivery and performance of the Agreement have been duly authorized by all requisite corporate or shareholder action, and the Agreement has been duly executed and delivered by the Company.

(c) *Validity of Agreement.* The Agreement is a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with the terms of the Agreement, except as enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of the Company's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *No Violation.* The execution and delivery of the Agreement, and the performance by the Company of the terms of the Agreement do not conflict with or result in a violation of the Corporate Documents of the Company or of any agreement, instrument, order, writ, judgment or decree to which the Company is a party or is subject.

(e) *No Consent Required.* Except as otherwise provided in Section 4.3(c) and as set forth in Schedule C, no approval, authorization or other action by, or filing with, any governmental authority, is required in connection with the execution, delivery and performance by the Company of the Agreement.

(f) *Corporate Documents.* The Corporate Documents of the Company (copies of which have been or will be delivered to Buyer) constitute true, correct and complete copies of the Corporate Documents of the Company and reflect all amendments thereto through and including the date of the Agreement.

(g) *Subsidiaries, Affiliates and Joint Ventures.* The Company has no subsidiaries or affiliates and holds no interest in any partnership or other equity interest in any corporation, joint venture, trust or other entity.

(h) *Capitalization.* The Company's authorized capital stock consists of ten (10) shares of common stock, \$100 par value. The Stock has been duly authorized and validly issued to the Seller issued and is fully paid and nonassessable and constitutes all of the issued and outstanding capital stock of the Company.

(i) *Options or Warrants.* There are no outstanding options, warrants, convertible securities or other rights of any kind to acquire shares of the capital stock in the Company nor are there outstanding any rights or privileges, preemptive or contractual, to acquire such shares.

(j) *Financial Statement.* The Financial Statement is true and complete in all material respects and has been prepared in accordance with mining accounting principles that have been consistently applied by the Company.

(k) *Changes.* Except as set forth on Schedule D, since March 31, 1985, there has been (i) no material adverse change in the financial condition (not in the ordinary course of business) of the Company; and (ii) no damage, destruction or other casualty loss with respect to property owned or leased by the Company (whether or not covered by insurance) materially and adversely affecting the business, financial condition, results of operations or prospects of the Company.

(l) *No Undisclosed Liabilities or Agreements.* Except as set forth on Schedule E, since March 31, 1985 (i) the Company has not incurred any debts, liabilities or obligations (other than debts, liabilities or obligations reasonably incurred in the ordinary course of business) which, in the

aggregate, materially adversely affect the business or financial condition or prospects of the Company, and (ii) the Company has not conducted business otherwise than in the ordinary course.

(m) *Litigation.* Except as set forth in Schedule F, there are no actions, suits or proceedings pending or, to the actual knowledge of the Seller or the Company, threatened against the Seller or the Company before any court or arbitration tribunal or before or by any governmental department, agency or instrumentality relating in any respect to the Mercur Gold Mine and neither Seller nor the Company is aware of any state of facts which, if known other than to the Company or Seller, might reasonably be expected to form the basis of a successful action, lawsuit or proceeding.

(n) *Royalties.* Schedule G sets forth a true and complete list of all royalties and overriding royalties within current and planned mining areas burdening the real property of the Mercur Gold Mine.

(o) *Contracts.* Except as set forth on Schedule H, the Company is not a party to or subject to: (i) any employment or consulting contract or arrangement with any officer or director of the Company; (ii) any plan, arrangement or contract providing for bonuses, pensions, options, deferred compensation, retirement payments or profit sharing for or with its officers or directors; (iii) any collective bargaining agreement with any labor union; (iv) any instrument evidencing or related to indebtedness for borrowed money, whether directly or indirectly, not set forth in the Financial Statement; (v) any contract not entered into in the ordinary course of business containing covenants limiting the freedom of the Company to compete in any line of business or with any person; or (vi) any other contract which is material to the business of the Company.

(p) *Title to Assets, Etc.* The Company has good and marketable title to all of the assets set forth on Schedule J other than (i) those that are leased, with respect to which it has valid and enforceable leases, (ii) those which have been disposed of since the date of the Financial Statement in the ordinary course of the Company's business and (iii) easements or restrictions which do not materially affect the value of the real property or the current use thereof. The assets set forth on Schedule J constitute all of the material rights and properties, tangible or intangible, real or personal which are used in the conduct of the business of the Company, as such business is presently being conducted. No other material properties or rights, whether or not owned by the Company, are required for the operation of such business as presently being operated. None of the assets of the Company is subject to any mortgage, deed of trust, pledge, lien, security interest, encumbrance, claim, charge or material adverse interest of any kind or character of any other person or entity, except as reflected in the Financial Statement or as set forth on Schedule F and G.

(q) *Compliance with Applicable Law.* The Company, in the conduct of its business, is in substantial compliance with all federal, state or local laws, statutes, ordinances and regulations, the failure to comply with which would materially adversely affect the business of the Company or the aggregate value of its properties or assets.

(r) *Disclosures.* The representations and warranties by Seller and the Company in the Agreement and the statements contained in the documents (including schedules), certificates and other writings furnished by Seller and the Company to Buyer pursuant to the Agreement, when considered as a whole, do not and will not contain any untrue statement of a material fact and do not and will not omit to state any material fact necessary to make the statements herein or therein not misleading. No material provided to Buyer in the course of its review of the Company prior to entering into the Agreement and during its due diligence review thereafter contains any information which would be expected to deter a reasonable buyer from purchasing the Stock on the terms herein provided, and no material withheld from such review, if made available, would be expected to deter a reasonable buyer from purchasing the Stock on the terms herein provided. Seller shall provide promptly Buyer with all information known to Seller which a reasonable buyer may consider material to a decision to purchase the Stock.

(s) *Business Activities.* The Company has engaged in no activity other than its ownership and operation of the Mercur Gold Mine.

(i) *Employees.* Schedule K sets forth a true and complete list of all the employees of the Company.

3.3 *Buyer.* Buyer represents and warrants to Seller as follows:

(a) *Organization and Standing of Buyer.* Buyer has been duly organized and is validly existing in good standing under the laws of Delaware.

(b) *Authority.* Buyer has the corporate power and authority to enter into and perform the Agreement and to purchase the Stock. The execution, delivery and performance of the Agreement, including the purchase of the Stock, have been duly authorized by all requisite corporate or shareholder action, and the Agreement has been duly executed and delivered by Buyer.

(c) *Validity of Agreement.* The Agreement is a legal, valid and binding obligation of Buyer and is enforceable against Buyer in accordance with the terms of the Agreement, except as enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of Buyer's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) *No Violation.* The execution and delivery of the Agreement, the performance by Buyer of the terms of the Agreement and the purchase of the Stock do not conflict with or result in a violation of the Corporate Documents of Buyer or of any agreement, instrument, order, writ, judgment or decree to which Buyer is a party or is subject.

(e) *No Consent Required.* Except as otherwise provided in Section 4.3(c) and as set forth in Schedule C, no approval, authorization or other action by, or filing with, any governmental authority, is required in connection with the execution, delivery and performance by Buyer of the Agreement and the purchase of the Stock.

3.4 *No Other Warranties.* Except as otherwise provided herein, there are no express or implied warranties that apply to the transactions contemplated herein.

PART FOUR: COVENANTS

4.1 *Covenants of Seller.* Seller covenants with Buyer as follows:

(a) *Conduct of Business.* From the date of the Agreement through the Closing, the Company will not, without the prior written consent of Buyer: (i) issue any stock, bonds, notes, options, warrants or other corporate securities except for notes to Texaco or its subsidiaries evidencing loans to the Company for the conduct of its business; (ii) amend its Corporate Documents; (iii) incur any obligations or liabilities, except for (x) obligations disclosed herein, or (y) incurred in the ordinary course of business; (iv) mortgage, pledge or subject to lien, charge or any other encumbrance, any assets or properties, tangible or intangible; (v) sell or transfer any stock, bonds, notes, intangible or tangible assets or cancel any debts or claims, except in the ordinary course of business; (vi) enter into an agreement to do any of the things described in clauses (i) through (v) above; (vii) grant any increase in salaries payable or to become payable to any officer, director, employe other than in accordance with established merit programs; (viii) increase benefits payable to any officer, director, employe, under any bonus or pension plan or other contract or commitment other than normal periodic increases in accordance with such plan; or (ix) otherwise operate its business other than in the ordinary course. Except as otherwise contemplated by the Agreement, during the period from the date of the Agreement to the Closing Date, the Company will use its best efforts to preserve intact all rights, privileges, franchises and other authority adequate for the conduct of its business and operations, to keep available the services of its officers, to the extent it can and to maintain satisfactory relationships with licensors, licensees, suppliers, contractors, distributors, customers

and others having business relationships with it; provided that Seller may cause all insurance coverage to be cancelled as of the Closing Date.

(b) *Access to Properties and Information.* Through the Closing Date, Seller will afford or will cause to be afforded to the officers, employees, accountants and other representatives of Buyer full and free access to the properties and records pertaining to Company, wherever situated, (including Tax records and Tax reports and Tax litigation files as they relate directly to the Company) during normal working hours in order that Buyer may have full opportunity to make such investigations as it shall desire of the affairs and financial status of the Company.

(c) *Capitalization of Inter-company Accounts.* On or prior to the Closing Date Seller shall cause all inter-company accounts existing and due it as of the Closing Date from the Company to be capitalized, such capitalization to be completed in such a manner so as not to create taxable income to the Company or to affect the Company's depreciable and depletable tax basis of the assets of the Company which was approximately forty-one million dollars (\$41,000,000) as at January 1, 1983.

(d) *Taxes.* Seller will cause to be filed all federal, state and local Tax returns and other reports which are required to be filed in respect of all Taxes for the Company for periods ending before or concurrent with the Closing Date and will cause to be paid all Taxes which are due for the periods prior to the Closing Date.

(e) *Tax Agreements.* All inter-company federal income tax agreements to which the Company is a party or is subject shall be terminated with respect to the Company as of the Closing Date cancelling all rights and obligations which the Company had thereunder.

2. Covenants of Buyer. Buyer covenants with Seller as follows:

(a) *Employee Benefits.* Buyer will either (i) cause the Company to continue to provide the Benefit Plans through February 17, 1986 or (ii) adopt new benefit plans (or cause the Company to adopt plans) for employees of the Company which are in the aggregate no less favorable than the Benefit Plans and continue the new benefit plans through February 17, 1986; except that with respect to salaried employees and retirees, Buyer may elect to become a Participating Employer as provided for in Section 4.3(e) with respect to those Benefit Plans set forth on section I. "Benefit Plans: A. Salaried Employees" of Schedule B, except for items 3 thereunder. In the event a new pension plan, thrift plan or savings plan is adopted, only a plan qualified under Section 401(a) of the Code shall be deemed no less favorable than the Pension Plan, the Thrift Plan or the Savings Plan. After February 17, 1986 (or February 28, 1986, if Buyer elects to become a Participating Employer as provided for in Section 4.3(e)) Buyer shall (or shall cause the Company to) provide employees of the Company who were also employees of the Company or its predecessor on February 17, 1984 and at the Closing, benefit plans which are, in the aggregate, no less favorable than benefit plans which are then provided to employees of the Buyer. Buyer shall credit each employee of the Company for prior service with the Company, Getty Oil Company ("Getty"), Seller, their subsidiaries, or predecessors under any new benefit plans for participation, vesting and benefit accrual purposes.

(b) *ESOP and PAYSOP Accounts.* It is recognized that a payroll-based tax credit employee stock ownership plan (the "FAYSOP") under Sections 41 and 409 of the Code cannot be provided to employees of the Company following the Closing, and it is therefore agreed that the Buyer, in lieu thereof, and in full satisfaction of the obligations of Buyer specified in Section 4.2(a) with respect to the PAYSOP feature of the Thrift Plan for Employees of Getty Mining Company and Certain Subsidiaries (the "Thrift Plan") and the PAYSOP feature of the Savings Plan will contribute an additional amount to the Thrift Plan, the Savings Plan or to new plans which are substituted for those plans for the period from the Closing Date to February 17, 1986 equal to one-half of one percent (0.5%) of the compensation of each participant who otherwise would have participated in the PAYSOP feature of the Thrift Plan or of the Savings Plan for such period (i.e., the same

amount as would have been contributed on behalf of each such participant under such PAYSOP feature)

(c) *Severance Obligations.* From and after the Closing, Buyer shall pay (or shall cause the Company to pay) to any employee, who prior to February 17, 1986 is terminated involuntarily by Buyer or the Company or who leaves the employment of Buyer or the Company within sixty (60) days of being reduced in position, salary or hourly rate, a severance payment in the amount of one month's pay for each year of credited service with any of Buyer, the Company, Seller, Getty and their subsidiaries or predecessors, up to a maximum of 24 months' salary.

(d) *Performance Bonds.* Buyer agrees that it will use its best efforts to cause all of the performance bonds set forth on Schedule H to be replaced or otherwise released within 90 days after the Closing Date.

4.3 Covenants of Seller and Buyer. Seller and Buyer covenant to each other as follows:

(a) *Compliance with Conditions Precedent.* Seller and Buyer will each use its best efforts to cause the conditions precedent set forth in Part Five, which are for the benefit of the other, to be fulfilled and satisfied as soon as practicable.

(b) *Brokers.* Seller covenants to Buyer, that neither Seller nor the Company has retained any broker, finder, financial advisor or similar person has been retained by any of them except as set forth below and Seller agrees to defend, indemnify and hold harmless Buyer from and against all brokers', finders' or financial advisors' fees or claims asserted through Seller or the Company in connection with or on account of the Agreement or the transactions herein contemplated. Seller acknowledges that Texaco has retained The First Boston Corporation as financial advisor in connection with the transactions contemplated by the Agreement. Buyer covenants to Seller, that Buyer has not retained any broker, finder, financial advisor or similar person and Buyer agrees to defend, indemnify and hold harmless Seller from and against all brokers', finders' or financial advisors' fees or claims asserted through Buyer in connection with or on account of the Agreement or the transactions herein contemplated.

(c) *Certain Filings and Consents.* Buyer and Texaco shall promptly make their respective filings, and (i) shall thereafter promptly make any required submissions, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR"), with respect to the sale of the Stock; (ii) cooperate with one another (x) in determining whether any filings are required to be made or consents, approvals, permits or authorizations are required to be obtained under any other Federal or state law or regulation or any consents, approvals or waivers are required to be obtained from other Parties to loan agreements or other contracts material to the Company's business in connection with the consummation of the sale of the Stock and (y) in making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such consents, permits, authorizations, approvals or waivers; and (iii) promptly endeavor to obtain each consent set forth on Schedule C.

(d) *Press Release.* No Party will make any press release or other announcement respecting the Agreement without the consent of the other Parties unless a Party refuses to consent and the Party desiring to make the release or other announcement is advised by its counsel that the release or other announcement is required to comply with any statute, law or regulation.

(e) *Participating Employer.* Seller agrees that Buyer, at its election made by the Closing, may cause the Company to become a participating employer with respect to the Benefit Plans of salaried employees and retirees, set forth on section I, "Benefit Plans: A. Salaried Employees" of Schedule B except for items 3 thereunder, as required under the Benefit Plans (the "Participating Employer") until February 28, 1986. If Buyer elects to cause the Company to become a Participating Employer (i) Seller agrees to take such action as it deems necessary, and Buyer agrees to cooperate fully in connection therewith, to amend, where necessary, applicable Benefit Plans and documents related thereto in which salaried employees and retirees of the Company are

now participating to enable the Company to become a Participating Employer thereunder from the Closing Date up to and including February 28, 1986; (ii) Buyer agrees to reimburse Seller for all costs, fees, expenses, premiums, and claims, including reasonable attorneys' fees, incurred in connection with the administration of the applicable Benefit Plans during this period plus 20%; and (iii) Buyer agrees that during the period in which the Company is a Participating Employer in any of the applicable Benefit Plans, it shall be Buyer's sole responsibility to fund, make contributions and other payments as are required under the applicable Benefit Plans or applicable laws on behalf of those salaried employees or retirees of the Company who are participating in the applicable Benefit Plans. On and after March 1, 1986, the Company shall no longer be eligible to participate as a Participating Employer and salaried employees and retirees shall no longer be eligible to participate in any of the Benefit Plans as set forth on section I, "Benefit Plans: A. Salaried Employees" of Schedule B. Buyer and Seller agree that neither one of them shall take any action which will cause any of the Benefit Plans which are qualified plans under the federal income tax laws to fail to satisfy the requirements for continued qualification under those laws. Buyer and Seller further agree that neither one of them shall omit to take any action necessary to maintain the status of the applicable Benefit Plans as qualified plans under the federal income tax laws.

(f) *Pension Plan.* Within 90 days after the Closing Date, if Buyer elects not to cause the Company to become a Participating Employer, or on March 1, 1986, if Buyer elects to cause the Company to become a Participating Employer, Seller shall transfer the cash assets of the Pension Plan For Employees of Getty Mining Company and Certain Subsidiaries (the "Pension Plan") equivalent to the present value of accumulated plan benefits accrued through the Closing Date attributable to salaried employees and retirees of the Company, whether vested or not, determined at an interest rate of 9%, in a transfer of plan assets within the meaning of Section 414 of the Code and the regulations thereunder, to a new trustee designated by Buyer under a tax qualified plan. Seller shall cause an actuarial evaluation as of the Closing Date or March 1, 1986 to be prepared for determining the asset amount to be transferred pursuant to this Section 4.3(f), and such determination shall be subject to verification by Buyer at Buyer's expense; upon such transfer Buyer shall assume all obligations and liabilities to salaried employees and retirees of the Company under the Pension Plan.

(g) *Thrift Plan.* Within 90 days after the Closing Date, if Buyer elects not to cause the Company to become a Participating Employer, or on March 1, 1986, if Buyer elects to cause the Company to become a Participating Employer, Seller shall transfer all accounts for employees of the Company (whether or not vested) under the Thrift Plan and the assets attributable thereto to a funding agency selected by Buyer and established by Buyer under the terms of new qualified benefit plans. The transfer of assets referred to in the preceding sentences shall be effected in such manner as to qualify as a transfer of plan assets under Section 414 of the Code and the regulations thereunder.

(h) *Mercur Mine Hourly Savings Plan.* Until December 31, 1989 or the earlier expiration by their terms of the existing group annuity contracts between the trustee of the Mercur Mine Hourly Savings Plan (the "Savings Plan") and certain insurance companies listed on Schedule B, Buyer will not permit the Company to take any action which would cause a market value adjustment with respect to the funds deposited under such group annuity contracts set forth on Schedule B. Buyer shall (or shall cause the Company to), as early as practicable but not later than 90 days after the Closing, appoint a successor trustee and withdraw the Savings Plan assets from the master trust agreement maintained by the Chase Manhattan Bank, N.A. (and Seller shall, immediately after receipt of written notice of the appointment of such successor trustee, direct Chase Manhattan Bank, N.A. to transfer the Savings Plan assets to the successor trustee). With respect to the funds deposited under such group annuity contracts set forth in Schedule B, Buyer will assure (i) that the plan participants remain entitled to the same withdrawal and transfer rights as presently provided by the Savings Plan and (ii) that the plan participants will continue to be credited with and will, to the extent any benefits are vested, eventually be paid the full value of their plan accounts at the

time of distribution. Seller covenants that the change of Trustee will not result in a market value adjustment of the assets.

(i) *PAYSOP Accounts.* The Parties shall take all necessary actions to amend the Thrift Plan and the Savings Plan to provide that (i) each PAYSOP account in the Thrift Plan and Savings Plan shall within 90 days of the Closing be distributed to the employee and (ii) each employee, who receives a distribution, shall be entitled to elect to transfer the proceeds of the distribution to the employee's account in the Thrift Plan or the Savings Plan, as the case may be, in a transfer which qualifies as a rollover under section 402(a)(5) of the Code.

(j) *Post-Closing Access.* From and after the Closing Date, the Company and Buyer will afford to the officers, employees, accountants and other representatives of Seller reasonable access, upon reasonable notice, during normal business hours, to review the Company's books and records in connection with any matter affecting Seller arising prior to the Closing.

(k) *Further Assurances.* On and after the Closing Date, Seller, Buyer and the Company will take all appropriate actions and execute any documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out any of the provisions hereof including without limitation, putting the Buyer in possession and operating control of the business of the Company, securing of requisite BLM, other federal agency and state approvals, and answering any governmental inquiry about the transaction.

(l) *Use of Getty Name.* Seller agrees that Getty Gold Mine Company shall be permitted to use "Getty" in its corporate name for a period not to exceed ninety (90) days from the Closing Date. Buyer shall thereafter change the name of Getty Gold Mine Company to any name or names of Buyer's choosing but in no event shall Buyer be permitted to use the name "Getty" in connection with any of its business operations after ninety (90) days after the Closing Date nor may Buyer at any time after the Closing Date represent in any manner that Buyer or the Company or any of Buyer's business operations is affiliated with Texaco, Getty or any of their subsidiaries or affiliates.

(m) *Mortgage Program.* At Closing, Seller shall cause Getty to assign and Buyer shall assume the obligations of Getty with respect to (i) the Employee Mortgage Loans held by the employees set forth on Schedule I and (ii) the Mortgage Interest Assistance Plan held by employees set forth on Schedule I.

(n) *Inventory.* The Company shall be permitted to pull, clean and melt all cathodes in a timely manner so as to maximize the amount of gold contained in buttons and bars on the Closing Date, but in such manner as to not jeopardize the efficient and normal gold extraction process. All gold inventory consisting of buttons and bars will be inventoried on the Closing Date and held for the account of Seller. The total weight of each button and bar will be recorded with the appropriate assay for each. The total gold inventory including all accumulated slags and fines to the Closing Date shall be for the account of the Seller. The gold resulting on the Closing Date shall be delivered within ten (10) days to such locations as designated by the Seller by notice to Buyer. The Company shall immediately prior to the Closing declare and pay to Seller as dividend in kind all gold held by the Company in inventory (including the gold inventory resulting from the pour) on the Closing Date.

(o) *Income Tax Liability.* In the event that the Company receives a refund of an income Tax paid for a period prior to the Closing Date (excluding refunds attributable to carrybacks from periods after the Closing Date) the Buyer will promptly pay or cause the Company to pay the same to Seller.

(p) *Saddle Dam.* Prior to the Closing, Seller shall cause the Company to let a contract to build a saddle dam at the impoundment area of the tailings dam as has been scheduled in the normal course of business. All direct costs paid prior to the Closing shall be borne by Seller. All direct costs paid or incurred after Closing shall be borne by Buyer.

(q) *Heap Leach*. Prior to the Closing, Seller shall cause the Company to proceed in the normal course of business with the preparation of a Heap Leach test project. All direct costs paid by Seller in connection therewith shall be reimbursed by Buyer to Seller at the Closing.

(r) *Tax Audits*. From and after the Closing Date (i) the Buyer will cause the Company to immediately give notice to Seller of the commencement of any Tax Audit for any period beginning prior to the Closing Date; (ii) the Buyer will cause the Company to immediately furnish Seller with copies of all correspondence (including without limitation notices, requests, explanations, determinations, schedules, charts and lists) received from any taxing authority in connection with any such Tax Audit; (iii) Seller will have the right to approve in advance any correspondence sent to any taxing authority by the Company with respect to any such Tax Audit to the extent it would impact on the Tax liability arising from such Tax Audit; (iv) Seller will have authority to supervise and control, in consultation with the Company, the conduct of, and to represent the Company in connection with, any Tax Audit for any taxable period ending on or prior to the Closing Date; and (v) Seller will be entitled to control the actions taken or proposed to be taken to avoid, mitigate or otherwise defend against any change or imposition of tax arising from any such Tax Audit.

4.4 *Indemnification*.

(a) *Seller's Indemnification*. On and after the Closing, Seller shall fully and promptly defend, indemnify and hold harmless Buyer, the Company and their respective directors, officers and employees from all claims, demands, actions or suits, losses, costs or damages and expenses made against or incurred by the Buyer and the Company and their respective directors, officers and employees (i) arising out of any litigation initiated prior to the Closing and (ii) arising out of any breach of any representation or warranty herein which survives the Closing pursuant to Section 6.10 or the nonfulfillment of any agreement or undertaking of Seller herein which survives the Closing pursuant to Section 6.10.

(b) *Buyer's Indemnification*. On and after the Closing, Buyer shall fully and promptly defend, indemnify and hold harmless Texaco and its subsidiaries, including specifically Seller, and their respective directors, officers and employees from all claims, demands, actions or suits, losses, costs or damages and expenses made against or incurred by Texaco and its subsidiaries, including specifically Seller, and their respective directors, officers and employees arising out of or with respect to (i) the obligations imposed on Buyer pursuant to Section 4.2 of the Agreement; (ii) on account of the transfer of assets to Buyer pursuant to Section 4.3(f), (g) and (h) of the Agreement insofar as they apply to claims of employees of the Company listed on Schedule K and retirees who retired from employment at the Mercur Gold Mine; and (iii) the obligations of Seller and Getty with respect to the obligations of Buyer pursuant to Section 4.3(m) insofar as they apply to the Employee Mortgage Loans and Employee Mortgage Interest Assistance shown on Schedule L.

(c) *Notice of Claims*. Promptly following receipt by Buyer or the Company of any claim, determination, suit, action or proceeding which is subject to the provisions of Sections 4.3(b), 4.4(a) and (b), and 4.5 (an "Action"), such Party shall give written notice of such Action to the other Party hereto, accompanied by copies of any written documentation with respect thereto received by the notifying Party and stating the basis upon which indemnification is being sought pursuant to the Agreement. Such notice shall constitute a claim for indemnification hereunder (the "Claim").

(d) *Defense of Action*. The Party required to provide indemnification provided under Sections 4.3(b), 4.4(a) and (b) and 4.5 (the "Indemnifying Party") shall have the right, at its option, to compromise or defend, at its own expense and with its own counsel, any such action. The other Party hereto (the "Indemnified Party") shall have the right, at its option, to participate in the settlement or defense of any such action, with its own counsel and at its own expense, but the Indemnifying Party shall have the right to control such settlement or defense. The Parties agree to cooperate in any such defense or settlement and to give each other reasonable access to all information relevant thereto. The Parties will similarly cooperate in the prosecution of any claim or lawsuit against any third party. In the event that the Indemnifying Party fails to notify the Indemnified Party of its intent to take any action

within 15 days after receipt of a Claim, the Indemnified Party without waiving any rights to indemnification hereunder may defend such Action and shall have the right to enter into any good faith settlement thereof without the prior written consent from the Indemnifying Party.

4.5 Tax Indemnification. Seller shall indemnify the Company and the Buyer against any income Tax imposed on the Company for any taxable period ending on or before the Closing Date and for that portion of any income Tax in respect of any taxable period which begins before the Closing Date and ends after the Closing Date as is equitably attributable to the portion of such taxable period ending on the Closing Date, at such time as such income Tax will be due to the taxing authority. If the income Tax liability of the Company for any taxable period ending on or prior to the Closing Date is increased as the result of an adjustment by a taxing authority and the item which resulted in such increase creates a deduction, credit or other Tax benefit which is available to Buyer or the Company or any member of their affiliated group (as used within the meaning of Section 1504 of the Code, hereinafter "Affiliates") (each such party being referred to hereinafter as a "Tax Beneficiary") for any taxable period beginning after the Closing Date, then Buyer shall promptly pay to Seller an amount equal to the income Tax savings directly attributable to and which would not have been realized but for such deduction, credit or other Tax benefit. Such payment shall be due and payable when the Tax Beneficiary receives the benefit of such deduction, credit or other Tax benefit. A Tax Beneficiary shall be deemed to have received such benefit (i) on the date the income Tax savings are received by way of refund of previously paid Taxes or (ii) on the date of filing of an income Tax return reflecting such savings. Interest calculated at the rate or rates in effect from time to time for underpayment of federal income taxes for the period from the date the Tax Beneficiary is deemed to have received the Tax benefit of such deduction or credit to the date of payment shall be added to the payment. Buyer and the Company shall make available to Seller a statement from a nationally recognized certified public accounting firm which will enable Seller to ascertain the amount of and the time when the Tax savings are realized.

PART FIVE: CONDITIONS PRECEDENT

5.1 Conditions Precedent of Buyer. The obligations of Buyer to consummate the transactions contemplated by the Agreement are subject to the following conditions:

(a) **Representations and Warranties True at Closing.** The representations and warranties of Seller contained in the Agreement or in any certificate or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby were true and complete when made, and shall be true and complete on and as of the Closing Date as though such representations and warranties were made at and as of such date except as otherwise contemplated herein.

(b) **Compliance with Agreement.** On and as of the Closing Date, Seller and the Company shall have performed and complied with all agreements and conditions required by the Agreement to be performed and complied with by them prior to or on the Closing Date.

(c) **Certified Resolutions and Officers' Certificate.** Each of Seller and the Company shall have delivered to Buyer (i) a certificate dated the Closing Date signed by the Secretary or an Assistant Secretary with respect to the resolutions of its Board of Directors authorizing the transactions contemplated by the Agreement, and (ii) a certificate, dated the Closing Date and signed by the Chairman, the President or a Vice President of Seller or the Company, as the case may be, certifying in such detail as Buyer may request to the fulfillment of the conditions specified in subparagraphs (a) and (b) of this Section 5.1 and as to the accuracy of the representations and warranties of Seller and the Company as of the Closing Date.

(d) **Approval of Proceedings.** All actions, proceedings, instruments and documents required of Seller and the Company to carry out the Agreement, or incidental thereto, and all other related

legal matters shall have been approved by Parsons, Behle and Latimer, as counsel for Buyer which approval shall not be unreasonably withheld.

(e) *Opinion of Counsel.* There shall have been delivered to Buyer the opinion of Arthur G. Taylor, Esq. or such other counsel designated by Seller as Buyer may approve, dated the Closing Date to the effect that:

(i) with respect to the Company:

(1) The Company has been duly organized and is validly existing in good standing under the laws of Delaware and is in good standing as a foreign corporation in all jurisdictions where the nature of its business or properties so requires.

(2) The Company's authorized and outstanding capital stock is as set forth in Section 3.2(b) of the Agreement and the Stock has been duly authorized and validly issued and is fully paid and nonassessable and is owned by Seller free and clear of any lien, charge, claim and encumbrance including Tax liens and charges.

(3) The Company has the corporate power and authority to enter into and perform the Agreement. The execution, delivery and performance of the Agreement has been duly authorized by all requisite corporate and shareholder action and the Agreement has been duly executed and delivered by the Company.

(4) The Agreement is a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with the terms of the Agreement, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of the Company's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(5) The execution and delivery of the Agreement and the performance by the Company of its terms and the sale and delivery of the Stock do not conflict with or result in a violation of the Corporate Documents of the Company or of any agreement, instrument, order, writ, judgment or decree known to such counsel to which the Company is a party or is subject.

(6) Other than as provided for in Section 4.3(c) or in Schedule C of the Agreement, no approval, authorization or other action by, or filing with any governmental authority, is required in connection with the execution, delivery and performance by the Company of the Agreement; and

(ii) with respect to Seller:

(1) Seller has been duly organized and is validly existing in good standing under the laws of Delaware.

(2) Seller has the corporate power and authority to enter into and perform the Agreement and to sell the Stock. The execution, delivery and performance of the Agreement, including the sale and delivery of the Stock, have been duly authorized by all requisite corporate and shareholder action and the Agreement and instruments conveying the Stock have been duly executed and delivered by Seller.

(3) The Agreement is a legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with the terms of the Agreement, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of Seller's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(4) The execution and delivery of the Agreement and the performance by Seller of its terms and the sale and delivery of the Stock do not conflict with or result in a violation

of the Corporate Documents of Seller or of any agreement, instrument, order, writ, judgment or decree known to such counsel to which Seller is a party or is subject.

(5) Buyer will acquire the Stock, free and clear of any lien, charge, claim and encumbrance including Tax liens and charges.

(6) Other than as provided for in Section 4.3(c) or in Schedule C of the Agreement, no approval, authorization, or other action by, or filing with, any governmental authority is required in connection with the execution, delivery and performance by Seller of the Agreement and the sale and delivery of the Stock.

In rendering the foregoing opinions, counsel may rely on the opinions of local counsel with respect to such matters of the laws of states other than Delaware as such counsel may deem appropriate, and upon certificates of officers of the Company or of Seller as to factual matters.

(f) *Injunction.* On the Closing Date, there shall be no injunction, writ, or preliminary restraining order or any order of any nature issued by a court or governmental agency of competent jurisdiction directing that the transactions provided for herein or any of them not be consummated as herein provided and no proceeding or lawsuit shall have been commenced or threatened by any governmental or regulatory agency or other person with respect to any of the transactions contemplated by this Agreement.

(g) *Consents.* All consents referred to in Section 4.3(c) or in Schedule C shall have been obtained.

(h) *Due Diligence Investigation.* Buyer shall have until July 2, 1985 to complete its due diligence review relating to the transactions contemplated herein.

(i) *Service Agreement.* Buyer, if Buyer so elects to do so, shall have entered into a service agreement with Texaco Refining and Marketing Inc., a Delaware corporation and an affiliate of Seller ("TRMI") under which TRMI will provide administrative services for up to six months from and after the Closing Date to Buyer at TRMI's cost of such services plus 20%.

(j) *Current Assets.* On the Closing Date the Company shall have no liabilities other than current liabilities and an accrual for reclamation; except for liabilities incurred pursuant to Section 4.3(q), if any, current liabilities shall not exceed the current assets of the Company; the classification of the current assets and liabilities shall be determined in the same manner as such items were determined in the Financial Statement.

5.2 Conditions Precedent of Seller. The obligations of Seller under the Agreement are subject to the conditions that:

(a) *Representations and Warranties True at Closing.* The representations and warranties of Buyer contained in the Agreement or in any certificate or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, were true and complete when made, and shall be true and complete on and as of the Closing Date as though such representations and warranties were made at and as of such date except as otherwise contemplated herein.

(b) *Compliance with Agreement.* On and as of the Closing Date, Buyer shall have performed and complied with all agreements and conditions required by the Agreement to be performed and complied with by it prior to or on the Closing Date.

(c) *Certified Resolutions and Officers' Certificate.* Buyer shall have delivered to Seller and the Company (i) a certificate dated the Closing Date signed by the Secretary or an Assistant Secretary with respect to the resolutions of the Board of Directors of Buyer authorizing the transactions contemplated by the Agreement, and (ii) a certificate dated the Closing Date and signed by the President or a Vice President of Buyer certifying in such detail as Seller and the Company may request to the fulfillment of the conditions specified in subparagraphs (a) and (b) of this Section 5.2.

(d) *Approval of Proceedings.* All actions, proceedings, instruments and documents required for Buyer to carry out the Agreement, or incidental thereto, and all other related legal matters shall

have been approved by Arthur G. Taylor, Esq. as counsel for Seller and the Company which approval shall not be unreasonably withheld.

(e) *Opinion of Counsel of Buyer.* There shall have been delivered to Seller an opinion of Parsons, Behle and Latimer, or such other counsel designated by Buyer as Seller may approve, dated the Closing Date, to the effect that:

(1) Buyer has been duly organized and is validly existing in good standing under the laws of Delaware.

(2) Buyer has the corporate power and authority to enter into and perform the Agreement and to purchase the Stock. The execution, delivery and performance of the Agreement, including the purchase of the Stock have been duly authorized by all requisite corporate action and the Agreement has been duly executed and delivered by Buyer.

(3) The Agreement is a legal, valid and binding obligation of Buyer and is enforceable against it in accordance with the terms of the Agreement, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general. The enforceability of the Buyer's obligations under the Agreement is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(4) The execution and delivery of the Agreement, the performance by Buyer of its terms and the purchase of the Stock do not conflict with or result in a violation of the Corporate Documents of Buyer or of any agreement, instrument, order, writ, judgment or decree known to such counsel material to Buyer to which Buyer is a Party or is subject.

(5) Other than as provided for in Section 4.3(c) or in Schedule C of the Agreement, no approval, authorization or other action by, or filing with, any governmental authority, is required in connection with the execution and delivery by Buyer of the Agreement and the purchase of the Stock by Buyer.

In rendering the foregoing opinions, counsel may rely on the opinions of local counsel with respect to such matters of the laws of states other than Utah as such counsel may deem appropriate, and upon certificates of officers of the Buyer as to factual matters.

(f) *Injunction.* On the Closing Date, there shall be no effective injunction, writ, or preliminary restraining order or any order of any nature issued by a court or governmental agency of competent jurisdiction directing that the transactions provided for herein or any of them not be consummated as herein provided, and no proceeding or lawsuit shall have been commenced or threatened by any governmental or regulatory agency with respect to the completion of the sale contemplated by the Agreement.

(g) *Consents.* All consents referred to in Section 4.3(c) or in Schedule C hereof shall have been obtained.

PART SIX: MISCELLANEOUS

6.1 *Notices.* All notices, consents, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been duly given or delivered if delivered personally, telexed with receipt acknowledged, mailed by registered or certified mail return receipt requested, or delivered by a recognized commercial courier to the Party at the address first above set forth or to such other address as any Party shall have last designated by fifteen (15) days' notice to the other Parties.

6.2 *Modification.* The Agreement, including this Section 6.2 and including the Schedules, shall not be modified except by an instrument in writing signed by or on behalf of the Parties.

6.3 *Governing Law and Forum.* This Agreement shall be governed by and construed and enforced in accordance with the law of Delaware.

6.4 *Assignment.* The Agreement shall not be assigned by any Party prior to the Closing, except Seller may assign its rights to Texaco or any wholly-owned subsidiary of Texaco (provided Texaco

guarantees the obligations of such subsidiary) and Bayer may assign its rights to any of its wholly owned subsidiaries (provided Bayer guarantees the obligations of such subsidiary).

6.5 *Counterparts.* The Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

6.6 *Invalidity.* If any of the provisions of the Agreement including the Schedules is held invalid or unenforceable and unless the invalidity or unenforceability thereof does substantial violence to the underlying intent and sense of the remainder of the Agreement, such invalidity or unenforceability shall not affect in any way the validity or enforceability of any other provision of the Agreement except those which the invalidated or unenforceable provision comprises an integral part of or is otherwise clearly inseparable from. In the event any provision is held invalid or unenforceable, the Parties shall attempt to agree on a valid or enforceable provision which shall be a reasonable substitute for such invalid or unenforceable provision in light of the tenor of the Agreement and, on so agreeing, shall incorporate such substitute provision in the Agreement.

6.7 *Entire Agreement.* Except for the Confidentiality Agreement referred to in Section 6.12, the Agreement, which includes the Schedules and Exhibits attached hereto, contains the entire agreement between the Parties hereto with respect to the transactions contemplated herein and all prior understandings and agreements shall merge herein. There are no additional terms, whether consistent or inconsistent, oral or written, which are intended to be part of the Parties' understandings which have not been incorporated into the Agreement and the Schedules hereto.

6.8 *Expenses.* Except as the Parties may otherwise agree, the Parties shall bear their respective fees, costs and expenses in connection with the transactions contemplated herein.

6.9 *Waiver.* No waiver by any Party, whether express or implied, of any right under any provision of the Agreement shall constitute a waiver of such Party's right at any other time or a waiver of such Party's rights under any other provision of the Agreement unless it is made in writing and signed by the President or a Vice President of the Party other than the Company or the Chairman of the Board of the Company waiving the condition. No failure by any Party hereto to take any action with respect to any breach of this Agreement or default by another Party shall constitute a waiver of the former Party's right to enforce any provision of the Agreement or to take action with respect to such breach or default or any subsequent breach or default by such other Party.

6.10 *Survival.* The covenants, agreements, representations, and warranties contained in the Agreement and in any covenants, agreements, representations, and warranties contained in certificates delivered pursuant hereto shall not survive the Closing, except for Sections 3.1(f), 3.2(h) and (i), 4.1(d), 4.2, 4.3(b), (e), (f), (g), (h), (i), (j), (k), (l), (n), (o) and (r), 4.4, 4.5 and Part Six which shall survive the Closing, remain in full force and effect, shall not merge, and shall inure to the benefit of the Parties and their respective successors and assigns and except for Section 4.1(a) which shall survive for six months after the Closing.

6.11 *Section Headings.* The section headings in the Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision thereof.


6.12 *Termination.* The Agreement may be terminated (i) by the mutual consents of the Parties at any time prior to the Closing; (ii) by Buyer by notice to Seller given on or before July 2, 1985, if Buyer determines not to proceed during the course of or following its due diligence review; (iii) by Buyer by notice to Seller given on or before July 15, 1985, if Buyer shall discover any fact or condition existing on the date hereof at variance with any of the representations and warranties of Seller and the Company contained in this Agreement; or (iv) by any Party if any condition to its obligation to consummate the transactions contemplated in the Agreement (a) shall not be fulfilled on or before September 30, 1985 or (b) shall have become impossible of fulfillment, in which case such Party shall give notice of termination to the other within 10 days after it receives written notice thereof failing which it shall be deemed to have waived such condition. Upon any termination the Parties shall have no further obligations under the Agreement provided, however, Buyer will hold all information which it has obtained during the transaction contemplated hereby, subject to that certain Confidentiality Agreement between Texaco and Barrick Resources Corporation.

In Witness Whereof, the Parties hereto have entered into the Agreement as of the date first herein above written.

GETTY MINING COMPANY

By 

GETTY GOLD MINE COMPANY

By 

BARRICK PETROLEUM (U.S.A.) INC.

By 

GUARANTY

Texaco Inc. hereby unconditionally and irrevocably guarantees the due and punctual performance of each and every obligation of Seller set forth in the foregoing Agreement.

TEXACO INC.

By 

GUARANTY

Barrick Resources Corporation hereby unconditionally and irrevocably guarantees the due and punctual performance of each and every obligation of Buyer set forth in the foregoing Agreement.

~~BARRICK RESOURCES CORPORATION~~

By 

SCHEDULE A

GETTY GOLD MINE COMPANY
PRO FORMA BALANCE SHEET
March 31, 1985
(0000)

ASSETS

	<u>Per Books</u>	<u>Adjustment to Eliminate Product Inventories See Note</u>	<u>Adjusted</u>
CURRENT ASSETS:			
Accounts Receivable	\$ 16	\$ --	\$ 16
Product Inventories	13,202	(12,261)	941
Materials and Supplies	1,427	--	1,427
Other	<u>57</u>	<u>--</u>	<u>57</u>
Total Current Assets	\$ 14,702	\$(12,261)	\$ 2,441
Properties, Plant and Equipment	62,551	--	62,551
Deferred Mining Costs, etc.	<u>29,350</u>	<u>(7,000)</u>	<u>22,350</u>
Total Assets	<u>\$106,603</u>	<u>\$(19,261)</u>	<u>\$ 87,342</u>

LIABILITIES AND NET WORTH

CURRENT LIABILITIES:			
Accounts Payable	\$ 1,193	\$ -	\$ 1,193
Accrued Liabilities	<u>821</u>	<u>--</u>	<u>821</u>
	<u>\$ 2,014</u>	<u>--</u>	<u>\$ 2,014</u>
Reserve for Reclamation	<u>\$ 446</u>	<u>\$ --</u>	<u>\$ 446</u>
NET WORTH	<u>\$104,143</u>	<u>\$(19,261)</u>	<u>\$ 84,882</u>
Total Liabilities and Net Worth	<u>\$106,603</u>	<u>\$(19,261)</u>	<u>\$ 87,342</u>

Note: Estimated effect of dividend to Texaco/Getty of gold inventory other than circuit.

SCHEDULE B**PLANS****I Benefit Plans:****A. Salaried Employees**

1. Pension Plan for Employees of Getty Mining Company and Certain Subsidiaries
2. Thrift Plan For Employees of Getty Mining Company and Certain Subsidiaries (Chase Manhattan Bank N.A., trustee)
3. Vacation
4. Major Medical Insurance
5. Dental Assistance Plan
6. Group Term Life Insurance and Accidental Death and Dismemberment Insurance
7. Supplemental Accidental Death and Dismemberment Insurance
8. Employee Death Benefit Plan
9. Long Term Disability Insurance (LTD)
10. Travel Accident Insurance
11. Short Term Disability Plan
12. Vision Insurance Plan

B. Hourly Employees

1. Mercur Mine Hourly Savings Plan
2. Mercur Mine Life Insurance Plan
3. Mercur Mine Death & Dismemberment Plan
4. Mercur Mine Medical Plan
5. Mercur Mine Dental Plan
6. Mercur Mine Short-Term Disability Plan
7. Vacation

II Other Plans:**A. Salaried Employees**

1. Holidays
2. Medicare Supplement
3. Memberships in Technical and Professional Organizations
4. Jury Duty
5. Funeral Leave
6. Safety Shoes and Prescription Eye Glasses
7. Tuition Aid
8. Pre-retirement Planning Program
9. Service Awards

B. Hourly Employees

1. Holidays
2. Tuition Aid
3. Jury Duty
4. Funeral Leave
5. Safety Shoes and Prescription Eye Glasses

III Group Annuity Contracts of Thrift Plan

1. Group Annuity Contract Number GA-8904, effective April 2, 1984, between The Prudential Insurance Company of America and the Chase Manhattan Bank N.A.
2. Supplemental Agreement, No. 8909, effective April 2, 1984, between The Prudential Insurance Company of America and the Chase Manhattan Bank N.A.
3. Group Annuity Contract No. LT-5850, effective February 1, 1979, and amendments thereto, between Bank of America N.T. & S.A. and Aetna Life Insurance Company.
4. Group Annuity Contract No. GA-17974-4, effective November 7, 1983, between Chase Manhattan Trust Company of Florida, N.A. and Northwestern National Life Insurance Company.

SCHEDULE C

CONSENTS

(NONE)

SCHEDULE D

CHANGES

(NONE)

SCHEDULE E

LIABILITIES

(NONE)

SCHEDULE F

LITIGATION

1 Claims

Gold Standard, Inc., has made a claim with respect to conversion of its working interest to a net profits interest under an Operating Agreement dated December 11, 1973 between Gussy Oil Company and Gold Standard, Inc.

SCHEDULE G

ROYALTIES

1. **Gold Standard, Inc.—**Gold Standard was reduced from a 25% working interest to a 15% net profits interest as per the operating agreement. Gold Standard is paid \$75,000.00 advance royalty each year as provided in the operating agreement. The advance royalty is to be recouped from Gold Standard's 15% net profits interest. Gold Standard will not receive payment under the net profits provision until the Company has recouped all capital costs plus interest at prime plus 5%.
2. **Steen Trust, Patricia McCormick, Maxine Boyd—**The aforementioned own 6.8662% of the following: (1) Mercur Hill Pit; (2) the Golden Gate Tailings; and (3) 50% of the Marion Hill Pit. The Steen et al, are co-tenants with the Company. The Company has the right to mine without the consent of the co-tenant's interest. The Steen interest presently is being treated as a non-consenting co-tenant. The Company is entitled to recoup all costs for exploration, pre-development, development, transportation, and refining costs for the areas in which Steen et al own an interest before the Steen interest is entitled to share in proceeds. The cost of the above is presently being kept separately by the Company's Accounting Department.
3. **Sliding Scale Royalty Interests Within Current and Planned Mining Areas**
 - (A) Sacramento Gold Mining Company
 - (B) Bothwell-Swaner Company
 - (C) Geysler-Marion Gold Mining Company
 - (D) New Mercur Mining Company
 - (E) Geraldine Clarke

The above are the sliding scale royalty interest with schedule as follows:

net return per dry ton for	
5% ore yielding a net value of	\$ 0-\$15
7½% ore yielding a net value of	\$15-\$30
10% ore yielding a net value of	\$30-\$50
12½% ore yielding a net value of	\$50-\$60
15% ore yielding a net value of	\$60-\$70
20% ore yielding a net value of	Over \$70.

The Company is treating the royalty as a 5% of net value of the product sold, deducting milling, refining, taxes (occupation), mine haulage and advanced royalties that have been paid

The leases of the above lessors do not provide for the commingling of ore. Commingling is essential at Mercur Gold Mine due to the two types of ores—oxide and refractory. In order to have the right to commingle the ore the Company has prepared a stipulation to the lease agreements giving the Company the right to commingle the ore. As of this date this stipulation is in the process of review by the owners. The Company will pay the owners for both the oxide and refractory ore based upon the average price of gold for the calendar quarter in which the ore is mined based upon the monthly average of the Handy-Harmon closing spot prices for gold for each month of the calendar quarter as published in Metals Week. The following table is the approximate percentage of ownership for the production pits:

<u>Owner</u>	<u>Production Pit</u>	<u>% Owned</u>
Sacramento Gold Mining Company	Sacramento Hill	95%
	Mercur Hill	1%
Geysler-Marion Gold Mining Company	Marion Hill	50%
	Golden Gate Tailings	5%
Bothwell-Swaner Company		
Geysler Marion Gold Mining Company	Sacramento Hill	1%
Geraldine Clarke		

4. Overriding Royalty Owners

The following areas have a perpetual overriding royalty interest of approximately 1% of the Mercury Hill Pft, 1% of 50% of the Marion Hill Pft, and 1% of 95% of the Golden Gate Tailings. The following deductions are made prior to payment of the overriding royalty: ore haulage, milling, refining costs, Utah occupational taxes. The royalty is payable 30 days after the end of each calendar quarter within which ores or concentrates have been mined and removed from the properties and sold or used.

Snyder Mines, Inc.	— .00091373
Litigation Resources	— .00186180
R.H. & Gwen Fraser	— .00186180
Mitchell & Doris Metich	— .00017605
Western Mine Services, Inc.	— .00450000

SCHEDULE H

CONTRACTS

1. Agreement dated April 23, 1982, between Utah Power and Light Company and Getty Mining Company (now Getty Minerals Company) under which Utah Power and Light Company furnishes electric power for mining operations at Mercur Gold Mine assigned to the Company.
2. Refining Agreement dated July 19, 1984 between Johnson Matthey Refining, Inc. and Getty Minerals Company assigned to the Company.
3. Refining Agreement dated January 1, 1985, between Englehard Industries West, Inc., and Getty Minerals Company assigned to the Company.
4. Employment Agreement which expires August 31, 1985 between Getty Mining Company and Robert H. Migliaccio assigned to the Company.
5. Operating Agreement dated December 11, 1973, between Getty Oil Company and Gold Standard, Inc., which has been assigned to the Company.
6. Assumption Agreement dated as of April 15, 1985.

SCHEDULE I

I MORTGAGE LOAN*

1. E. F. Kesters

2. C. D. Otter

* As of March 25, 1985

II MORTGAGE INTEREST ASSISTANCE

Name

1. R. J. Gibson

2. J. E. Huffman

3. W. J. Hytrek

4. E. E. Maurer

5. C. D. Otter

6. R. C. Saltz

7. R. Vick

* As of March 25, 1985

ASSETS

FEE PROPERTIES

<u>Claim Name</u>	<u>Mineral Survey Number</u>	<u>Gross Acreage, More or Less</u>	<u>Recording Data of Conveyance into Grantor in Tooele County, Utah</u>
Cannon	3033		Bk. 185 Pg. 312
Intermediate	3033		Bk. 185 Pg. 312
Ingot	3033		Bk. 185 Pg. 312
Index	3033		Bk. 185 Pg. 312
Delta	3033		Bk. 185 Pg. 312
Golden Spray	3033		Bk. 185 Pg. 312
Megg	3033		Bk. 185 Pg. 312
Golden Dream	3033	84.97	Bk. 185 Pg. 312
General Sherman	3526		Bk. 189 Pg. 719
Little Joint	3120		Bk. 189 Pg. 719
Silver Bell	3120		Bk. 189 Pg. 719
Dump #1	3120		Bk. 189 Pg. 719
Tramway Lode	3120		Bk. 189 Pg. 719
Crescent	3755		Bk. 189 Pg. 719
Gladstone #1	3479		Bk. 189 Pg. 719
Gladstone #2	3479		Bk. 189 Pg. 719
Didsbury	3479		Bk. 189 Pg. 719
Mark Cory	3479		Bk. 189 Pg. 719
Leadville #3	3479		Bk. 189 Pg. 719
Ten Forty	2941		Bk. 199 Pg. 763
Gold Dust	2941		Bk. 199 Pg. 763
Gold Dust #2	2941		Bk. 199 Pg. 763
Guich	2941		Bk. 199 Pg. 763
Sunflower	2941		Bk. 199 Pg. 763
Idaho	3166		Bk. 199 Pg. 763
Idaho #2	3166		Bk. 199 Pg. 763
Tillie	3166		Bk. 199 Pg. 763
Seven Thirty	3166		Bk. 199 Pg. 763
Constitution	3166		Bk. 199 Pg. 763
Baltic #2	3166		Bk. 199 Pg. 763
Caledonia	3166		Bk. 199 Pg. 763
Free Trade	3166		Bk. 199 Pg. 763
Wedge	3168		Bk. 199 Pg. 763
Emilie	Lot 149		
Dump #2	3120		Bk. 190 Pg. 22
Sherman	2957	8.840	Bk. 205 Pg. 338-339
Jones Bonanza	2957	20.660	Bk. 204 Pg. 566-568
Gentile Belle	Lot 46	4.59	Bk. 138 Pg. 980-981
Gold Ring	3086		Bk. 191 Pg. 617
Abe Lincoln	3086 (except portion lying within Utah County, UT)		Bk. 191 Pg. 617

<u>Claim Name</u>	<u>Mineral Survey Number</u>	<u>Gross Acreage, More or Less</u>	<u>Recording Book - Conveyance into Grantor in Tooele County, Utah</u>	142
Mormon Girl	3092		Bk. 202 Pg. 35-38	
Little Ruth	3092			
Ajax	3193			
Grand View	3193			
Jumbo (Jumbo)	3193			
Eliza	3156			
Isabella	3156			
Dexter	3163			
Generous	3163			
Gray Bell #1	3102		Bk. 191 Pg. 925	
Gray Bell #2	3102		Bk. 191 Pg. 922	
Hazel	2944	11.67	Bk. 205 Pg. 415	
Old Grover	3073		Bk. 200 Pg. 976-977	
Mary E	3073			
Mary E. No. 2	3073			
Wonder	3073			
North Side	3073	63.62		
Border #1	3176		Bk. 195 Pg. 549	
Border #2	3176		Bk. 195 Pg. 549	
Border #3	3176		Bk. 195 Pg. 549	
Border #4	3176		Bk. 195 Pg. 549	
Gold Coin #1	3176		Bk. 195 Pg. 549	
Gold Coin #2	3176		Bk. 195 Pg. 549	
Gold Coin #3	3176		Bk. 195 Pg. 549	
Gold Coin #4	3176		Bk. 195 Pg. 549	
Gold Coin #5	3176		Bk. 195 Pg. 549	
Gold Coin #6	3176		Bk. 195 Pg. 549	
Gold Coin #7	3176	155.950		
Songbird	3101		Bk. 200 Pg. 453	
Songbird No. 1	3101		Bk. 200 Pg. 453	
Songbird No. 2	3101	43.76	Bk. 200 Pg. 453	
Star of the West	44		Bk. 195 Pg. 938-939	
White Oak	3649			
White Oak No. 2	3649			
Antique	3649			
Antique No. 2	3653			
Mercur Gold Bar #1	7204			
Mercur Gold Bar #3	7204			
Lots 1, 3, 4, 5, and 11 of Block 1, Southside No. 2 Subdivision. Lots 1 thru 10 (excluding Lot 2) Block 2, Southside Subdivision. Lots 1 through 5, Block 3, Southside Subdivision, Mercur Townsite.			Bk. 198 Pg. 626	
Lot 22, Section 7, Township 6 South, Range 3 West, Salt Lake base and Meridian, Tooele County, State of Utah.			Bk. 192 Pg. 28	.20

The following list of patented claims were acquired by Getty Oil Company through (1) Grant Deed from Richard W. Horton, acting Trustee, dated December 3, 1976 and recorded in Book 145, at Page 132 of the Tooele County, Utah records; (2) Trustee's Deed, Combined Metals Reduction Company by Trustee, W. Lamonte Robison, dated December 1, 1976 and recorded in Book 145, at Page 35 of the Tooele County, Utah records.

PATENTED MINING CLAIMSSURVEY NUMBERCLAIM NAME

Lot 57	Mercer
Lot 62	Resolute #2
Lot 63	Hierod
Lot 65	Seaside #2
Lot 66	Apex
Lot 67	Ruby
Lot 68	Apex #2
Lot 69	Ralph
Lot 70	Frement
Lot 71	Lula
Sur. #3110	Mattie #4)
Sur. #3110	Mattie #5)
Sur. #3112	Keystone)
Lot 72	Brickyard)
Lot 72	Potosi)
Lot 72	Justice)
Lot 72	Arab)
Sur. #3246	Snowflake
Lot 74	Lady May)
Lot 74	Vulture)
Lot 74	Sullivan)
Lot 74Am	Protective Tariff
Sur. #3136	Hard Times)
Sur. #3136	Hard Times No. 2)
Sur. #3136	Hard Times No. 3)
Sur. #3136	Fourth of September)
Sur. #3078	Fundamental
Sur. #2948	Grasshopper)
Sur. #2848	Noonday)
Sur. #2848	Mabel)
Sur. #3328	Hard Time #4
Sur. #3087	Independence)
Sur. #3087	Defiance)
Sur. #2984	Navigator)
Sur. #2984	Wedge of Gold)
Sur. #2977	B.B.)
Sur. #2977	Maggie)
Sur. #2977	Surprise)
Sur. #2979	Exchequer
Sur. #2979	Rob Roy
Sur. #3291	Ortega
Sur. #2982	Plutarch
Sur. #3321	Tempest
Sur. #3290	Merrett
Sur. #3290	Merrett #1
Sur. #3290	Merrett #2
Sur. #3511	Old Guard
Sur. #3511	Genevieve
Sur. #3284	Little Vee
Sur. #3320	Lehi
Sur. #3284	Gold Flat)
Sur. #3284	Rover #4)
Sur. #3512	Buffalo
Sur. #3512	Buffalo Fraction
Sur. #3512	DeRouche
Sur. #3512	Frances
Sur. #3512	My Emma
Sur. #3512	My Emma #1
Sur. #3512	Cedar Grove
Sur. #3512	Cedric
Sur. #3512	Cedric #2
Sur. #3512	Cedric #3
Sur. #3512	Coolgardie
Sur. #3512	Molly Barn

SURVEY NUMBER

Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403
 Sur. #3403

CLAIM NAME

Dolly Varden
 Dolly Varden Fraction
 John Adams
 Yankee Girl
 Yankee Girl #2
 Yankee Girl #3
 Yankee Girl Fraction
 Custer No. 2
 Miller
 Miller Fraction

UNPATENTED MINE SITE CLAIMS

<u>NAME</u>	<u>DATE</u>	<u>RECORD REFERENCE</u>
Lady May, Lot #74	5/12/38	8/22/38-209066-3-A, 358
Brickyard, Lot #74	.	209667-3-A, 358-9
Grasshopper, Sur. #2948	.	209668-3-A, 359
Eschequer, Sur. #2970	.	209669-3-A, 359-60
Rob Roy, Sur. #2970	.	209670-3-A, 360
Justice, Lot #72	.	209671-3-A, 361
Maggie, Sur. #2977	.	209672-3-A, 361-2
Plutarch, Sur. #2962	.	209673-3-A, 362
Navigator, Sur. #2984	.	209674-3-A, 363
Fundamental 1, Sur. #3078	.	209675-3-A, 363
Hard Times #2, Sur. #3136	.	209676-3-A, 364
Ortega, Sur. #3291	.	209677-3-A, 364-5
Potosi, Lot #72	.	209678-3-A, 365
Vulture, Lot #72	.	209679-3-A, 366
Noonday, Sur. #2948	.	209680-3-A, 366-7
Protective Tariff, Lot #74	.	209681-3-A, 367
Tempest, Sur. #2321	.	209682-3-A, 367-8
Arab, Lot #72	.	209683-3-A, 368
Defiance, Sur. #3087	.	209684-3-A, 369
B.B., Sur. #2977	.	209685-3-A, 369-70
Surprise, Sur. #2977	.	209686-3-A, 370
Wedge of Gold, Sur. #2984	.	209687-3-A, 371
Independence, Sur. #3087	.	209688-3-A, 371
Hard Times, Sur. #3136	.	209689-3-A, 372
Mabel, Sur. #2948	.	209690-3-A, 372-3
Snowflake, Sur. #3246	.	209691-3-A, 373
Little Vee, Sur. #3284	.	209692-3-A, 373-4

MINERAL LEASES

1. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Sacramento Gold Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 35-38, records of Tooele County, Utah.

2. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Bothwell and Swaner Corporation, a Utah corporation and Christine B. Marchouse and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 39-43, records of Tooele County, Utah.

3. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Geyser Marion Gold Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of

Lease dated as of March 1, 1973, being recorded in Book 188 at Page 28-34, records of Tooele County, Utah.

4. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Marcur Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated of March 1, 1973, being recorded in Book 188 at Page 20-23, records of Tooele County, Utah.

5. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Marcur Gold Exploration, Inc., a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 16-19, records of Tooele County, Utah.

6. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Marcur Gold Exploration, Inc., a Utah corporation and H. G. Jamison and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as March 1, 1973, being recorded in Book 188 at Page 24-27, records of Tooele County, Utah.

7. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Rover Gold Mining Company, a Utah corporation and Gold Standard, Incorporated, a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 12-15, records of Tooele County, Utah.

8. Utah State Lease for metalliferous minerals dated December 1, 1978 bearing Mineral Lease No. 37509 covering 174.60 acres, more or less, in Section 32, T35, R3W, SLN, Tooele County, Utah. Said lease having been assigned to Getty Mineral Resources Company (now Getty Minerals Company) by Assignment dated July 13, 1981 and filed August 31, 1981 with the Department of State Lands, State of Utah.

All of the above, except number 8, are subject to reservations and exceptions of record in Tooele and Utah Counties, Utah and also subject to an unrecorded Grazing Lease dated April 1, 1985 from Getty Mining Company as lessor to Marvin J. and Georgia J. Russell, covering a portion of the lands described above in Tooele County, Utah. Also, subject to Assignment from Gold Standard, Inc., a Utah corporation, to Getty Mineral Resources Company (now Getty Minerals Company) a Delaware corporation qualified to do business in the State of Utah, dated May 12, 1981 and recorded in Book 193, at Page 242 of the Records of Tooele County, Utah.

EASEMENTS AND RIGHTS OF WAY

1. Right of Way Agreement dated February 2, 1982, from Tooele County, Utah, to construct and operate two pipelines 30 feet

in width running generally along the Mercur Canyon Road and along the Dip Road in Tooele County, Utah.

2. Pipeline right of way across Mineral Surveys Nos. 3348 and 3143 in the Mercur Area, Tooele County, Utah, conveyed by Right of Way Agreement dated April 22, 1982, from Donald L. Gilbert, a/k/a D. L. Gilbert and Emma L. Gilbert, husband and wife, to Getty Mining Company (now Getty Minerals Company), evidenced by Memorandum recorded in Book 203 at Page 663 of the Records of Tooele County, Utah.

3. Pipeline Right of Way across Mineral Survey No. 3448 in the Mercur Area, Tooele County, Utah, conveyed by Right of Way Agreement dated April 21, 1982, from Dorothy J. Cuetto to Getty Mining Company (now Getty Minerals Company) evidenced by Memorandum recorded in Book 203 at Page 660 of the Records of Tooele County, Utah.

4. Right of Way Agreement dated March 22, 1982, from the Bureau of Land Management to Getty Mining Company (now Getty Minerals Company) Serial No. 24-47282 for two water well sites in Section 10, T6S, R4W, L8E, and for a pipeline along the Mercur Canyon Road in Section 7, T6S, R3W and in Section 12, T6S, R4W, all in Tooele County, Utah.

UNPATENTED MILLSITE CLAIMS

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Emilly 1-257	184	907-998	Tooele	225146-225402
	185	1-165	Tooele	
Emilly 258-265	194	339-346	Tooele	242324-242331
TNT 1	188	915	Tooele	227370
TNT 2	188	916	Tooele	227371
OS 4	203	383	Tooele	256017
OS 9 (Amended)	203	385	Tooele	256018
OS 24	203	385	Tooele	256019
OS 31	203	531	Tooele	256020

UNPATENTED LOOSE MINING CLAIMS

<u>CLAIM NAME</u>	<u>Book</u>	<u>Page</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Julie 1-16	186	689-704	Tooele	230531-230546
Julie 12-25	1864	783-846	Utah	230542-230555
Julie 26-27	1864	797-798	Utah	230557-230558
Julie 28	186	705	Tooele	230559
Julie 28	1864	799	Utah	230559
Julie 29-59	1864	800-830	Utah	230560-230589
Julie 68-75	1864	839-846	Utah	230598-230604
Julie 76-84	188	340-348	Tooele	230606-230614
<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Julie 85	200	983	Tooele	230615
Julie 85-90	1876	157-162	Utah	230615-230620
Julie 93-98	188	352-357	Tooele	230623-230628
Julie 99-104	190	807-812	Tooele	236448-236453
Julie 105	1897	565	Utah	236454
Julie 107	190	814	Tooele	236456
Julie 107	190	916-917	Tooele	236558-236559
Julie 211-212	190	916-917	Tooele	236560
Julie 13	1897	566	Utah	

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Julie 288-373	190	988-998	Tooele	236631-236641
	191	1-75	Tooele	236642-236716
Julie 380-410	192	493-532	Tooele	238492-238522
Julie 411-467	194	347-403	Tooele	242332-242388
Julie 468-478	1920	380-388	Utah	242389-242397
Julie 471	194	404	Tooele	242392
Julie 474-475	194	405-406	Tooele	242395-242396
Julie 477-559	198	304-387	Tooele	239743-249825
Julie 4720-4721	1992	827-828	Utah	256987-256988
Julie 463 Amend.	204	223	Tooele	242385
Julie 463-8	204	228	Tooele	242386
Julie 463-8 Amend.	204	224	Tooele	256986
Julie 457 Amend.	204	222	Tooele	242324
Julie 38 Amend.	1942	823	Utah	230560
Julie 39 Amend.	1942	824	Utah	230563
Julie 47 Amend.	1999	782	Utah	230561
Julie 48 Amend.	1999	783	Utah	230572
Julie 52 Amend.	1999	784	Utah	230577
Julie 54 Amend.	1999	785	Utah	230578
Julie 86 Amend.	1992	825	Utah	230611
Julie 88 Amend.	1992	826	Utah	230612
Lisa Fraction #1	135	89	Tooele	127909
Cindy Fraction #1	135	90	Tooele	127910
Cindy Fraction #1 Amend.	204	227	Tooele	127910
Steve Fraction #1	135	91	Tooele	127911
Mike Fraction #1	135	92	Tooele	127912
Mike Fraction #1 Amend.	204	226	Tooele	127912
Mike Fraction #1 B	204	229	Tooele	256984
Go Fraction #1	135	93	Tooele	127913
Go Fraction #2	135	94	Tooele	127914
Go Fraction #2 Amend.	204	217	Tooele	127914
Go Fraction #3	135	95	Tooele	127915
Go Fraction #3 Amend.	204	218	Tooele	127915
Go Fraction #4	135	96	Tooele	127916
Go Fraction #4 Amend.	204	219	Tooele	127916
Go Fraction 5-8	135	97-100	Tooele	127917-127920
Go Fraction #8 Amend.	204	220	Tooele	127920
Go Fraction #9	135	101	Tooele	127921
Go Fraction #9 Amend.	204	221	Tooele	127921
Go Fraction 10-12	135	102-104	Tooele	127922-127924
Go Fraction 12 Amend.	188	823	Tooele	127924
Go Fraction #13	135	105	Tooele	127925
Go Fraction #13 Amend.	188	824	Tooele	127925
Go Fraction 13 2nd Amend.	205	63	Tooele	127925
Bill Fraction #1	135	106	Tooele	127926
Bill Fraction #2	135	107	Tooele	127927
Bill Fraction #3	135	108	Tooele	127928
Buzz #1	104	230	Tooele	256955
Ollie 1	209	563	Tooele	264691
Ollie 2	209	564	Tooele	264692
Ollie 4	209	565	Tooele	264693
Ollie 6	209	566	Tooele	264694
Ollie 7	209	567	Tooele	264695
John 1-6	81	405-410	Tooele	127929-127934
John 7-9	113	106-108	Tooele	127935-127937
Pat 1-4	113	102-105	Tooele	127938-127941
Vicky 1-14	82	1-14	Tooele	127942-127955
Violet Ray 1-12	190376-190387		Utah	127956-127967
SM 95-99	187	591-595	Tooele	231814-231818
SM 102-104	187	596-598	Tooele	231821-231823

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
PR 11	188	234	Tooele	231705
PR 16-18	188	239-240	Tooele	231710-231712
SS 244	193	785	Tooele	241273
SS 100-101	188	226-227	Tooele	231819-231820
Itch 1-41	184	824-864	Tooele	225063-225103
Itch 41	1853	430	Utah	225103
Itch 42	184	365	Tooele	225104
Itch 42	1853	431	Utah	225104
Itch 43	184	866	Tooele	225105
Itch 43	1853	432	Utah	225105
Itch 44-48	184	867-871	Tooele	225106-225110
Itch 46	1853	869	Utah	225108
Itch 64-65	184	887-888	Tooele	225126-225127
Itch 69-75	184	892-898	Tooele	225131-225137
Itch 81	184	904	Tooele	225143
Itch 81 Amend.	204	224	Tooele	225143
Itch 82-83	184	905-906	Tooele	225144-225145
Itch 82 Amend.	204	225	Tooele	225144
Julie 45 Amend.	226	551	Tooele	230575
Hillside Fraction	226	552	Tooele	Not Yet Assigned
Sacramento Fraction	226	553	Tooele	"
Tip Toe Fraction	226	554	Tooele	"
Sunrise Fraction	226	555	Tooele	"
Abba Fraction	226	555	Tooele	"
Pegasi Fraction	226	557	Tooele	"
Seal Fraction	226	558	Tooele	"
Midway Fraction	226	152	Tooele	Assigned
Carrie Steele Fraction	226	153	Tooele	"
Carthage Fraction	226	31	Tooele	"
Grey Bull Fraction	226	32	Tooele	"
Julie 84 Amend.	226	30	Tooele	230614
Julie 83 Amend.	226	33	Tooele	230613
Julie 81 Amend.	226	34	Tooele	230611

SCHEDULE I-2

1. Road Maintenance Agreement dated September 1, 1981, between Getty Mineral Resources Company (now Getty Minerals Company) and Tooele County, Utah, under which Getty Minerals Resources Company (now Getty Minerals Company) is obligated to maintain the County Road in Mercur Canyon, Tooele County, Utah, from the junction with Utah State Road 73 to the Mercur Canyon mine site, and under which Getty Minerals Company is obligated to maintain a tourist information center and other tourist facilities at the Mercur Canyon Mine site.
2. Road Property Agreement dated September 1, 1981, between Getty Mineral Resources Company (now Getty Minerals Company), Geyser-Marion Gold Mining Company, New Mercur Mining Company and Tooele County, Utah, under which Getty Minerals Resources Company, Geyser-Marion Gold Mining Company and New Mercur Mining Company are obligated, upon cessation of mining operations, to convey, without warranty, to Tooele County, Utah, all necessary rights of way for roads to re-establish two county roads vacated by Ordinance No. 81-15 ordained by the Board of Commissioners of Tooele County, Utah, on September 1, 1981.
3. Application to Appropriate Water from Reservation Canyon, Tooele County, Utah, bearing application No. 57480 (15-2931) approved by the State Engineer of the State of Utah on July 30, 1982.
4. Applications to appropriate Water from 1,000 feet to 1,500 feet deep in T6S R4W SLB&M, bearing application No. 57172 (15-2922) and 55193 (15-2858), both approved by the State Engineer of the State of Utah on May 26, 1982.

MERCOR MINE
CAPITAL ASSET SUMMARY
DECEMBER 31, 1984

<u>Description</u>	<u>Amount</u>
Tailings Dam	\$11,233,984.23
Land Improvements	3,641,920.63
Mine Equipment	10,259,581.08
Maintenance Tools & Equipment	1,568,436.81
Buildings	3,253,263.94
Mill Equipment	34,227,809.50
Data Processing Equipment	646,215.59
Lab Equipment	183,264.39
Environmental Equipment	70,179.89
Communications Equipment	365,437.91
Furniture & Fixtures	247,929.33
Transportation Equipment	746,174.07
	<hr/>
TOTAL	<u>\$68,444,217.37</u>

MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
LAND IMPROVEMENTS

<u>Equip. No.</u>	<u>Description</u>	<u>Amount</u>
	Plant Site Preparation	
00-001	Mill Site Clearing & Grading	\$3,554,164.21
00-011	Mill Site Sedimentation Pond	421.33
00-0211	Fence	100,725.40
80-021	Fence	72,910.30
	Sub-total	\$3,728,221.24
	Roads	
00-015	Plant Access Road - Construction	\$1,223,209.67
00-003	Plant Access Road - Grading & Pave.	394,561.69
00-016	Tailings Dam Road	187,097.68
00-017	Observation Point Access Road	49,256.93
10-001	Mine Haul Road	47,535.38
02-015	Booster Storage Tank Access Road	1,244.56
	Sub-total	\$1,902,905.91
	<u>1984 Additions</u>	
	Visitor Center Sewage Tank	\$ 1,045.00
	Picnic Tables (4)	1,209.78
	Visitor Overlook Signs	8,538.70
	Sub-total	\$ 10,793.48
	TOTAL	\$5,641,920.63

MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
TAILINGS DAM

<u>Acq. No.</u>	<u>Description</u>	<u>Amount</u>
80-001	Tailings Dam & Liner - 1983	\$11,193,096.26
	Saddle Dam (Engineering & Testing) - 1984	40,887.99
	TOTAL	<u>\$11,233,984.25</u>

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MINE EQUIPMENT**

Page 1 of 2

<u>Equip. No.</u>	<u>Description</u>	<u>Serial No.</u>	<u>Acquisition Date</u>	<u>N/U</u>	<u>Amount</u>
15-101	Shovel - UHS01 Hitachi	0111	11-06-82	New	\$ 866,777.66
15-102	Shovel - UHS01 Hitachi	0112	11-15-82	New	866,777.66
15-120	Shovel - Bocker		11-15-82	New	53,422.50
15-151	360 IBC Front End Loader	4046	11-17-82	New	229,792.22
15-152	360 IBC Front End Loader	4050	10-21-82	New	230,091.79
15-153	370 IBC Front End Loader	4044	11-22-82	New	436,765.29
15-154	370 IBC Front End Loader	4045	11-22-82	New	437,440.60
15-201	850 WABCO Truck	456	11-15-82	New	422,381.3
15-202	850 WABCO Truck	457	11-19-82	New	422,381.3
15-203	850 WABCO Truck	458	11-19-82	New	422,381.3
15-204	850 WABCO Truck	482	12-06-82	New	422,381.3
15-205	850 WABCO Truck	483	12-15-82	New	422,381.3
15-205	850 WABCO Truck	484	12-16-82	New	422,381.3
15-206	850 WABCO Truck	484	12-16-82	New	422,381.3
15-207	850 WABCO Truck	485	12-17-82	New	422,381.3
15-251	75B WABCO Truck - Water	684	10-19-82	Used	196,406.2
15-252	75B WABCO Truck	510	10-19-82	Used	196,406.2
15-301	Dozer TD25E IHC	1630	10-15-82	New	216,912.7
15-302	Dozer TD25E IHC	1577	10-18-82	New	216,817.7
15-303	Dozer TD25E IHC	1604	12-06-82	New	209,774.1
15-304	Dozer TD25E IHC	1602	12-09-82	New	209,774.1
15-351	Grader 16G Cat	2003	11-05-82	New	260,594.1
15-352	Grader 16G Cat	2017	12-08-82	New	260,000.
15-401	Drill Blasthole IROM25TH	392	11-15-82	New	248,717.
15-402	Drill Blasthole IROM25TH	452	11-15-82	New	248,717.
15-403	Drill Blasthole IROM25TH		12- -82	New	267,858.
15-404	Drill-Exploration IR TH100	087		Used	195,000.
15-451	Ailmand Light Plants - 6		10- -82	Used	33,308.
	thru				
15-456			1982	New	36,535.7
15-508	FEL - Backhoe		1982	New	20,042.7
15-509	Forklift 4,000 lb - Warehouse		1982	New	18,643.7
15-510	Forklift 6,000 lb		1982	New	18,643.7
15-511	Forklift 6,000 lb		1982	New	18,643.7
15-512	Forklift 6,000 lb		1982	New	51,895.7
15-513	Tire Handler - Forklift		1982	New	
15-514	Water Cleaner		1982	New	10,459.
15-515	Portable Steam Cleaner & Trail		1982	New	2,486.
15-516	Portable Welder		1982	New	5,775.
15-523	Compressor - Trailer		1982	New	8,832.
15-530	Limn MAC Generator - (8)		1982	New	12,000.
15-531	Anfo Silo				

Sub-total

\$9,042,086

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MINE EQUIPMENT

Page 2 of 2

1984 Additions

<u>Equip. No.</u>	<u>Description</u>	<u>Acquisition Date</u>	<u>N/Y</u>	<u>Amount</u>
15-155	310 IBC Loader	02- -84	New	\$ 448,571.29
15-261	WABCO Water Truck 65T	03- -84	Used	31,311.60
15-262	WABCO Water Truck 65T	03- -84	Used	31,311.60
15-149	992 Cat Loader	04- -84	New	527,453.51
	Electronic Distance Meter	10- -84	New	27,693.39
	Truck Bed - 75T	03- -84	New	65,776.50
	Truck Bed - 75T	03- -84	New	65,776.50
	500 Gal. Hot Water Tank	03- -84	New	1,237.28
	Binoculars	08- -84	New	116.03
	Snow Plow	11- -84	New	1,744.88
				<hr/>
		Sub-total		\$1,200,992.58

Transfers

	Desco Light Plant			\$ 5,527.60
	Salt Spreader			10,974.55
				<hr/>
		Sub-total		\$ 16,502.15
				<hr/>
		TOTAL		<u>\$10,259,581.08</u>

**MERCER NINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MAINTENANCE TOOLS AND EQUIPMENT
SUMMARY**

Page 1
Page 2
Page 3
Page 4

\$431,771.96
979,412.29
108,113.22
52,159.34

TOTAL

\$1,568,456.81

**MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MAINTENANCE TOOLS & EQUIPMENT**

Page 1 of 4

<u>DESCRIPTION</u>	<u>Year</u>	<u>Amount</u>
Cummins Model N0855NG, 105KW diesel generator w/6" 40 HP submersible pump	1983	\$ 36,662.50
Detroit Diesel 500 KW, generator sets	1983	128,066.24
200KW Continuous, 225KW standby diesel generator	1983	21,985.00
American Fire Extinguishers	1983	698.38
Shelving for warehouse	1983	89,625.47
Goold Transformer	3-83	1,055.00
Welder	3-83	1,187.00
Drafting Machine	3-83	304.50
Lunar Cart & Receiver Monitor	3-83	669.34
Loop Calibrator	3-83	1,046.54
Hafar Techno Check T-31688 & Poly Pipe	3-83	2,113.86
Elec. Testing Equipment	3-83	2,791.83
Flo-Sin Containers	3-83	1,250.00
McElroy Hydraulic Fusion Unit	3-83	44,740.61
Knife Gate Valves	3-83	18,480.46
Engraving Machine	3-83	937.51
Mechanalysis Recorder	8-83	3,691.08
Tachograph	2-83	1,561.00
Water Level Indicator	2-83	575.34
Office Storage Trailer	2-83	3,043.00
Mine Power Feeder Cable	2-83	12,508.05
Cyanide Test Kit w/conductivity & PH	2-83	1,703.83
Pumphouse	1983	931.12
Function Generator	1983	1,215.10
LCR Meter	1983	1,906.45
Theodolite	1983	4,410.00
OTC Puller Set	1983	1,741.95
Insulation Tester, Case & Test Leads	1983	544.72
Welder	1983	1,303.05
Heaters	1983	4,621.05
Loop Calibrator	1-83	2,091.91
Thumper	1-83	1,802.60
Westinghouse Breaker	1-83	2,100.00
Oscilloscope & Power Supply	1983	9,008.50
Micrometer Set	1983	311.12
Concentrating Tbl.	1983	2,648.00
Key Access System - Warehouse	1982	4,973.85
Fire Extinguishers	1983	2,044.02
Hoist	1982	556.50
Chain Hoist & Concrete Mix	1982	1,904.19
Hot Water Cleaner	1982	10,459.29
Energy Controls	1982	2,500.00
		<hr/>
	Sub-total	\$431,771.96

**MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MAINTENANCE TOOLS & EQUIP.**

Page 2 of 4

<u>Description</u>	<u>Year</u>	<u>Amount</u>
	1983	\$ 1,965.83
2 Buffers & Accessories	1983	3,153.39
Propeller Type Mixer	1983	2,027.11
Submersible Pump	1983	1,081.83
Exhaust Fan with Shutter	1983	9,094.50
Scale System, Idler	1983	3,933.90
Electronic Integrator	1983	656.33
Room Heating/Cooling Unit	1983	363.97
Motion Detector Amplifier	1983	2,053.80
Conveyor Belt Scraper	1983	947.64
1" Locometer	1983	889.28
pH Analyzer	1983	2,957.48
NCA Camera, Point Switches, Iris Lens, Sun Shade	1983	4,501.75
Concrete	1983	770.41
Hydraulic Lift Table	1983	2,022.30
Submersible Pump	1983	4,199.74
Grundfos 30HP Pump	1983	1,446.60
Model 1151 Agst Dusttop Collector	1983	6,660.15
Pad Liner, Flowmeter & Pump	1983	472.50
2 Air Tanks		
	Sub-total	\$49,193.48
	1983	\$885,061.38
Mill Spare Parts	1983	10,068.11
Trash Hoppers - 6	1983	2,194.00
Drum Tilter - 2	1983	4,677.86
Trash Bins	1983	3,038.42
Hand Trolley	1983	17,850.00
Bed Liners	1983	7,324.04
Miscellaneous		
	Sub-total	\$930,213.81
	Total	\$979,412.29

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MAINTENANCE TOOLS & EQUIPMENT

Page 3 of 4

<u>Description</u>	<u>Year</u>	<u>Amount</u>
Telescoping Fork Jib	1983	\$ 561.46
5 Scot Air Pacs	1983	4,604.25
Control Valve	1983	945.99
Power Supply Board, Mass Flow Linearizer	1983	1,070.68
Electric Chain Hoist	1983	1,937.25
Submersible Pump	1983	1,704.15
Slag Pot, Slag Pot Truck	1983	2,780.00
Sub Frame Assembly for 15-S Concentrating Tbl.	1983	684.60
Solenoid Valve	1983	584.36
Minicom Console	1983	4,207.00
BGA/TACTEC TAC100 Portables	1983	3,827.76
Monarch Pump	1983	6,090.24
40MT Pump	1983	6,232.83
Hyster Tire Handler	1983	5,250.00
Jacuzzi Submersible Pump	1983	724.81
Grinding Media Bins	1983	5,346.00
500 & 200 Troy Oz. Scales	1983	632.50
Thermolyne Furnace, Controller & Coupler	1983	3,828.29
Turbidimeter, Portable	1983	651.11
Magnishirl, Bath	1983	641.45
Submersible Pumps, Well Motor, Cable, Seal, Switch & Insulation	1983	4,146.45
Fireproof Cabinet	1983	1,016.40
Caustic Storage Tank	1983	4,818.50
2 Lincoln 50HP Motors	1983	1,656.64
Yoke Blender Base & Shells	1983	1,073.55
Submersible Pump & Control Box	1983	1,594.54
Submersible Pump & Control Box	1983	1,594.54
Chlorine Bleach Storage Tank	1983	5,885.10
High Volume Exhaust Fan & Shutter	1983	607.82
Optical Pyrometer	1983	1,178.80
60" Propane Wolf Grill	1983	1,077.76
Air Dryers, Bendix	1983	1,601.42
10,000 Gallon Fuel Tank	1983	607.36
2 - 8" x 6" Denver Pumps	1983	21,119.70
Rockwell 8" Flowmeter	1983	1,494.55
2 March Model TE 5.5 CMD Pumps	1983	723.98
Vacuum Pump	1983	1,176.03
Exhaust Fan	1983	1,435.45
		<hr/>
	Sub-total	\$105,113.22

MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MAINTENANCE TOOLS & EQUIP.

Page 4 of 4

1984 Additions

<u>Description</u>	<u>N/U</u>	<u>Year</u>	<u>Amount</u>
1 - 536 EK Hijack	New	1984	\$ 5,187.50
1 - Borg 7000 Transmission Jack	New	1984	793.13
1 - 40-40 Airflata Tire Changer	New	1984	1,427.63
2 - RS 1/2" Air Impact Wrench	New	1984	169.56
1 - SASAB 3/4" Air Impact Wrench	New	1984	901.62
1 - L215W Grinder	New	1984	1,033.16
2 - B&D Comalong	New	1984	1,137.87
1 - B&W Monitor	New	1984	241.11
1 - SASAB 3/4" Air Impact Wrench	New	1984	901.62
1 - Miller 2500 Big Blue Welder	New	1984	4,949.58
1 - Paint Sprayer w/gun	New	1984	1,781.89
1 - Tugger	New	1984	1,353.94
1 - Iron Worker	New	1984	8,170.93
1 - High Pressure Washer	New	1984	5,710.50
1 - Snow Blower	New	1984	791.20
1 - 1/2 ton chain hoist	New	1984	251.69
3 - 1/2 ton lever hoist	New	1984	824.85
1 - Micrometer	New	1984	129.34
1 - Band Saw	New	1984	483.20
6 - Space Heaters	New	1984	1,829.70
1 - Tool Cabinet	New	1984	208.53
1 - Enerpac Pump	New	1984	2,219.06
3 - 1/2 Ton Chain Hoist	New	1984	714.00
			<hr/>
		Sub-total	\$41,210.81

Transfers

1 - 10,000 Gal. Fuel Tank		1984	\$ 6,300.73
1 - Miller 300 AMP Welder		1984	667.44
1 - Tektronix Cable Tester		1984	3,980.36
			<hr/>
		Sub-total	\$10,948.53

TOTAL \$638,243.00

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
NOW PROCESS BUILDINGS

<u>Equip. No.</u>	<u>Description</u>	<u>Amount</u>
02-625	Sample Storage Building	\$ 59,773.49
05-601	Administration Building	459,549.60
05-611	Laboratory Building	628,044.42
05-606	Lower Guardhouse	79,888.37
05-617	Visitors Center	56,845.18
05-621	Upper Guardhouse	59,305.07
05-631	Shop and Warehouse Building	1,843,363.12
	Sub-total	<u>\$3,208,769.25</u>

ADDITIONS

<u>Description</u>	<u>Year</u>	<u>Amount</u>
Visitors' Center		
Wall & Post Ties	1983	\$ 284.18
Interior Design	1984	12,630.00
2 Fans	1983	2,153.42
Fan	1983	1,074.15
16' x 16' Pole Bldg. (Labor & Equip.)	1983	2,000.50
	Sub-total	<u>\$ 18,142.55</u>
Lab		
Modifications & Additions	1983	\$ 19,789.95
2 Sinks, traps & access.	1982	612.20
	Sub-total	<u>\$ 20,402.15</u>
Main Building		
Sun Screen	1983	\$ 704.55
	Sub-total	<u>\$ 704.55</u>
Stain Assembly	1984	\$ 432.00
6' x 8' Storage Building	1984	708.44
16' x 24' Ambulance Garage	1984	4,114.00
	Sub-total	<u>\$ 5,245.44</u>
	TOTAL	<u>\$3,253,263.94</u>

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT
SUMMARY**

Page 2
Page 3
Page 5
Page 6
Page 8
Page 10
Page 13
Page 14
Page 15
Page 16
Page 17

	\$ 3,577,016.55
	2,630,998.54
	464,790.15
	2,729,643.06
	10,597,687.23
	6,140,714.58
	3,539,476.11
	1,357,804.81
	958,105.20
	544,373.15
	1,687,200.12
	<hr/>
TOTAL	\$34,227,809.50

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 1 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
00-018	Heliport	\$ 9,183.66
00-055	Propane Storage Tank	64,388.43
00-059	Propane Vaporizer	8,089.12
00-060	Propane Vaporizer	8,089.12
00-061	Propane Vaporizer	5,447.54
00-062	Propane Truck Unloading Pump	6,006.20
00-063	Vaporizer Supply Pump	2,707.72
00-064	Motor Fueling Pump	3,430.77
00-053	Unleaded Fuel System	22,307.57
00-074	No. 2 Diesel Storage Tank	65,287.99
00-075	No. 2 Diesel Storage Tank	59,303.78
00-076	No. 1 Diesel Storage Tank	38,956.40
00-095	Hydraulic Oil Storage Tank	28,671.62
00-101	Anti-Freeze Storage Tank	21,108.52
00-102	Transmission Oil Storage Tank	22,060.44
00-104	Tank Farm Sump	741.79
00-111	Sewage Treatment Plant	47,870.80
00-120	2" Sandpiper Pump	3,782.00
00-125	3" Sandpiper Pump	6,255.70
00-130	3" Submersible Pump	7,731.31
00-135	Truck Wash Settlement Pond	11,535.21
00-220	1" Utility Hose (with 00-750)	
00-225	Sewage Tank 5,000 Gal. (with 00-111)	
00-230	Sewer System Pump	979.71
00-605	Fire Protection Pumphouse	92,765.90
00-610	HVAC	1,170.78
00-705	Diesel Fire Pump	42,324.99
00-706	Electric Fire Pump	19,484.15
00-707	Jockey Pump	1,492.80
00-790	Piping	1,834,563.75
00-800	Instrumentation	24,062.93
00-900	Electrical	576,810.12
00-901	Main Substation Dead End Structure	30,437.06
00-902	Main Substation Transformer	172,848.72
00-911	Substation Transformer	20,102.17
00-912	Substation Transformer	20,102.17
00-913	Substation Transformer	27,800.74
00-914	Substation Transformer	27,800.76
00-915	Unit Substation for Tailings Dam	8,615.02
00-920	Low Voltage Indoor Switchgear (480V)	24,694.89
00-921	Low Voltage Indoor Switchgear (480V)	23,832.85
00-922	Low Voltage Indoor Switchgear (480V)	23,832.85
00-923	Low Voltage Indoor Switchgear (480V)	23,832.93
00-924	Low Voltage Indoor Switchgear (480V)	23,130.-9
00-930	4.16 KV Motor Controllers (Mills)	44,159.26
00-931	4.16 KV Motor Controller (Tailings)	8,780.76

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
		\$ 44,790.19
00-940	5 KV Metalclad Switchgear	9,755.66
00-950	5 KV Power Center (Microwave)	
00-960	480 V Motor Control Center (W/00-961)	1,636.92
00-961	480 V Motor Control Center	869.34
00-962	480 V Motor Control Center	409.71
00-963	480 V Motor Control Center	582.79
00-964	480 V Motor Control Center	582.79
00-965	480 V Motor Control Center	819.40
00-966	480 V Motor Control Center	469.13
00-967	480 V Motor Control Center	469.11
00-968	480 V Motor Control Center	
	Sub-Total	\$3,577,016.55

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 3 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
02-001	Fresh Water Pump (WW-7P)	\$ 319,908.70
02-002	Fresh Water Pump (WW-8P)	350,338.81
02-005	Fresh Water Pump (WW-8T)	63,230.64
02-010	Fresh Water Booster Pump	8,591.78
02-011	Fresh Water Booster Pump	36,718.84
02-012	Fresh Water Booster Pump	35,677.53
02-013	Fresh Water Booster Pump	35,678.87
02-015	Water Storage Tank	237,794.18
02-016	Booster Station Sump (With 02-611)	
02-025	Chlorinator	35,108.81
02-026	Chlorination Injection Booster Pump	2,095.67
02-601	Fresh Water Deepwell Pumphouse	36,378.82
02-602	Fresh Water Deepwell Pumphouse	43,196.66
02-611	Fresh Water Booster Pumphouse	113,057.90
02-615	Fresh Water Tank Valvehouse	21,350.57
02-621	Chlorinator Enclosure	5,512.39
02-700	Piping	1,168,003.61
02-800	Instrumentation	74,366.60
02-900	Electrical	43,988.16
	Sub-total	\$2,630,998.54

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 4 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
05-632	Truck Repair Crane	\$ 66,378.00
05-633	Machine Shop Crane	32,316.06
05-635	Truck Washing Pad (With 05-631)	
05-641	Oil Interceptor	3,954.59
05-642	2" Sandpiper Pump	1,561.70
05-643	Storage Tank	14,422.86
05-644	500 Gal. Receiving Tank	6,877.84
05-645	Hose Reel (Air, Fuel, Oil, Water) (W/651)	
05-651	Fitting, Wiggins High Volume	146,842.06
05-655	Barrel Pump (With 05-651)	
05-660	Air Compressor	38,930.99
05-665	Air Receiver	538.10
05-666	Trolley With Electric Hoist	232.49
05-670	Jib Crane	743.43
05-671	2" Sandpiper Pump	1,471.41
05-672	Oil Drain Pan	741.42
05-680	Alcohol Injector	2,696.36
05-681	Air Receiver	538.10
05-682	Air Receiver	538.10
05-683	Air Receiver	538.10
05-684	Air Receiver	538.10
05-685	Air Receiver	538.10
05-685	Air Receiver	538.10
05-688	Power Bandsaw	4,288.96
05-690	50 Ton Press	10,108.48
05-692	Lathe: 21" x 120"	36,580.04
05-693	Mill	9,428.98
05-694	Radial Arm Drill	10,067.96
05-695	Air Receiver	538.10
05-696	Air Receiver	538.10
05-697	Air Receiver	538.10
05-698	Diesel Delivery Pump	1,230.03
05-699	Diesel Delivery Pump	6,225.33
05-700	Piping	18,874.43
05-701	Engine Oil Pump	1,188.00
05-702	Grease Pump	1,291.05
05-703	Transmission Oil Pump	3,844.46
05-704	Hydraulic Oil Pump	3,844.46
05-705	Antifreeze Pump	3,417.39
05-706	Flow Meter (Diesel Oil) (With 05-651)	
05-707	90 W Oil Pump	1,188.00
05-710	Air Receiver	538.10
05-711	Air Receiver	538.10
05-712	Air Receiver	538.10
05-713	Air Receiver	538.10

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
05-714	Air Receiver	\$ 538.10
05-715	Air Receiver	538.10
05-720	Air Receiver	538.10
05-721	Air Receiver	538.10
05-722	Air Receiver	538.10
05-732	Chain Hoist	915.22
05-736	Chain Hoist	666.64
05-738	Chain Hoist	666.64
05-744	Chain Hoist	433.83
05-745	Chain Hoist	433.83
05-800	Instrumentation	6,905.82
05-900	Electrical	5,285.74
	Sub-total	<hr/> \$464,790.15

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 6 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
		\$ 170,238.05
20-001	Crusher Feed Hopper	306,373.75
20-002	Apron Feeder	343,251.88
20-004	Jaw Crusher	121,270.91
20-006	Discharge Conveyor	23,701.65
20-008	Tramp Iron Magnet	180,193.72
20-010	Transfer Conveyor	1,048.75
20-012	Plain Hand Trolley	538,864.43
20-014	Radial Slewing Stacker Conveyor	51,055.28
20-020	Overhead Bridge Crane	7,316.10
20-035	Dribble Conveyor	24,450.25
20-100	Dust Collection Ductwork	26,304.50
20-102	Baghouse	6,682.01
20-104	Baghouse Fan	530.12
20-108	Floor Sump	157.04
20-215	Drinking Fountain	725,539.27
20-600	Primary Crusher Building	20,380.72
20-610	HVAC	32,593.82
20-700	Piping	21,318.25
20-800	Instrumentation	9,010.59
20-801	Control Panel CP-1	119,361.97
20-900	Electrical	-----
	Sub-total	\$2,729,643.06

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 7 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
30-020	Reclaim Hopper	\$ 439,016.92
30-022	Apron Feeder	177,382.57
30-024	Mill Feed Conveyor	292,725.89
30-026	Belt Scale	16,049.13
30-028	Overhead Bridge Crane	203,509.21
30-029	Vibrating Feeder (Sag Mill)	19,047.28
30-030	Sag Mill	1,788,681.86
30-031	Air Receiver	2,527.44
30-033	Hytorc Pump and Socket Set	6,305.95
30-042	Primary Classifying Screen	124,798.23
30-046	Plain Hand Trolley	
30-047	Sag Mill Recycle Conveyor	77,959.63
30-049	Tramp Iron Magnet	13,748.78
30-050	Ball Mill	1,231,474.82
30-051	Air Receiver	424.64
30-052	Cyclone Feed Sump	23,032.26
30-054	Cyclone Feed Pump	34,638.89
30-056	Cyclone Feed Pump	33,804.66
30-058	Cyclone Manifold	36,424.25
30-061	Cyclone	12,279.99
30-052	Cyclone	11,483.06
30-063	Cyclone	11,938.72
30-064	Cyclone	11,581.95
30-066	Ball Charging Hopper	8,507.60
30-071	Vibrating Tramp Screen (Kinergy)	33,614.62
30-073	Vibrating Tramp Screen (Kinergy)	29,597.73
30-075	Vibrating Tramp Screen (Kinergy)	29,597.73
30-077	Vibrating Tramp Screen (Kinergy)	31,922.47
30-078	Underflow Launder	8,820.88
30-079	Overflow Chute Assembly	13,107.48
30-080	Oxide Thickener Tank	491,837.16
30-081	Oxide Thickener Mechanism	313,373.82
30-082	Underflow Pump	21,975.50
30-084	Underflow Pump	21,957.01
30-086	Surge Tank	78,749.39
30-087	Surge Tank	73,575.99
30-088	Surge Tank Agitator	78,975.16
30-089	Surge Tank Agitator	78,939.99
30-090	Surge Tank Discharge Pump	26,160.75
30-091	Surge Tank Discharge Pump	24,517.20
30-093	Gland Seal Pump	3,327.19
30-094	Gland Seal Pump	3,327.20

Page 8 of 17

<u>EQUIP. NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
		385.02
30-096	Mill Floor Sump	16,030.41
30-098	Mill Floor Sump Pump	13,289.82
30-100	Ductwork	21,520.45
30-102	Reclaim Baghouse	4,523.09
30-104	Reclaim Baghouse Fan	1,160.43
30-110	Reclaim Hopper Floor Sump	11,400.71
30-111	Reclaim Hopper Floor Sump Pump	872.81
30-115	Thickener Area Sump	11,980.51
30-116	Thickener Area Sump Pump	1,305.01
30-117	Surge Tank Area Sump	12,042.71
30-118	Surge Tank Area Sump Pump	31,360.30
30-122	Flocculant Make-up Package	18,868.53
30-132	Mixed Flocculant Tank	1,371.68
30-134	In-Line Flocculant Dilution Mixer	5,624.56
30-138	Mixed Flocculant Pump	5,624.56
30-139	Mixed Flocculant Pump	53,910.22
30-140	Mill Water Tank	37,395.87
30-142	Mill Water Pump	36,830.03
30-143	Mill Water Pump	746.71
30-144	Plain Hand Trolley	747.98
30-145	Plain Hand Trolley	33,787.23
30-146	Primary Sampler	8,362.07
30-148	Secondary Sampler	100,452.65
30-151	500 KW Diesel Generator	97,422.00
30-152	500 KW Diesel Generator	56,375.34
30-153	200 KW Diesel Generator	31,352.84
30-154	105 KW Diesel Generator	70,640.54
30-161	Plant Air Compressor	13,881.92
30-162	Instrument Air Compressor	
30-163	Aftercooler (With 30-162)	3,891.82
30-165	Air Receiver	10,076.61
30-171	Air Dryer	118.73
30-172	Prefilter	118.73
30-173	Aftercooler	
30-180	Drinking Fountain (With 30-600)	509,574.96
30-200	Sample Plant	8,161.85
30-202	Tramp Iron Magnet	1,350,606.63
30-600	Mill Building	1,986.60
30-601	Roof Ventilator	2,010.88
30-602	Roof Ventilator	1,986.57
30-603	Roof Ventilator	142,831.73
30-610	HVAC	20,370.59
30-615	Surge Tank Pumphouse	52,794.92
30-620	Millwater Pumphouse	880,849.04
30-700	Piping	315,790.35
30-800	Instrumentation	44,048.46
30-801	Control Panel CP-2	612,481.76
30-900	Electrical	
	Sub-total	\$10,597,687.23

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 9 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
50-002	Primary Sampler	\$ 7,969.63
50-003	Sample Prep Table	
50-004	Secondary Sampler	8,100.30
50-021	C.I.L. Crane (5 Ton)	90,021.76
50-022	C.I.L. Crane (5 Ton)	89,829.72
50-025	Safety Shower With Eyewash	1,161.84
50-026	Safety Shower With Eyewash	1,161.84
50-027	Safety Shower With Eyewash	1,161.84
50-028	Safety Shower With Eyewash	1,161.84
50-029	Safety Shower With Eyewash	1,161.84
50-030	Safety Shower With Eyewash	1,161.84
50-031	Safety Shower With Eyewash	1,161.84
50-032	Safety Shower With Eyewash	1,161.84
50-033	Safety Shower With Eyewash	1,161.84
50-034	Safety Shower With Eyewash	1,161.84
50-035	Safety Shower With Eyewash	1,161.84
50-040	Calcium Sequestering Agent Pump	3,333.56
50-050	Launder System	7,099.68
50-052	Primary Sampler	11,216.23
50-054	Secondary Sampler	8,662.85
50-101	C.I.L. Tank	125,551.87
50-102	C.I.L. Tank	117,430.80
50-103	C.I.L. Tank	114,384.04
50-104	C.I.L. Tank	114,961.15
50-105	C.I.L. Tank	114,159.39
50-106	C.I.L. Tank	117,653.32
50-107	C.I.L. Tank	114,159.40
50-108	C.I.L. Tank	119,022.55
50-111	C.I.L. Tank Agitator	55,463.11
50-112	C.I.L. Tank Agitator	55,463.11
50-113	C.I.L. Tank Agitator	55,463.09
50-114	C.I.L. Tank Agitator	55,463.08
50-115	C.I.L. Tank Agitator	55,463.08
50-116	C.I.L. Tank Agitator	55,463.10
50-117	C.I.L. Tank Agitator	55,463.09
50-118	C.I.L. Tank Agitator	55,463.11
50-150	Vibrating Safety Screen	24,617.37
50-170	Tailings Discharge Sump	26,894.37
50-172	Tailings Discharge Pump	18,005.69
50-173	Tailings Discharge Pump	17,416.82
50-174	Tailings Discharge Pump	17,734.32
50-175	Tailings Discharge Pump	17,103.36
50-176	Tailings Discharge Pump	33,164.99
50-177	Tailings Discharge Pump	33,142.26
50-178	Tailings Discharge Pump (Pad Only)	641.59
50-181	C.I.L. Screen	17,956.30

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
		\$ 17,956.90
50-191	C.I.L. Screen	3,808.26
50-200	C.I.L. Floor Sump	14,822.79
50-202	C.I.L. Floor Sump Pump	4,635.28
50-210	Gland Seal Pump	4,635.28
50-211	Gland Seal Pump	14,357.73
50-221	C.I.L. Screen Pump	14,580.95
50-222	C.I.L. Screen Pump	9,930.06
50-241	Carbon Advance Pump	6,710.05
50-242	Carbon Advance Pump	6,593.78
50-243	Carbon Advance Pump	6,593.78
50-244	Carbon Advance Pump	6,593.78
50-245	Carbon Advance Pump	6,593.79
50-246	Carbon Advance Pump	6,593.79
50-247	Carbon Advance Pump	6,593.77
50-248	Carbon Advance Pump	27,549.50
50-281	Low Pressure Air Blower	27,622.35
50-282	Low Pressure Air Blower	9,170.89
50-286	Cooling Jacket	1,864.99
50-291	Filter/Silencer	1,864.99
50-292	Filter/Silencer	60,124.97
50-300	Medium Pressure Air Blower	333.12
50-310	Filter/Silencer	5,359.22
50-315	Fuel Oil Tank	3,541.90
50-317	Boiler Fuel Oil Feed Pump	78,597.22
50-320	Boiler Package	2,374.22
50-321	Silencer	9,474.82
50-325	Combustion Air Fan	3,981.22
50-330	Boiler Feedwater Pump	3,981.22
50-331	Boiler Feedwater Pump	19,123.04
50-335	Boiler Offgas Stack	13,097.15
50-340	Economizer	12,052.96
50-350	Water Softener	36,513.19
50-355	Deaerator	2,345.19
50-360	Blowdown Flash Tank	642.51
50-361	Blowdown Sampler	2,844.75
50-365	Chemical Injection Package	3,049.51
50-366	Chemical Injection Package	2,080,249.51
50-600	C.I.L. Building	3,311.22
50-601	Roof Ventilator	3,311.22
50-602	Roof Ventilator	3,311.22
50-603	Roof Ventilator	3,311.22
50-604	Roof Ventilator	3,311.22
50-605	Roof Ventilator	75,700.00
50-610	HVAC	1,012,000.00
50-700	Piping	270,325.00
50-800	Instrumentation	402,000.00
50-900	Electrical	

Sub-total

\$6,140,700.00

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT**

Page 11 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
60-002	Loaded Carbon Screen	\$ 30,705.23
60-008	Carbon Preheat Tank	51,464.34
60-012	Carbon Strip Tank	98,932.85
60-014	Heat Exchanger	8,072.18
60-016	Heat Exchanger	25,771.57
60-018	Filter Press	25,816.35
60-020	Pregnant Solution Sampler	4,200.67
60-021	Weak Eluate Sampler	4,200.67
60-022	Tank A	38,017.92
60-025	Filter	2,429.39
60-026	Electrowin Feed Pump	7,219.41
60-027	Electrowin Feed Pump	7,219.43
60-028	Loaded Carbon Eductor Water Tank	13,499.72
60-029	Loaded Carbon Eductor Water Pump	2,998.75
60-030	Bleed Tank	19,171.16
60-032	Solution Bleed Pump	3,031.15
60-034	Tank B	37,786.56
60-036	Strip Pump	4,253.87
60-037	Strip Pump	4,253.87
60-040	Preheat Solution Pump	3,176.12
60-042	Weak Eluate Tank	34,722.71
60-043	Filter	2,416.62
60-047	Weak Eluate Pump	4,253.86
60-048	Weak Eluate Pump	4,253.86
60-050	Desorption Building Floor Sump	1,977.93
60-052	Desorption Building Floor Sump Pump	10,503.06
60-055	Preheat Tank Screen	15,025.45
60-057	Barren Solution Sampler	5,750.35
60-058	Bleed Solution Sampler	4,200.66
60-059	Electrowin Feed Sampler	4,274.93
60-060	Wash Water Pump	1,990.97
60-061	Wash Water Pump	3,950.97
60-062	Wash Water Tank	24,560.74
60-106	Acid Wash Neutralization Scrubber	13,644.68
60-108	Scrubber Recirculation Pump	7,963.09
60-110	F.R.P. Ductwork	29,402.82
60-120	Mercury Retort	80,646.93
60-128	Bullion Cooling Water Sump	4,951.07
60-130	Bullion Cooling Water Pump	5,372.98
60-140	Melting Furnace	74,849.75
60-146	Roll Crusher: Slag	18,907.19
60-147	Jaw Crusher: Slag	8,435.98
60-148	Classifying Screen: Slag	197.99
60-149	Shaker Table: Slag	197.69
60-152	Dust Collector: Slag	1,395.39

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
60-153	Dust Collection Ductwork	\$ 5,429.27
60-155	2 Ton Crane	46,348.03
60-160	Bullion Balance	2,862.54
60-200	Bullion Vault (With 60-600)	
60-205	Vault Door	9,489.80
60-210	Bullion Safe	4,172.02
60-220	Drill Press	759.02
60-225	Bullion Area Septic Tank (With 00-790)	
60-306	Acid Wash Tank	36,708.07
60-307	Acid Wash Tank	36,686.38
60-308	Acid Wash Eductor	1,605.51
60-309	Acid Wash Eductor	1,605.51
60-350	Acid Wash Neutralization Tank	86,439.05
60-332	Acid Wash Neutralization Agitator	20,118.02
60-335	Neutralization Bleed Pump	5,807.10
60-338	Sampler	3,806.15
60-340	Screw Feeder	11,113.01
60-360	Dilute Caustic Tank	14,031.54
60-362	Dilute Caustic Tank Agitator	6,388.36
60-366	Dilute Caustic Pump	5,109.04
60-370	Dilute Nitric Tank	31,406.89
60-372	Dilute Nitric Tank Agitator	6,644.26
60-376	Dilute Nitric Pump	5,664.25
60-380	Acid Wash Sump	2,021.13
60-382	Acid Wash Sump Pump	7,765.35
60-385	Safety Shower With Eyewash	2,070.89
60-386	Safety Shower With Eyewash	2,070.89
60-387	Safety Shower With Eyewash	2,070.89
60-388	Safety Shower With Eyewash	2,070.89
60-389	Safety Shower With Eyewash	2,070.89
60-390	Safety Shower With Eyewash	2,070.89
60-391	Safety Shower With Eyewash	2,070.89
60-392	Safety Shower With Eyewash	2,070.89
60-400	Electrowin Cell Package	91,043.58
60-405	Cathode Prep Table	1,403.31
60-410	Electrowin Heat Exchanger	1,825.74
60-412	FRP Ductwork with Hood & Stacks	41,501.10
60-415	Scrubber No. 1	14,995.92
60-416	Scrubber No. 2	14,981.02
60-420	Fan No. 1	7,685.85
60-421	Fan No. 2	6,766.78
60-425	Scrubber Pump	5,471.22
60-426	Scrubber Pump	2,941.00
60-600	Bullion ETC Building	640,583.80
60-601	Roof Ventilator	2,524.15
60-602	Roof Ventilator	2,524.15
60-610	HVAC	102,332.25
60-700	Piping	552,899.00
60-800	Instrumentation	385,723.50

Page 13 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
60-001	Control Panel CP-4	\$ 19,588.81
60-002	High Security System	293,929.83
60-900	Electrical	223,794.51
	Sub-total	\$3,539,476.11

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT**

Page 14 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
70-002	Stripped Carbon Surge Tank	\$ 19,376.44
70-004	Stripped Carbon Eductor	1,418.19
70-008	Kiln Feed Tank	12,627.14
70-010	Slurry Dewatering Screen	11,417.78
70-016	Kiln Feeder	893.25
70-020	Regeneration Kiln	384,612.76
70-022	Kiln Air Blower	748.98
70-023	Combustion Air Ductwork	2,541.08
70-025	S. S. Ductwork	11,588.49
70-026	Kiln Scrubber	11,827.68
70-027	Duct Fan	1,603.27
70-028	Kiln Scrubber Pump	4,686.45
70-030	Quench Tank	15,115.92
70-032	Quench Tank Eductor	1,126.34
70-034	Carbon Sizing Screen	25,079.14
70-036	Regenerated Carbon Tank	7,061.23
70-038	Regenerated Carbon Eductor	1,406.78
70-040	Carbon Undersize Tank	7,129.24
70-044	Carbon Undersize Pump	4,044.59
70-045	Carbon Undersize Pump	4,044.60
70-050	Filter Press	17,302.37
70-056	Regeneration Water Tank	12,309.96
70-060	Regeneration Water Pump	3,073.99
70-061	Regeneration Water Pump	3,197.18
70-070	Carbon Conditioning Tank	5,841.72
70-072	Carbon Conditioning Tank Agitator	12,232.19
70-075	Conditioned Carbon Transfer Pump	5,199.08
70-104	Carbon Regeneration Floor Sump	974.37
70-106	Carbon Regeneration Floor Sump Pump	10,400.28
70-170	Stripped Carbon Water Recycle Tank	4,620.07
70-172	Stripped Carbon Water Recycle Pump	3,349.52
70-600	Carbon Regeneration Building	315,178.63
70-610	HVAC	26,286.97
70-700	Piping	161,695.96
70-800	Instrumentation	70,492.49
70-801	Control Panel CP-3	48,183.74
70-900	Electrical	129,117.07
	Sub-total	\$1,357,804.81

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT**

Page 15 of 17

<u>Equip. No.</u>	<u>Description</u>	<u>Total</u>
75-002	Nitric Acid Storage Tank	\$ 91,762.20
75-006	Nitric Acid Pump	8,194.88
75-015	Safety Shower with Eyewash (With 75-700)	
75-016	Safety Shower with Eyewash (With 75-700)	
75-100	Caustic and Cyanide Storage Pad	95,043.81
75-102	Screw Feeder and Stand	10,292.56
75-105	Liquid Caustic Storage Tank	14,209.04
75-106	Caustic Make-up Tank	34,290.34
75-108	Caustic Make-up Tank Agitator	9,957.16
75-110	Caustic Make-up Transfer Pump	4,697.20
75-120	Caustic Storage Tank	18,069.97
75-125	Caustic Pump	4,376.47
75-126	Caustic Pump	4,376.47
75-170	Caustic Make-up Floor Sump	1,197.20
75-172	Caustic Make-up Floor Sump Pump	10,553.81
75-202	Cyanide Feed Stand	3,042.22
75-206	Cyanide Make-up Tank	10,443.44
75-208	Cyanide Make-up Tank Agitator	9,938.61
75-210	Cyanide Transfer Pump	4,464.89
75-220	Cyanide Storage Tank	37,124.66
75-236	Cyanide Delivery Pump	4,167.08
75-237	Cyanide Delivery Pump	4,167.08
75-280	Cyanide Make-up Floor Sump	1,913.92
75-282	Cyanide Make-up Floor Sump Pump	9,293.00
75-285	Safety Shower with Eyewash (With 75-700)	
75-286	Safety Shower with Eyewash (With 75-700)	
75-287	Safety Shower with Eyewash (With 75-700)	
75-288	Safety Shower with Eyewash (With 75-700)	
75-300	Lime Slaking Package	238,728.05
75-355	Safety Shower with Eyewash	2,355.61
75-360	Milk of Lime Pump	3,040.83
75-361	Milk of Lime Pump	3,029.33
75-380	Lime Area Floor Sump	524.08
75-382	Lime Area Floor Sump Pump	9,666.80
75-700	Piping	194,707.97
75-800	Instrumentation	41,306.23
75-900	Electrical	73,170.29
	Sub-total	\$958,105.20

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1964
MILL EQUIPMENT

page 16 of 17

<u>Equis. No.</u>	<u>Description</u>	<u>Total</u>
80-002	Reclaim Pump	\$ 9,673.21
80-003	Reclaim Pump	9,537.20
80-700	Piping	422,834.33
80-800	Instrumentation	8,091.00
80-900	Electrical	94,237.41
	Sub-total	\$544,373.15

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
MILL EQUIPMENT

Page 17 of 17

Net Additions

<u>Description</u>	<u>Amount</u>
Urethane Destruct System	\$1,078,844.83
Screening Plant & Sampler	238,091.11
Screen Screens Improvement	14,713.42
SA Valves for Cyclone Feed	685.99
11a Scrubber Heat Exchange	3,225.85
Million/Regen Carbon Sampler	3,061.26
17 Tailings Line	23,293.01
18 Improvements	6,077.75
19 Rubber Dust Collector	54,005.60
20 Agitator Shear Increase	59,964.31
21 Million Tank and Pipe Modification	1,158.06
22 Close Loop Water Cooling System	9,360.12
23 Wood Chip Rejection System	41,710.76
24 Reclaim Surge Tank	6,304.45
25 Central Mill Improvements	48,687.18
26 Hammer Totalizers	978.19
27 11a Hex Boiler	6,464.24
28 Surge Caustic Tank	13,641.67
29 Chlorine Unloading Station	29,007.75
30 Reagent Area Cover	17,366.75
31 Security Improvement	9,257.80
32 Weightometer Screen	8,155.09
33 Water Softner	2,126.63
34 Soda Submersible Pump	4,018.50
35 Driver Filter Press	7,000.00

Sub-total \$1,687,200.12

**MERCER BANK
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
DATA PROCESSING EQUIPMENT**

<u>Description</u>	<u>N/U</u>	<u>Amount</u>
System 34 - IBM Computer		\$ 54,520.28
CPU		18,530.28
Printer		13,093.75
3 Terminals		2,618.75
1 Terminal		2,514.00
1 Terminal		<hr/>
	Sub-total	\$ 91,277.06
G/L & A/P Software SI		\$ 21,000.00
Lab Software		2,050.97
		<hr/>
	Sub-total	\$ 23,050.97
Video Display & Adapter		\$ 2,079.41
Quickdraft Model		1,855.44
Quickdraft Model		1,783.16
3 Microprocessor printers, pack for HEN Digital		7,315.00
Floating Processor, Printer, Plotter		<hr/>
256 kb Memory, Etc.		27,522.71
Disc Drive & Controller		27,804.71
Data Acquisition		327,649.43
		<hr/>
	Sub-total	\$397,009.86
System 34 Upgrade	Used	\$ 18,726.25
IBM Printer	Used	3,750.00
Modem	New	417.69
DEC Printer	New	1,302.00
IBM Terminal	Used	5,012.55
DEC Terminal	New	2,637.50
DEC Printer	New	2,593.95
DEC Terminal	New	2,927.28
IBM Printer	New	4,974.48
IBM Terminal	New	1,561.40
IBM Terminal	New	1,565.10
DEC Magnetic Tape System	New	11,605.00
Plotter	New	21,838.50
PDP11 Upgrade	New	33,050.00
Disc Drive	New	20,307.50
IBM P.C. Terminal	New	2,608.50
		<hr/>
	Sub-total	\$134,877.70
	TOTAL	<u>\$646,215.59</u>

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
LAB EQUIPMENT**

<u>Description</u>	<u>Year</u>	<u>Amount</u>
Flotation Machine Splitters, Density Scale, Mortar and Pestle	1982	\$ 3,603.50
Jaw Crusher	1982	5,611.00
Air Compressor	1982	1,838.63
Electric Assay Furnace		10,519.44
Misc. Lab Equipment	1982	39,415.48
Disc Reflects Free Data Station, power supply, lamps, printer	1982	58,666.65
Lamps, dryer filter, acetylene regulator	1982	889.18
2 Johnson furnaces	1982	8,040.00
Analytical semi-micro balance	1982	3,696.13
10" Lab Pressure Filter, 48" x 4 roll Jar Mill	1982	9,578.34
Digital portable scale, platform & wheel kit	1982	707.06
Cahn Model 25 balance	1982	5,495.22
Nebulizer, teflon venturi & needle	1982	405.30
Flat mill and stand	1982	628.80
Motor, cover, pegboard, centrifuge	1983	5,964.20
Spectronic, stereozoom power pod and stand	1983	2,165.47
Exhaust fan	1983	989.88
Sub-total		<u>\$158,213.28</u>
 <u>ADDITIONS</u>		
Varistaltic Pump	1984	\$ 622.13
8x10 Denver Jaw Crusher	1984	7,666.88
Mixco A310 Props	1984	1,542.21
Chemical Metering Pump	1984	303.61
1 HP Motor w/spp Control	1984	651.15
2.06 Reducer 10:1	1984	187.11
1985 Motor	1984	1,929.42
Eberback 600 Shaker	1984	819.96
Minimelt Furnace	1984	399.88
Grieve 3 Phase Gas Oper Oven	1984	10,928.76
Sub-total Additions		<u>\$ 25,051.11</u>
Total Lab Equipmen-		<u>\$183,264.39</u>

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
ENVIRONMENTAL EQUIPMENT

<u>Description</u>	<u>Date</u>	<u>N/U</u>	<u>Amount</u>
Sampler Calibrator	1983		\$ 5,447.00
Tals. .020 S.S. x 10 Scr.	1983		1,395.20
Analyzer, DataMate, Dosimeters	1983		7,585.00
Mark I Audio Dominator Travel 5 Kit	1983		4,588.05
Berkely Pumping Units	1983		4,146.45
Stainless Steel Solenoid Valve	1983		584.36
Geofilter, Paper & Pump Head	1982		304.60
Monitor Walls	1982		33,816.06
Monitor Walls	1983		1,600.00
	Sub-total		<u>\$59,466.72</u>
 <u>1984 Additions</u>			
Wind Recording System	1984	New	\$ 3,052.16
Composite Sampler System	1984	New	1,984.43
Evaporation Station	1984	New	1,212.19
Portable Sampling Pump	1984	New	434.42
Portable Sampling Pump	1984	New	434.42
Portable Sampling Pump	1984	New	655.38
Deluxe Air Sampling Pump	1984	New	735.69
Deluxe Air Sampling Pump	1984	New	735.69
Lawn Trimmer	1984	New	144.54
Turbidimeter	1984	New	828.06
Heat Stress Monitor	1984	New	496.17
	Sub-total		<u>\$10,713.17</u>
	TOTAL		<u><u>\$70,179.89</u></u>

**MERCER HIRE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
COMMUNICATIONS EQUIPMENT**

<u>Description</u>	<u>Placed in Service</u>	<u>Amount</u>	
Microwave Communication Sys. w/Radio Phones			
1981 Expenditures	1982	\$101,992.00	
1982 Expenditures	1982	81,683.03	
Sub-total Microwave		\$183,675.03	
Radio			
13 Mobile Radios - T64JJA1900K Model	1983	\$ 19,531.37	
3 Channel Scan Units	1983	668.59	
1 Center - Security Radio	1983	2,547.17	
2 Bullion Radios	1983	2,151.00	
1 Radio Phone	1983	406.48	
3 Walkie Talkies - Construction	1983	410.60	
Encoder, Alert Central	1983	2,793.74	
1 Remote Control Desk Set	1983	808.50	
Base Station Antenna	1983	345.39	
DMC Radios			
5 Model 413H6J2434-8 Mobile	1983	9,500.00	
6 Model 432AGJ0804-9 Hand	1983	6,108.00	
Battery Charger & Ni-Cad Battery	1983	580.50	
Sub-total Radios		\$ 45,851.34	
Telephone			
Installation & Cable from Microwave	1982	\$ 7,548.44	
Telephone System	1982	37,898.49	
Additional Telephone Equipment	1983	20,332.66	
Mtr. Bell Cable TV Lower Gate	1982	5,376.94	
UPS Power Supply	1982	7,455.00	
Sub-total Telephone		\$ 78,611.53	
Sub-total Communication Equipment		\$308,137.90	
<u>ADDITIONS</u>			
Additional Telephone Equipment	1984	New	\$ 8,210.03
Motorola Hand Held Radio	1984	New	1,159.06
Motorola Hand Held Radio	1984	New	1,159.06
Motorola Hand Held Radio	1984	New	1,159.05
Motorola Hand Held Radio	1984	New	762.30
2 Alert Monitors	1984	New	1,016.93
2 Dimension IV Radio Pasers	1984	New	703.50
2 Antenna	1984	New	86.62
Motorola Hand Held Radio	1984	New	1,271.70
Gate Security System	1984	New	41,771.76
Total Additions			\$ 57,300.01
Total Communications Equipment			\$365,437.91

**MERCER MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
FURNITURE & FIXTURES
SUMMARY**

	<u>Year</u>	<u>Amount</u>
Page 1	1982	\$ 44,700.14
Page 2	82-83	29,725.49
Page 3	1982	55,887.39
Page 4	1982	37,951.79
Page 5	1982	49,760.13
Page 6	1982	12,126.13
Page 7	1984	17,778.26
	TOTAL	\$247,929.33

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1964
DNC FURNITURE & FIXTURES

Page 1 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
2	ASE Storage Cabinet	\$ 376.00
12	Metal Bookcases	954.00
3	Drafting Tables	1,245.00
3	Stools w/casters	265.50
3	Secretary chairs	360.00
41	Swivel Tilt chairs	4,284.50
53	Side Armchairs	3,291.30
26	60" Metal Desks	5,978.44
8	72" Metal Desks	2,272.00
6	Secretary Desks	2,279.34
2	72" Folding Tables	150.00
14	60" Folding Tables	902.86
21	4 Drawer File Cabinets	3,276.00
4	2 Drawer File Cabinets	414.00
1	4 Drawer Lateral File Cabinet	409.00
1	Plan Hold 500 MF-30 Masterfile	1,149.95
6	Plan Hold Stick Files 27RS	2,473.36
1	Hamilton Flat Map File, w/cap and base	1,330.00
1	Texas Instruments, TI-5130 Calculator	89.25
1	Plan Hold Stick File 27R81-36, w/12 sticks	385.04
1	4 Drawer legal file cabinet	163.83
1	GAF "Print-VAC" Blueprint Machine, Model 190-S	3,879.75
1	Polaroid 660 Sun Camera, w/Coast 1175 Bag	111.19
3	Sharp Calculators Model CS-4166	1,425.70
1	Sharp Calculator Model CS-4266	285.14
1	Multi-drawer storage cabinet	255.83
2	Lanier Dictating Machine/Transcribing Machine	1,088.85
2	Drafting Stools, brown	226.80
2	Anderson-Hickey 4 Drawer legal file cabinets	1,006.55
1	IBM Memory Typewriter, Model 50 - USED	1,837.62
1	Velo-Binder Model 123	1,044.75
2	Anderson-Hickey desks, w/chairs; 60" folding table	920.75
1	Anderson-Hickey file cabinet	192.10
2	Anderson-Hickey file cabinets	375.59
	Sub-total	\$44,700.14

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
FURNITURE & FIXTURES**

Page 2 of 7

<u>Description</u>	<u>Year</u>	<u>Amount</u>
	1983	\$ 311.32
Leveler Blinds	1983	694.90
Reading board, 3 pt. setup & calc. program	1983	492.66
3 bulletin cases	1983	339.08
Shredmaster	1983	5,494.13
VIR Editor	1983	313.66
Microwave Oven	1983	3,225.25
Xerox Copier	1983	556.50
Armo Safe	1983	573.30
Steelcase Desk	1983	289.91
Steelcase Lateral File	1983	338.31
Bookcase with glass door	1983	451.31
2 chairs, 1 unifile & Steelcase costumer	1983	360.99
Virco table	1983	341.25
Varicilt Table	1983	1,457.53
Shelf, Fire safe	1983	479.10
Shelf, Fire safe	1983	2,203.58
Form Imprinter & Stand	1983	1,729.52
Cabinets & Countertop - Bullion Security	1983	350.70
10 cu. ft. refrigerator	1983	313.20
Microwave oven	1983	374.69
Pine pamphlet holder & bench	1983	3,160.00
File cabinet w/lock & shelves	1983	4,907.96
Minolta reader, printer & accessories	1982	535.72
45 Gal. storage cabinet	1982	430.92
Microwave		
		<hr/>
Sub-total		\$29,725.49

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
GETTY FURNITURE & FIXTURES

Page 3 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
1	Calculator - Sharp	\$ 248.38
26	Desks - 30 x 60	6,277.37
8	Desks - 36 x 72	2,385.60
6	Desks - Secretarial	2,393.31
2	Tables 36 x 72	157.50
16	Tables 30 x 60	948.01
21	Files - 4 drawer	3,439.80
4	Files - 2 drawer	434.70
1	Lateral File	429.45
92	Lateral File Sets	263.72
2	Cabinets - 2 drawer	394.80
12	Bookcases	1,001.70
33	Waste Baskets	87.67
3	Drafting Tables	1,307.25
3	Drafting Stools	278.78
5	Chairs - Secretarial	378.00
41	Chairs - Swivel	4,498.73
53	Chairs - Arm	3,455.87
1	Light Table - Hamilton	613.46
2	Chairs	367.50
6	Files - Drawings - Engineering	2,694.39
1	Plan Hold Master File	1,815.40
2	Files - 5 drawer - Engineering	1,302.00
1	Casio Calculator	137.15
1	Key Cabinet - Security	340.20
1	VCR and TV	1,732.50
1	Chair - Secretarial	199.50
1	Cabinet - Smoke	207.90
1	Reception Desk	2,940.00
4	Blinds - Manger's Office & Conference Room	1,470.00
1	Mineral Case	892.50
3	Mineral Pedestals	630.00
1	Table - Desk - Manager	2,520.00
1	Sofa - 7' Reception	1,260.00
1	Sofa - Manager	1,155.00
2	Club Chairs - Reception	1,365.00
2	Stenos - Mgr. Sec.	430.50
1	Desk - Sec. - Mgr.	1,758.75
2	Files - Lateral Wood	2,100.00
1	Credenza - Wood	1,575.00
Sub-total		\$55,887.39

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
GTTY FURNITURE & FIXTURES

Page 4 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
		\$ 813.75
1	Chair - Executive	5,775.00
10	Chairs - Conference	1,732.50
3	Chairs - Side - Manager	645.75
3	Chairs - Side - Reception	771.75
1	Rugs - Reception	472.50
1	Coffee Table - Reception	157.50
1	Lamp - Brass - Reception	63.00
1	Clock - Reception	131.25
1	Lamp - Brass - Reception	420.00
1	Coffee Table - Manager	105.00
1	Table Lamp	1,050.00
1	Picture	257.25
1	Calculator - Monroe 2715	961.80
2	Calculators - Monroe 2860	2,285.01
4	Desk - Steelcase	1,971.06
4	Credenzas	2,293.20
4	Desks - Secretarial	4,060.38
17	Files - 4 drawer	2,003.40
12	Files - 2 drawer	958.92
5	Chairs	305.76
1	Table - 30 x 60	1,380.23
11	Chair - Swivel	571.20
8	Chairs - Side	669.90
2	Desk - A&H	308.70
1	Desk - A&H	146.16
4	Chairs - Stock	362.10
3	Chairs - Swivel	576.45
3	Files - Legal	207.46
2	Bookcases	140.70
2	Tables - 30 x 60	456.48
8	Chalkboards	426.41
1	Table - Storage	402.78
1	Table - Dispatch	319.41
1	Sort Module	135.08
1	Bookcase	1,433.00
	Design - Interior	240.45
1	Calculator - Sharp QS 2186	1,575.00
1	Bookcase - Manager	1,365.00
1	Cabinet - Conference Room	
	Sub-total	\$37,951.79

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
GIFTY FURNITURE & FIXTURES

Page 5 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
1	Blind - Manager's Sec.	\$ 126.00
2	Overhead Projector - B & H	522.90
1	Projector 16m	933.45
1	Projector - Slide	682.50
3	Tables - 30 x 36	651.53
1	Desk - Secretarial	573.30
3	Desks - Terminal O/P	651.53
1	Shredder	668.49
1	Blind - Administration Bldg.	2,967.85
6	Files	1,433.25
12	Chairs - Stack	281.40
4	Coat Racks	130.04
6	Chairs - Side	250.74
2	Bookcases - Glass Doors - Environ.	356.58
4	Bookcases	396.90
1	Typewriter - 75	2,047.50
1	Typewriter - Selectric	1,086.75
1	Bulletin Board	440.69
12	Chairs - Stack	282.24
1	Shelving - Office Supplies	421.47
1	Camera & VCR Equipment	11,355.44
7	Typewriters & Elements	7,371.50
1	Kodak Proj., Video & Zoom	477.20
1	Desk - D/P Control	570.89
1	Microwave Oven	878.85
1	Microwave Oven	839.41
1	Acme Visible File - Warehouse	8,413.97
1	Blind - Maintenance Bldg.	2,277.79
1	Calculator - HP	262.49
1	Desk - Secretarial	573.93
2	Files	528.15
1	File	164.46
1	Desk	569.01
1	Desk	571.93
	Sub-total	\$49,760.13

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
GTTY FURNITURE & FIXTURES**

Page 6 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
		\$ 866.04
4	Desks - 30 x 60	449.60
4	Chairs - Swivel Arm	225.04
24	Chairs - Folding	175.14
3	Tables - Folding	433.02
2	Desks - 30 x 60	250.95
2	Chairs - Arm	163.80
4	Chairs - Side	470.54
20	Chairs - Stack	129.26
1	Table - Data Station	191.32
1	Chair - Post	194.04
1	File - Desk Side	571.93
1	Desk	1,939.97
1	Typewriter - 75	657.30
6	Calculators - Casio	481.90
5	Calculators - HP	603.68
1	Table - Drafting	611.61
1	Plan File	570.89
1	Desk - D/P Control	2,778.97
2	Phone Booths	141.41
1	Telephone Stand - Oak - Recept.	219.92
1	Work Station	
	Sub-total	<u>\$12,126.13</u>

**MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
ADDITIONS TO FURNITURE & FIXTURES**

Page 7 of 7

<u>Quantity</u>	<u>Description</u>	<u>Amount</u>
1	El Smith Corona Electric Typewriter	\$ 279.37
1	Terminal LA34AA	1,270.00
1	41CV H/P Calculator	219.29
1	Portable Heater	37.46
1	Steelcase Lateral File	293.79
1	Horizontal Blind	116.75
1	10C H/P Calculator	60.16
1	H/P 41C Calculator	232.51
1	H/P 15C Calculator	112.54
3	IBM Selectric III	2,558.52
2	Acco Binder Racks	365.12
1	Electric Copy Holder	161.50
2	Lyon Shelving	689.16
1	Steelcase Lateral File	275.69
1	Vacuum	137.48
2	Steelcase Chair	417.08
1	Vacuum Accessories	37.01
1	Microvave	285.53
1	Lyon Cabinet	375.41
1	Credenza	327.22
3	Bookcase	241.11
2	Bookcase	331.48
1	IBM Electronic Typewriter	2,172.98
1	IBM Electronic Typewriter	2,526.73
2	Lyon Cabinets	541.44
1	Bug Zapper	177.29
1	Terminal Stand	240.10
1	Kroy Lettering Set	714.64
1	Storage Cabinet	662.03
3	Terminal Stand 3 Drawer	930.72
1	Terminal Stand 2 Drawer	305.53
1	Storage Rack	118.82
3	Fixed Storage Shelf	196.51
1	HP 41C Calculator	192.80
1	Universal Dial Scale	174.49
Sub-total		\$17,778.26

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 31, 1984
TRANSPORTATION EQUIPMENT

Page 1 of 2

<u>Equip. No.</u>	<u>Description</u>	<u>Year</u>	<u>Amount</u>
16-001	'82 Ford LTD Sedan	1982	\$ 10,123.34
16-002	'82 Ford LTD Sedan	1982	10,035.95
16-004	'82 F100 2x4 White	1982	9,117.54
16-005	'82 F250 2x4 Brown	1982	9,460.80
16-006	'82 F140 4x4 Black/Silver	1982	10,707.33
16-007	'82 F140 4x4 Black/Silver	1982	10,785.83
16-008	'82 F150 2x4 B/Br.	1982	8,844.86
16-009	'82 F140 4x4 White	1981	10,481.20
16-011	'82 Station Wagon Brown Chev.	1981	10,069.72
16-012	'83 F100 2x4 White	1982	8,872.85
16-014	'82 F100 2x4 Blue	1982	8,983.71
16-015	'82 Bronco Brown	1982	12,189.86
16-016	'82 F100 2x4 Silver	1982	8,801.82
16-017	'82 Ambulance	1982	23,670.00
16-019	'82 Bronco Beige	1982	11,543.36
16-021	'82 Sedan White LTD	1982	10,409.74
16-024	'82 Chev 4x4 Short Box White	1982	10,170.90
16-025	'82 P/U F140 4x4 Tan	1982	10,969.09
16-026	'82 P/U F150 2x4 Blue	1982	8,648.02
16-028	'82 Van Silver	1982	12,143.77
16-030	'82 Van Blue	1982	12,290.75
16-031	'82 F250 4x4 White	1982	14,716.85
16-032	'82 F260 4x4 Tan	1982	10,700.00
16-033	'82 F260 4x4 Maroon	1982	10,700.00
16-034	'82 F260 4x4 Blue	1982	10,700.00
16-035	'82 F260 4x4 Red	1982	10,700.00
16-036	'82 F140 4x4 Tan	1982	9,955.00
16-037	'82 F140 4x4 White	1982	10,625.95
16-038	'82 F140 4x4 White	1982	10,700.15
16-039	'81 GMC 4x4 Crew Cab 1 ton	1982	9,850.00
16-040	'81 GMC 4x4 Crew Cab 1 ton	1982	9,850.00
	Sub-total		<u>\$336,818.39</u>
15-501	Welding Truck		\$ 41,221.70
15-502	Crane Truck		76,598.30
15-503	Service Truck		12,308.90
15-504	Service Truck		12,308.90
15-505	Service Truck		12,308.90
15-506	Fuel & Lube Truck (old)		104,334.86
15-507	Fuel & Lube Truck (new)		25,507.11
15-520	Anfo Truck		38,831.00
15-524	1981 GMC Used Delivery		7,661.68
	Sub-total		<u>\$331,081.35</u>

MERCUR MINE
CAPITAL ASSET REGISTER
AS OF DECEMBER 1984
TRANSPORTATION EQUIPMENT

Page 2 of 2

<u>Equip. No.</u>	<u>Description</u>	<u>Year</u>	<u>Amount</u>
<u>Transfer</u>			
16-045	'81 1/2 ton Chevrolet pickup	1984	\$ 7,478.40
		Sub-total	\$ 7,478.40
<u>1984 Additions</u>			
Used	1978 IBC Flat Dump	1984	\$ 10,698.45
New	1984 Ford F260	1984	11,573.97
New	1984 Ford F260	1984	11,573.97
New	1984 Ford F260	1984	11,573.97
New	1984 Ford Bronco	1984	14,825.57
Used	1975 Ford Tire Truck	1984	10,530.00
		Sub-total	\$ 70,795.93
		TOTAL	<u>\$746,174.07</u>

SCHEDULE K

EMPLOYEES

I. Salerial Employees

A. ADMINISTRATION DEPARTMENT*

<u>Name</u>	<u>Title</u>
Migliaccio, R. H.	General Manager
Staheli, M. S.	Controller
Cummings, A. B.	Human Resources Supt.
Eurick, G. M.	Envir/Occup. Health
Farr, T. T.	Programmer Analyst
Richardson, D. G.	General Accountant
Shebert, W. G.	Security Supervisor
Vick, R. J.	Safety/Training Coord.
Wempson, S. A.	Budget Analyst
Brankhorst, B. S.	Security Guard
Campbell, J. M.	Security Guard
Elkington, E. B.	Security Guard
Hebert, J. P.	Security Guard
Jacobson, S. L.	Security Guard
Longton, V. F.	Security Guard
Taylor, T. E.	Security Guard
Zimmer, L. W.	Security Guard
Greggich, C.	Secretary I
Thomas, J.	Payroll Clerk
Blauser, M.	Accounting Clerk VI
Isi, T. L.	Accounting Clerk VI
Wootton, S.	Human Resources Clerk
Mogus, H. J.	Receptionist/Clerk

TOTAL 23

* As of May 2, 1985

SCHEDULE K

I. Salaried Employees

B. MILL DEPARTMENT*

<u>Name</u>	<u>Title</u>
Maurer, E. E.	Mill Superintendent
Brewer, R. E.	Mill/Met. Supervisor
Gibson, R. J.	Gen. Mill Prod. Supv.
Bass, R. E.	Mill Shift Supervisor
Hall, S. H.	Senior Mill Chemist
Huffman, J. E.	Sr. Mill Metallurgist
Long, A. G.	Mill Shift Supervisor
Robison, C. J.	Mill Shift Supervisor
Williams, R. A.	Mill Shift Supervisor
Dorney, G. R.	Mill Metallurgist
Edgcombe, J. M.	Metallurgical Lab Tech.
Stephenson, K. Y.	Metallurgical Lab Tech.
Sturgell, C. R.	Mill Chemist
Buckley, L. I.	Chemical Lab Tech.
Cox, L. R.	Chemical Lab Tech.
Deavilla, J.	Chemical Lab Tech.
Mantz, D. S.	Chemical Lab Tech.
Sorenson, E. B.	Chemical Lab Tech.
Story, A. L.	Chemical Lab Tech.
Wright, P. P.	Chemical Lab Tech.
Bolinder, K. M.	Sample Prep. Tech.
Coates, J.	Sample Prep. Tech.
Edwards, W. M.	Sample Prep. Tech.
Warr, B. R.	Sample Prep. Tech.
Goins, J. A.	Mill Clerk

TOTAL 25

* As of May 2, 1985

SCHEDULE K

I. Salaried Employees

C. MINE DEPARTMENT*

<u>Name</u>	<u>Title</u>
Sprague, J. C.	Mine Superintendent
Fuller, W. W.	Chief Mine Engineer
Korasz, L. D.	Chief Mine Geologist
Asay, L.	Mine Shift Supervisor
Faddies, T. B.	Senior Mine Geologist
Haas, R.	Drill & Blast Foreman
Kosters, E. F.	Mine Shift Supervisor
McDonough, J. T.	Senior Mine Engineer
Saltz, R. C.	Mine Shift Supervisor
Bryant, M. A.	Geologist I
Goodwin, J. C.	Geologist I
Holmes, B. J.	Mine Engineer
Lloyd, D. F.	Draftsman/Surveyor
Pollock, W. J.	Draftsman/Surveyor
Vodopich, R. M.	Draftsman/Surveyor
Johnson, S. P.	Geological Technician
Stanger, L. W.	Geological Technician
Cordova, C. G.	Mine Clerk
Steadman, M.	Stenographer II

TOTAL 19

* As of May 2, 1985

I. Salaried Employees

D. MAINTENANCE DEPARTMENT*

<u>Name</u>	<u>Title</u>
Landa, C. L.	Maint. Superintendent
Barton, L. J.	General Maint. Fore/Mill
Vaughn, A. C.	General Maint. Fore/Mine
Barras, E. C.	Purchasing Representative
Frederick, L. H.	Plant Services Supv.
Gordon, J. N.	Maint. Mech. Supv./Mine
Hytrek, W. J.	Maint. Mech. Supv./Mine
Morgan, J. W.	Maint. Mech./Elec. Supv.
Otter, C. D.	Maint. Mech/Elec. Supv.
Storm, L. L.	Maint. Mech/Elec. Supv.
Wootton, G. R.	Maint. Mech/Elec. Supv.
Bleazard, D. G.	Minerals Engineer II
Clutter, C. E.	Minerals Engineer II
Diehl, J. D.	Warehouse Supervisor
Salisbury, G.	Warehouse Clerk
Solmonson, M.	Buyer Expediter
Vorwaller, F. J.	Warehouse Clerk
Wilkinson, C. E.	Warehouse Clerk
Thomas, C.	Maintenance Clerk

TOTAL 19

* As of May 2, 1985

SCHEDULE K

H. Hourly Employees

A. HOURLY MILL EMPLOYEE ROSTER*

<u>Name</u>	<u>Title</u>
1. Black, Albert	Mill Operator III
2. Berlin, Danny L.	Mill Operator III
3. Breitweiser, Larry H.	Mill Operator I
4. Candelario, Herman R.	Mill Operator I
5. Crowe, William M.	Mill Operator I
6. D'annelli, Joseph P.	Mill Operator II
7. Duffa, William R.	Mill Operator I
8. Ebanstam, David D.	Mill Operator I
9. Evans, Robert B.	Mill Operator Trainee
10. Hansen, Theodore M.	Mill Operator Trainee
11. Hartley, Bobby L.	Mill Operator I
12. Hollar, Michael	Mill Operator I
13. Johnson, Glendon	Mill Operator II
14. Lawson, Tad R.	Mill Operator II
15. Leatham, Burke W.	Mill Operator Trainee
16. McFarland, Kevin C.	Mill Operator III
17. Miller, Hal R.	Mill Operator II
18. Mondragon, Danny F.	Mill Operator III
19. Packer, Brian W.	Mill Operator II
20. Peterson, Ruth K.	Mill Operator I
21. Rollie, Doyle S.	Mill Operator III
22. Rounds, Richard L.	Mill Operator Trainee
23. Schindler, Mickey K.	Mill Operator I
24. Shubert, Robert G.	Helper/Mill
25. Skelton, F. Deane	Mill Operator I
26. Squires, Jody B.	Mill Operator III
27. Strickland, Dwaine	Mill Operator Trainee
28. Tate, Mark D.	Mill Operator II
29. Tiania, Douglas G.	Mill Operator I
30. Torres, Jesse S.	Mill Operator II
31. Valerio, Louis D.	Mill Operator I
32. Worthen, John	Mill Operator I
33. Yellowman, Matthew	Mill Operator III
34. Leatham, William K.	Mill Operator I

* As of May 2, 1985

SCHEDULE K

K. Hourly Employees

K. HOURLY MINE EMPLOYEE ROSTER*

<u>Name</u>	<u>Hire Date</u>
1. Girard, Donald M.	Shovel Operator
2. MaBee, Donald F.	Shovel Operator
3. Robinson, Robert J.	Shovel Operator
4. Soffel, Gordon T.	Shovel Operator
5. Campbell, Brent D.	Mine Operator II
6. Cail, Clyde Devaine	Shovel Operator
7. Drain, Richard P.	Shovel Operator
8. Garcia, Pedro P.	Mine Operator I
9. Greger, Ronnie R.	Mine Operator I
10. Langenbacher, David R.	Mine Operator II
11. Park, Edward L.	Mine Operator II
12. Williams, Lennis A.	Drill Operator
13. Arna, Ray Don	Mine Operator I
14. Seik, Sandy M.	Mine Operator I
15. Sherman, Allen K.	Mine Operator I
16. Warr, Monte R.	Operator I
17. Bradford, S. Kay	Drill Operator
18. Quinn, Ruth S.	Haulage/Water Truck Driver
19. Philp, Sidney B.	Mine Operator II
20. Simons, Kenny H.	Mine Operator II
21. Thomas, Jack L.	Mine Operator I
22. Campbell, Robert K.	Mine Operator I
23. Hourt, Henry L.	Mine Operator I
24. Long, Warren J.	Mine Operator I
25. Pennell, David R.	Mine Operator I
26. Weeler, Clair E.	Mine Operator I
27. Williams, Deron J.	Mine Operator I
28. Butterfield, Craig E.	Mine Operator II
29. McClure, Richard L.	Mine Operator II
30. Covington, Robert K.	Mine Operator II
31. Park, Lavar W.	Haulage/Water Truck Driver
32. Whichelo, Alfred	Mine Operator II
33. Crossley, Richard, R.	Mine Operator III
34. Davis, Guy	Drill Operator
35. Green, Gary W.	Drill Operator
36. Ahlstrom, Todd B.	Mine Operator Trainee
37. Brown, Donald E.	Drill Operator
38. Warr, Thomas A.	Haulage/Water Truck Driver
39. Henningsen, Richard C.	Powder Crew Worker
40. Philp Jr., Sidney B.	Mine Operator III
41. Baker, Joseph S.	Haulage/Water Truck Driver
42. Davis, Keith E.	Exploration Drill Operator

* As of May 2, 1985

SCHEDULE K

H. Hourly Employees

C. HOURLY MAINTENANCE DEPARTMENT EMPLOYEE ROSTER*

<u>Name</u>	<u>Title</u>
1. Bournakis, Chris	Mechanic II
2. Johnson, Joe M.	Mechanic II
3. Majcher, Gilbert W.	Mechanic II
4. Oliver, Frank M.	Mechanic II
5. Sherwood, John A.	Mechanic II
6. Shubert, Larry K.	Mechanic I
7. Vorwalker, Robert L.	Mechanic I
8. Almena, Eloy G.	Mechanic I
9. Jackson, Russell D.	Mechanic I
10. Rounds, Gary L.	Mechanic I
11. Ebert, William K.	Mechanic III
12. Garcia, Adon Bernard.	Mechanic III
13. Withers, Wayne B.	Mechanic II
14. Eastman, George J.	Mechanic I
15. Neilson, James R.	Mechanic II
16. Oltmanns, Kenneth E.	Mechanic II
17. Burns, Ronald D.	Mechanic II
18. Alfred, Mark D.	Mechanic III
19. Watson, James Wesley	Mechanic III
20. Golden, Vance E.	Mechanic I
21. Mugleston, William R.	Mechanic I
22. Sullivan, Rollin L.	Mechanic I
23. Wilcox, Steve D.	Mechanic II
24. Gressman, Robin K.	Mechanic Trainee
25. Duerach, Robert A.	Instr. Tech I
26. Ryan, Craig B.	Mechanic II
27. Snyder, Jimmy R.	Electrician I
28. Caboon, Spencer	Mechanic III
29. Bennett, Martin C.	Mechanic III
30. Harward, H. Val	Instr. Tech I
31. Vasquez, Danny R.	Mechanic II

* As of May 2, 1985

EXHIBIT I

PRODUCTION PAYMENT

Getty Gold Mine Company, a Delaware corporation, its successors and assigns ("Grantor"), hereby grants to Texaco Inc., 2000 Westchester Avenue, White Plains, New York 10650, a Delaware corporation, its successors and assigns ("Grantee"), for the sum of Ten Dollars (\$10.00) and other good and sufficient consideration, a production payment in the gold recovered from the real property described on Exhibit 1-A attached hereto, situated in Tooele and Utah Counties, Utah (the "Real Property"), calculated and paid as described below, until the total amounts paid hereunder to Grantee aggregate the sum of Nine Million Dollars (\$9,000,000).

The production payment granted hereunder shall be calculated and paid in the following manner:

For each calendar month, commencing with the first full calendar month after the date hereof, in which the average daily closing price of gold, as established by the Handy & Harmon daily base price average for such month, (the "Quote") as published in Metals Weeks or its recognized successor in the publication of gold quotations exceeds \$385 per troy ounce (the "Recovery Month") Grantor shall pay to Grantee an amount on or before the 21st day of the month following the Recovery Month, equal to the total number of troy ounces of gold recovered from the Real Property during the Recovery Month, multiplied by one-half of the difference between the average daily closing price of gold for the Recovery Month, as established by the Quote, and \$385. If the Handy & Harmon daily base price average is unavailable, the Quote shall be the daily average of the COMEX gold prices for the Recovery Month, or if the COMEX price is unavailable, then the daily average of the London Price Fixing for the Recovery Month.

Example:

Total troy ounces of gold recovered during Recovery Month:	5,000 troy ounces
Quote:	\$485
Amount due: (5,000 X .50 (\$485 - \$385)) =	\$250,000

The total number of troy ounces of gold recovered during any Recovery Month shall be the total number of troy ounces of gold recovered from the Real Property during the Recovery Month and shall include all gold recovered from ore that is mined, milled refined or otherwise extracted, including any gold which may be recovered by heap leaching and which constitutes total monthly production of gold, as recorded as Carbon In Leach (CIL) production in troy ounces for such Recovery Month.

To have and to hold said Production Payment unto Grantee, in accordance with the terms set forth above, forever.

So long as the Production Payment granted hereby remains in force and effect, Grantor at its own expense, shall furnish to Grantee not later than thirty (30) days after the close of each calendar quarter, a statement of the total number of troy ounces recovered during each month of such calendar quarter. The Grantee shall have the right to inspect the records of the Grantor on seven days' notice to verify the total number of troy ounces of gold recovered during any month.

At such time as Grantee shall have received the total sum of \$9,000,000, the production payment granted hereunder shall automatically terminate and Grantee's interest in and to the Real Property shall be automatically extinguished.

This instrument is executed without warranty of title, express or implied.

The rights of Grantor and of Grantee pursuant to the terms hereof shall be determined by the laws of the State of Utah.

WITNESS the hand of said Grantor this day of , 1985.

GETTY GOLD MINE COMPANY

By

Its

Attest:

.....

FEE PROPERTIES

<u>Claim Name</u>	<u>Mineral Survey Number</u>	<u>Gross Acreage, More or Less</u>	<u>Recording Data of Conveyance into Grantor in Tooele County, Utah</u>
Cannon	3033		Bk. 185 Pg. 312
Intermediate	3033		Bk. 185 Pg. 312
Ingot	3033		Bk. 185 Pg. 312
Index	3033		Bk. 185 Pg. 312
Delta	3033		Bk. 185 Pg. 312
Golden Spray	3033		Bk. 185 Pg. 312
Magg	3033		Bk. 185 Pg. 312
Golden Dream	3033	84.97	Bk. 185 Pg. 312
General Sherman	3526		Bk. 189 Pg. 719
Little Joint	3120		Bk. 189 Pg. 719
Silver Bell	3120		Bk. 189 Pg. 719
Dump #1	3120		Bk. 189 Pg. 719
Tramway Lode	3120		Bk. 189 Pg. 719
Crescent	3755		Bk. 189 Pg. 719
Gladstone #1	3479		Bk. 189 Pg. 719
Gladstone #2	3479		Bk. 189 Pg. 719
Didsbury	3479		Bk. 189 Pg. 719
Mark Cory	3479		Bk. 189 Pg. 719
Leadville #3	3479		Bk. 189 Pg. 719
Ten Forty	2941		Bk. 199 Pg. 763
Gold Dust	2941		Bk. 199 Pg. 763
Gold Dust #2	2941		Bk. 199 Pg. 763
Gulch	2941		Bk. 199 Pg. 763
Sunflower	2941		Bk. 199 Pg. 763
Idaho	3166		Bk. 199 Pg. 763
Idaho #2	3166		Bk. 199 Pg. 763
Tillie	3166		Bk. 199 Pg. 763
Seven Thirty	3166		Bk. 199 Pg. 763
Constitution	3166		Bk. 199 Pg. 763
Baltic #2	3166		Bk. 199 Pg. 763
Caledonia	3166		Bk. 199 Pg. 763
Free Trade	3166		Bk. 199 Pg. 763
Wedge	3168		Bk. 199 Pg. 763
Emilie	Lot 149		Bk. 199 Pg. 763
Dump #2	3120		Bk. 190 Pg. 22
Sherman	2957	8.840	Bk. 205 Pg. 338-339
Jones Bonanza	2957	20.660	Bk. 204 Pg. 566-568
Gentile Belle	Lot 46	4.59	Bk. 138 Pg. 980-981
Gold Ring	3086		Bk. 191 Pg. 617
Abe Lincoln	3086(except portion lying within Utah County, UT)		Bk. 191 Pg. 617

<u>Claim Name</u>	<u>Mineral Survey Number</u>	<u>Gross Acreage, More or Less</u>	<u>Recording Data of Conveyance into Grantor in Tooele County, Utah</u>
Norman Girl	3092		Bk. 202 Pg. 36-
Little Ruth	3092		Pg. 38
Ajax	3193		
Grand View	3193		
Jumbo (Jumbo)	3193		
Eliza	3156		
Isabella	3156		
Baxter	3163		
Congress	3163		
Gray Bell #1	3102		Bk. 191 Pg. 925
Gray Bell #2	3102		Bk. 191 Pg. 922
Hazel	2944	11.67	Bk. 205 Pg. 415
Old Grover	3073		Bk. 200 Pg. 976-
Mary E	3073		Pg. 977
Mary E. No. 2	3073		
Mander	3073		
North Side	3073	63.62	
Border #1	3176		Bk. 195 Pg. 549
Border #2	3176		Bk. 195 Pg. 549
Border #3	3176		Bk. 195 Pg. 549
Border #4	3176		Bk. 195 Pg. 549
Gold Coin #1	3176		Bk. 195 Pg. 549
Gold Coin #2	3176		Bk. 195 Pg. 549
Gold Coin #3	3176		Bk. 195 Pg. 549
Gold Coin #4	3176		Bk. 195 Pg. 549
Gold Coin #5	3176		Bk. 195 Pg. 549
Gold Coin #6	3176		Bk. 195 Pg. 549
Gold Coin #7	3176	155.950	Bk. 195 Pg. 549
Songbird	3101		Bk. 200 Pg. 453
Songbird No. 1	3101		Bk. 200 Pg. 453
Songbird No. 2	3101	43.76	Bk. 200 Pg. 453
Star of the West	44		Bk. 195 Pg. 938-
White Oak	3649		Pg. 939
White Oak No. 2	3649		
Antique	3649		
Antique No. 2	3653		
Mercur Gold Bar #1	7204		
Mercur Gold Bar #3	7204		
Lots 1, 3, 4, 5, and 11 of Block 1, Southside No. 2 Subdivision. Lots 7 thru 10 (excluding Lot 2) Block 2, Southside Subdivision. Lots 1 through 6, Block 3, Southside Subdivision, Mercur Townsite.			Bk. 198 Pg. 626
Lot 22, Section 7, Township 6 South, Range 3 West, Salt Lake Base and Meridian, Tooele County, State of Utah.			.20 Bk. 192 Pg. 28

The following list of patented claims were acquired by Getty Oil Company through (1) Grant Deed from Richard W. Horton, acting Trustee, dated December 3, 1976 and recorded in Book 145, at Page 132 of the Tooele County, Utah records; (2) Trustee's Deed, Combined Metals Reduction Company by its Trustee, W. LaMonte Robison, dated December 1, 1976 and recorded in Book 145, at Page 35 of the Tooele County, Utah records.

PATENTED MINING CLAIMS

<u>SURVEY NUMBER</u>	<u>CLAIM NAME</u>
Lot 57	Mercur
Lot 62	Resolute #2
Lot 63	Blurred
Lot 65	Southside #2
Lot 66	Apex
Lot 67	Guby
Lot 68	Apex #2
Lot 69	Ralph
Lot 70	Present
Lot 71	Lulu
Ser. #3110	Nattie #4)
Ser. #3110	Nattie #5)
Ser. #3112	Keystone)
Lot 72	Brickyard)
Lot 72	Potosi)
Lot 72	Justice)
Lot 72	Arab)
Ser. #3246	Snowflake
Lot 74	Lady May)
Lot 74	Vulture)
Lot 74	Sullivan)
Lot 74Aa	Protective Tariff
Ser. #3136	Hard Times)
Ser. #3136	Hard Times No. 2)
Ser. #3136	Hard Times No. 3)
Ser. #3136	Fourth of September)
Ser. #3078	Fundamental
Ser. #2948	Grasshopper)
Ser. #2848	Monday)
Ser. #2848	Habel)
Ser. #3329	Hard Time #4
Ser. #3087	Independence)
Ser. #3087	Defiance)
Ser. #2984	Navigator)
Ser. #2984	Wedge of Gold)
Ser. #2977	B.S.)
Ser. #2977	Maggie)
Ser. #2977	Surprise)
Ser. #2979	Exchequer
Ser. #2979	Rob Roy
Ser. #3291	Ortega
Ser. #2982	Plutarch
Ser. #3321	Tempest
Ser. #3290	Marrett
Ser. #3290	Marrett #1
Ser. #3290	Marrett #2
Ser. #3511	Old Guard
Ser. #3511	Janevieve
Ser. #3284	Little Vee
Ser. #3320	Lulu
Ser. #3284	Gold Flat)
Ser. #3284	Rover #6)
Ser. #3512	Buffalo
Ser. #3512	Buffalo Fraction
Ser. #3512	Delouché
Ser. #3512	Frances
Ser. #3512	My Emma
Ser. #3512	My Emma #1
Ser. #3512	Cedar Grove
Ser. #3512	Cedric
Ser. #3512	Cedric #2
Ser. #3512	Cedric #3
Ser. #3512	Conigardie
Ser. #3512	Nelly Sam

SURVEY NUMBERCLAIM NAME

206

Sur. #3403	Dolly Varden
Sur. #3403	Dolly Varden Fraction
Sur. #3403	John Adams
Sur. #3403	Yankee Girl
Sur. #3403	Yankee Girl #2
Sur. #3403	Yankee Girl #3
Sur. #3403	Yankee Girl Fraction
Sur. #3403	Custer No. 2
Sur. #3403	Miller
Sur. #3403	Miller Fraction

UNPATENTED MILLSITE CLAIMS

<u>NAME</u>	<u>DATE</u>	<u>RECORD REFERENCE</u>
Lady May, Lot #74	5/12/38	8/22/38-209066-3-A, 358
Brickyard, Lot #74	•	• 209667-3-A, 358-9
Grasshopper, Sur. #2948	•	• 209668-3-A, 359
Eschequer, Sur. #2970	•	• 209669-3-A, 359-60
Bob Roy, Sur. #2970	•	• 209670-3-A, 360
Justice, Lot #72	•	• 209671-3-A, 361
Maggie, Sur. #2977	•	• 209672-3-A, 361-2
Plutarch, Sur. #2982	•	• 209673-3-A, 362
Navigator, Sur. #2984	•	• 209674-3-A, 363
Fundamental 1, Sur. #3078	•	• 209675-3-A, 363
Hard Times #2, Sur. #3136	•	• 209676-3-A, 364
Ortega, Sur. #3291	•	• 209677-3-A, 364-5
Potosi, Lot #72	•	• 209678-3-A, 365
Vulture, Lot #72	•	• 209679-3-A, 366
Noonday, Sur. #2948	•	• 209680-3-A, 366-7
Protective Tariff, Lot #74	•	• 209681-3-A, 367
Tempest, Sur. #2321	•	• 209682-3-A, 367-8
Arab, Lot #72	•	• 209683-3-A, 368
Defiance, Sur. #3087	•	• 209684-3-A, 369
B.B., Sur. #2977	•	• 209685-3-A, 369-70
Surprise, Sur. #2977	•	• 209686-3-A, 370
Wedge of Gold, Sur. #2984	•	• 209687-3-A, 371
Independence, Sur. #3087	•	• 209688-3-A, 371
Hard Times, Sur. #3136	•	• 209689-3-A, 372
Mabel, Sur. #2948	•	• 209690-3-A, 372-3
Snowflake, Sur. #3246	•	• 209691-3-A, 373
Little Yee, Sur. #3284	•	• 209692-3-A, 373-4

MINERAL LEASES

1. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Sacramento Gold Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 35-38, records of Tooele County, Utah.

2. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Bothwell and Swaner Corporation, a Utah corporation and Christine B. Morehouse and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 39-43, records of Tooele County, Utah.

3. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Geyser Marion Gold Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of

Lease dated as of March 1, 1973, being recorded in Book 188 at Page 28-34, records of Tooele County, Utah.

4. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Mercur Mining Company, a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated of March 1, 1973, being recorded in Book 188 at Page 20-23, records of Tooele County, Utah.

5. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Mercur Gold Exploration, Inc., a Utah corporation and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 16-19, records of Tooele County, Utah.

6. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between New Mercur Gold Exploration, Inc., a Utah corporation and H. G. Jamison and Gold Standard, Inc., a Utah corporation, a Memorandum of Lease dated as March 1, 1973, being recorded in Book 188 at Page 24-27, records of Tooele County, Utah.

7. Lease dated as of March 1, 1973, as amended by Amendment of Lease dated December 5, 1973 between Rover Gold Mining Company, a Utah corporation and Gold Standard, Incorporated, a Utah corporation, a Memorandum of Lease dated as of March 1, 1973, being recorded in Book 188 at Page 12-15, records of Tooele County, Utah.

8. Utah State Lease for metalliferous minerals dated December 1, 1978 bearing Mineral Lease No: 37509 covering 174.60 acres, more or less, in Section 32, T3S, R3W, S1N, Tooele County, Utah. Said lease having been assigned to Getty Mineral Resources Company (now Getty Minerals Company) by Assignment dated July 13, 1981 and filed August 31, 1981 with the Department of State Lands, State of Utah.

All of the above, except number 8, are subject to reservations and exceptions of record in Tooele and Utah Counties, Utah and also subject to an unrecorded Grazing Lease dated April 1, 1985 from Getty Mining Company as lessor to Mervin J. and Georgia J. Russell, covering a portion of the lands described above in Tooele County, Utah. Also, subject to Assignment from Gold Standard, Inc., a Utah corporation, to Getty Mineral Resources Company (now Getty Minerals Company) a Delaware corporation qualified to do business in the State of Utah, dated May 12, 1981 and recorded in Book 193, at Page 242 of the Records of Tooele County, Utah.

EASEMENTS AND RIGHTS OF WAY

1. Right of Way Agreement dated February 2, 1982, from Tooele County, Utah Operating Right of Way to construct and operate two pipelines 30 feet

in width running generally along the Mercur Canyon Road and along the West Dip Road in Tooele County, Utah.

2. Pipeline right of way across Mineral Surveys Nos. 3348 and 3143 in the Mercur Area, Tooele County, Utah, conveyed by Right of Way Agreement dated April 22, 1982, from Donald L. Gilbert, a/k/a D. L. Gilbert and Emma L. Gilbert, husband and wife, to Getty Mining Company (now Getty Minerals Company), evidenced by Memorandum recorded in Book 203 at Page 663 of the Records of Tooele County, Utah.

3. Pipeline Right of Way across Mineral Survey No. 3448 in the Mercur Area, Tooele County, Utah, conveyed by Right of Way Agreement dated April 27, 1982, from Dorothy J. Cuette to Getty Mining Company (now Getty Minerals Company) evidenced by Memorandum recorded in Book 203 at Page 660 of the Records of Tooele County, Utah.

4. Right of Way Agreement dated March 22, 1982, from the Bureau of Land Management to Getty Mining Company (now Getty Minerals Company) Serial No. 24-47282 for two water well sites in Section 10, T6S, R4W, L8E1M, and for a pipeline along the Mercur Canyon Road in Section 7, T6S, R3W and in Section 12, T6S, R4W, all in Tooele County, Utah.

UNPATENTED MILLSITE CLAIMS

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Emilly 1-257	184	907-998	Tooele	225146-225402
	185	1-165	Tooele	
Emilly 258-265	194	339-346	Tooele	242324-242331
TNT 1	188	915	Tooele	227370
TNT 2	188	916	Tooele	227371
DS 4	203	383	Tooele	256017
DS 9 (Amended)	203	385	Tooele	256018
DS 24	203	385	Tooele	256019
DS 31	203	531	Tooele	256020

UNPATENTED LOOSE MINING CLAIMS

<u>CLAIM NAME</u>	<u>Book</u>	<u>Page</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Julie 1-16	186	689-704	Tooele	230531-230546
Julie 12-25	1864	783-846	Utah	230542-230555
Julie 26-27	1864	797-798	Utah	230557-230558
Julie 28	186	705	Tooele	230559
Julie 28	1864	799	Utah	230559
Julie 29-59	1864	800-830	Utah	230560-230589
Julie 68-75	1864	839-846	Utah	230598-230604
Julie 76-84	188	340-348	Tooele	230606-230614
<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Julie 85	200	983	Tooele	230615
Julie 85-90	1876	157-162	Utah	230615-230620
Julie 93-98	188	352-357	Tooele	230623-230628
Julie 99-104	190	807-812	Tooele	236448-236453
Julie 105	1897	545	Utah	236454
Julie 107	190	814	Tooele	236456
Julie 211-212	190	916-917	Tooele	236558-236559
Julie 13	1897	546	Utah	236560

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
Jolie 288-373	190	988-998	Tooele	236631-236641
	191	1-75	Tooele	236642-236716
Jolie 380-410	192	493-532	Tooele	238492-238522
Jolie 411-467	194	347-403	Tooele	242332-242388
Jolie 468-476	1920	380-386	Utah	242389-242397
Jolie 471	194	404	Tooele	242392
Jolie 474-475	194	405-406	Tooele	242395-242396
Jolie 477-559	198	304-387	Tooele	239743-249825
Jolie 4720-4721	1992	827-828	Utah	256987-256988
Jolie 463 Amend.	204	223	Tooele	242385
Jolie 463-8	204	228	Tooele	242386
Jolie 463-8 Amend.	204	224	Tooele	256986
Jolie 457 Amend.	204	222	Tooele	242324
Jolie 36 Amend.	1942	823	Utah	230560
Jolie 39 Amend.	1942	824	Utah	230563
Jolie 47 Amend.	1999	782	Utah	230561
Jolie 48 Amend.	1999	783	Utah	230572
Jolie 52 Amend.	1999	784	Utah	230577
Jolie 54 Amend.	1999	785	Utah	230578
Jolie 86 Amend.	1992	825	Utah	230611
Jolie 88 Amend.	1992	826	Utah	230612
Lisa Fraction #1	135	89	Tooele	127909
Cindy Fraction #1	135	90	Tooele	127910
Cindy Fraction #1 Amend.	204	227	Tooele	127910
Steve Fraction #1	135	91	Tooele	127911
Mike Fraction #1	135	92	Tooele	127912
Mike Fraction #1 Amend.	204	226	Tooele	127912
Mike Fraction #1 B	204	229	Tooele	256984
Go Fraction #1	135	93	Tooele	127913
Go Fraction #2	135	94	Tooele	127914
Go Fraction #2 Amend.	204	217	Tooele	127914
Go Fraction #3	135	95	Tooele	127915
Go Fraction #3 Amend.	204	218	Tooele	127915
Go Fraction #4	135	96	Tooele	127916
Go Fraction #4 Amend.	204	219	Tooele	127916
Go Fraction 5-3	135	97-100	Tooele	127917-127920
Go Fraction #8 Amend.	204	220	Tooele	127920
Go Fraction #9	135	101	Tooele	127921
Go Fraction #9 Amend.	204	221	Tooele	127921
Go Fraction 10-12	135	102-104	Tooele	127922-127924
Go Fraction 12 Amend.	188	823	Tooele	127924
Go Fraction #13	135	105	Tooele	127925
Go Fraction #13 Amend.	188	824	Tooele	127925
Go Fraction 13 2nd. Amend.	205	63	Tooele	127925
Bill Fraction #1	135	106	Tooele	127926
Bill Fraction #2	135	107	Tooele	127927
Bill Fraction #3	135	108	Tooele	127928
Buzz #1	104	230	Tooele	256985
Ollie 1	209	563	Tooele	264691
Ollie 2	209	564	Tooele	264692
Ollie 4	209	565	Tooele	264693
Ollie 6	209	566	Tooele	264694
Ollie 7	209	567	Tooele	264695
John 1-6	81	405-410	Tooele	127929-127934
John 7-9	113	106-108	Tooele	127935-127937
Pat 1-4	113	102-105	Tooele	127938-127941
Vicky 1-14	82	1-14	Tooele	127942-127955
Violet Ray 1-12	190376	190387	Utah	127956-127967
Su 95-99	187	591-595	Tooele	231814-231818
				231821-231822

<u>CLAIM NAME</u>	<u>BOOK</u>	<u>PAGE</u>	<u>COUNTY</u>	<u>B.L.M. NUMBERS</u>
PR 11	188	234	Tooele	231705
PR 16-18	188	239-240	Tooele	231710-231712
SS 244	193	785	Tooele	241273
SS 100-101	188	226-227	Tooele	231819-231820
Itch 1-41	184	824-864	Tooele	225063-225103
Itch 41	1853	430	Utah	225103
Itch 42	184	865	Tooele	225104
Itch 42	1853	431	Utah	225104
Itch 43	184	866	Tooele	225105
Itch 43	1853	432	Utah	225105
Itch 44-48	184	967-871	Tooele	225106-225110
Itch 46	1853	869	Utah	225108
Itch 64-65	184	887-888	Tooele	225126-225127
Itch 69-75	184	892-898	Tooele	225131-225137
Itch 81	184	904	Tooele	225143
Itch 81 Amend.	204	224	Tooele	225143
Itch 82-83	184	905-906	Tooele	225144-225145
Itch 82 Amend.	204	225	Tooele	225144
Julie 45 Amend.	226	551	Tooele	230575
Hillside Fraction	226	552	Tooele	Not Yet Assigned
Sacramento Fraction	226	553	Tooele	"
Tip Toe Fraction	226	554	Tooele	"
Sunrise Fraction	226	555	Tooele	"
Abba Fraction	226	556	Tooele	"
Pegasi Fraction	226	557	Tooele	"
Seal Fraction	226	558	Tooele	"
Midway Fraction	225	152	Tooele	Assigned
Carrie Steele Fraction	226	153	Tooele	"
Carthage Fraction	226	31	Tooele	"
Grey Bull Fraction	226	32	Tooele	"
Julie 84 Amend.	226	30	Tooele	230614
Julie 83 Amend.	226	33	Tooele	230613
Julie dl Amend.	226	34	Tooele	230611

1. Road Maintenance Agreement dated September 1, 1981, between Getty Mineral Resources Company (now Getty Minerals Company) and Tooele County, Utah, under which Getty Minerals Resources Company (now Getty Minerals Company) is obligated to maintain the County Road in Mercur Canyon, Tooele County, Utah, from the junction with Utah State Road 73 to the Mercur Canyon mine site, and under which Getty Minerals Company is obligated to maintain a tourist information center and other tourist facilities at the Mercur Canyon Mine site.
2. Road Property Agreement dated September 1, 1981, between Getty Mineral Resources Company (now Getty Minerals Company), Geyser-Marion Gold Mining Company, New Mercur Mining Company and Tooele County, Utah, under which Getty Minerals Resources Company, Geyser-Marion Gold Mining Company and New Mercur Mining Company are obligated, upon cessation of mining operations, to convey, without warranty, to Tooele County, Utah, all necessary rights of way for roads to re-establish two county roads vacated by Ordinance No. 81-15 ordained by the Board of Commissioners of Tooele County, Utah, on September 1, 1981.
3. Application to Appropriate Water from Reservation Canyon, Tooele County, Utah, bearing application No. 57480 (15-2931) approved by the State Engineer of the State of Utah on July 30, 1982.
4. Applications to appropriate Water from 1,000 feet to 1,500 feet deep in T6S R4W SLB&M, bearing application No. 57172 (15-2922) and 55193 (15-2858), both approved by the State Engineer of the State of Utah on May 26, 1982.

(b) to change the name of the Corporation from

**BARRICK RESOURCES CORPORATION -
SOCIÉTÉ EXTRACTIVE BARRICK**

to

**AMERICAN BARRICK RESOURCES CORPORATION -
SOCIÉTÉ EXTRACTIVE AMERICAN BARRICK**

5. The amendment has been duly authorized as required by Sections 167 and 168 (as applicable) of the Business Corporations Act. *La modification a été dûment autorisée conformément à l'article 167 et, s'il y a lieu, à l'article 168 de la Loi sur les compagnies.*

6. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on *Les actionnaires ou les administrateurs (le cas échéant) de la compagnie ont approuvé la résolution autorisant la modification*

6/12/85

*(day, month, year)
(jour, mois, année)*

These articles are signed in duplicate.

Les présents statuts sont signés en double exemplaire.

**BARRICK RESOURCES CORPORATION
- SOCIÉTÉ EXTRACTIVE BARRICK**

*(Name of Corporation)
(Régistrement statut de la compagnie)*

**Vice-President
and Secretary**

(Signature)

(Signature)

*(Signature of Officer)
(Fonctionnaire)*

APPENDIX "G"

1 Q In any of these discussions with Texaco, was there
2 ever any issue raised with respect to an indemnity regarding
3 Gold Standard's claims?

4 A I believe that topic was discussed, yes.

5 Q Can you recall who raised the topic initially?

6 A I believe we raised the topic -- "we" being
7 American Barrick -- raised the issue of an indemnity.

8 Q Did you raise it?

9 A Yes.

10 Q Can you tell me what you said to Texaco?

11 MR. ROBERTS: That's a fair question. I mean, it's
12 negotiations with Texaco.

13 THE WITNESS: Well, I was obviously trying to protect
14 Barrick to the extent that I could, and the question of an
15 indemnity on Gold Standard, you know, from my point of view
16 was the same as indemnity with respect to other
17 representations and warranties, and I was trying for as much
18 protection for Barrick as I could get on all matters, Gold
19 Standard or otherwise.

20 Q (By Mr. Burton) Did you specifically discuss an
21 indemnity regarding Gold Standard's claims?

22 A The way the agreement was drafted -- I don't mean
23 to confuse you, but if you review the acquisition agreement
24 you will notice there are representations and warranties and
25 then a separate indemnity clause relating to representations

1 and warranties. So there wasn't really a discussion the way
2 you're putting it of an indemnity for specific items. It was
3 an indemnity relating to the representation and warranty
4 clauses which was what we were negotiating.

5 Q Just so I'm clear in my mind, so we're on the same
6 wavelength here: Do you recall specifically discussing Texaco
7 indemnifying Barrick for Gold Standard's claims in these
8 meetings with Texaco?

9 A I asked, as did my counsel, for a warranty with
10 respect to Gold Standard as well as other matters, and we
11 asked that we be indemnified with respect to any breach of
12 those warranties.

13 I'm sorry if that's a roundabout answer, but that
14 is the accurate, correct description and answer.

15 Q You said you asked for a warranty or indemnity with
16 respect to Gold Standard's claims as well as other claims.
17 Did you get it?

18 A You're really asking for a legal opinion.

19 MR. CROCKETT: Excuse me. I'm going to object on the
20 grounds that the document speaks for itself.

21 MR. ROBERTS: I'll join in that. This is a complex
22 transaction. You have the documents.

23 MR. CROCKETT: They got what they got.

24 MR. BURTON: Let's ask one of the negotiators.

25 Q (By Mr. Burton) I'm just asking for your own

APPENDIX "H"

CERTIFIED COPY

IN THE THIRD JUDICIAL DISTRICT COURT IN AND FOR

TOOELE COUNTY, STATE OF UTAH

* * *

GOLD STANDARD, Inc.,	:	
	:	
Plaintiff,	:	
	:	
vs.	:	CIVIL NO. CV-86-374
	:	
AMERICAN BARPICK RESOURCES	:	
CORPORATION; BARRICK MERCUR	:	HONORABLE FRANK G. NOEL
GOLD MINES, INC.; TEXACO,	:	
INC.; GETTY OIL COMPANY;	:	
GETTY MINING COMPANY;	:	
GETTY GOLD MINE COMPANY;	:	
and JOHN DOES 1-10	:	
	:	
Defendant.	:	

* * *

REPORTERS TRANSCRIPT OF PROCEEDINGS

Thursday July 13, 1989

10:00 a.m.

THIRD JUDICIAL COURT
240 East 400 South
Salt Lake City, Utah

* * *



Associated Professional Reporters
10 West Broadway / Suite 200 / Salt Lake City, Utah 84101

1 MR. CLARK: Which is the order of filing?

2 MR. BURTON: Order of filing would be motion to
3 compel the June 11th, 1985 agreement. Your Honor, just
4 briefly, with respect to the document we're trying to obtain,
5 it's a document which has a date of June 11th, 1985. It's a
6 document that has apparently been signed in counterpart by the
7 various defendants in this case. And if I may just have
8 briefly two or three minutes just to go over briefly as to how
9 this motion has come before the court.

10 On November 18th of 1988 we were taking the
11 deposition of a Mr. Steven Detallis. Mr. Detallis was a key
12 employment with the defendant Barrick and was a key negotiator
13 in the actual purchase agreement. The purchase agreement has
14 been marked in this action as Exhibit 426.

15 During Mr. Detallis' deposition we asked him whether
16 or not Exhibit 426 comprised the entire agreement between the
17 various defendants with respect to the acquisition of the
18 Mercur Mine. Mr. Detallis indicated after conference with
19 counsel that there may be other documents out there that might
20 fit within the broad question that I'd asked. And that was
21 whether that document did constitute the entire agreement.

22 At the end of the deposition we reached an
23 agreement, Mr. Roberts and I did, that he would provide me
24 with various foundational information with respect to these
25 other documents as to what they are, what they constituted,

1 things of that nature. In response to that agreement, I sent
2 a letter on November 23rd, 1988 requesting the information
3 relating to the document in question. During the deposition,
4 counsel instructed Mr. Detallis not to answer pending a ruling
5 for a motion to compel as to whether or not it was protectable
6 under any privilege.

7 Mr. Roberts and I discussed my request over the next
8 couple of months. On April 6th we again requested the
9 identity of that document. On April 12th, I believe, Mr.
10 Roberts responded to my initial requests and indicated that
11 the document in question, dated June 11th, 1985, was signed in
12 counterpart by Texaco, Getty oil, Getty Mining Company, Getty
13 Gold Company, Barrick Petroleum USA Inc. and Barrick Resources
14 Corporation and if I could hand a copy of that letter to the
15 court.

16 Following the receipt of this letter we took the
17 deposition of Mr. Patrick Garver, a partner in Mr. Roberts'
18 firm, to establish whether or not the then existing privileged
19 law -- whether or not the document identified in that
20 privileged law was the document referred to in Mr. Roberts'
21 April 12th letter. We were able to establish that the
22 document was separate and apart from that reflected by the
23 privileged law and had not been previously identified in the
24 privileged law.

25 On May 2, 1989 we received the updated Barrick

1 privileged law reflecting the document as described in Mr.
2 Robert's letter to me of April 12th. We then moved to compel
3 that document based on the reasons set forth in our
4 memorandum. And just briefly, Your Honor, as you're well
5 aware, we have been down here with respect to other matters
6 dealing with various agreements which the court found were
7 inadvertently produced and for various other reasons we
8 weren't entitled to it.

9 As you recall, we have a joint defense document
10 which has been executed which was drafted between the parties
11 in May of 1985 related to the Gold Standard situation. This
12 document, I think, differs rather dramatically from the
13 previous discussions that we've had with the court in our
14 motions to compel.

15 As we set forth in our memorandum, and it's
16 reflected by Mr. Detallis' deposition testimony on pages 299
17 and 300, and I can read that into the record if you'd like,
18 Your Honor, but as we set forth in our memorandum, our
19 position that this document was executed in counterpart by all
20 parties, coupled with Mr. Detallis' testimony, it's part and
21 parcel of the commercial transaction between the defendants in
22 which part is reflected by Exhibit 426.

23 And our position is quite simple that because of the
24 commercial nature and the executed nature of this document and
25 in view of Mr. Detallis' testimony, that we're entitled to

1 know what the actual deal, what the actual agreement was in
2 its totality between the various defendants in connection with
3 the transfer and Barrick's subsequent acquisition of the
4 Mercur Mine.

5 The law that we set forth, and I won't belabor the
6 point, but basically, Your Honor, is that we have found no
7 cases which indicate that documents which are part and parcel
8 of a commercial transaction which form an integral part of
9 that commercial transaction are in anyway subject to any
10 privilege, either under the work product doctrine or the
11 attorney-client privilege doctrine. And the law, I think it's
12 fairly clear that there's no privilege in the commercial
13 setting to raise issues relating to attorney communications
14 between parties at arms length when, in fact, what they are
15 doing is structuring a business deal.

16 And the mere fact that that transaction may have
17 consisted of the transfer of confidential information, I
18 believe the law is clear that that in and of itself does not
19 give rise to a separate privilege in terms of an attorney-
20 client privilege, or for that matter any type of work product
21 privilege. Quite simply, we're dealing here with an agreement
22 which everybody has admitted is relevant. The actual purchase
23 agreement, we just want all of that agreement.

24 We stress quite heavily in our memorandum the
25 Jackson v. Kennecott case which indicates the burden is upon

1 the defendants to demonstrate why this document some how is
2 protected. And the Jackson, Kennecott case, and I have a copy
3 of that for Your Honor if you'd like, says that you simply
4 cannot maintain a claim for attorney-client privilege as the
5 situation existed in the Kennecott case upon the generalized
6 statement that litigation was somehow anticipated.

7 What we have here is a situation where we cannot get
8 this information relating to this part in the commercial
9 transaction from any other source. This is the hardship test
10 and I don't think we have to worry about the hardship test
11 because that's no longer an element under the applicable rule.
12 What we are looking at, though, is a situation where we cannot
13 get information anywhere else. We've been precluded from
14 inquiring into the nature of that agreement. We didn't know
15 of its existence until basically -- the exact existence and
16 identity of it until April of 1989. And that in view of the
17 testimony of record that is a document which we think is very,
18 very important.

19 One additional fact, Your Honor, which I'd like to
20 analogize for the court is that under Rule 426, parties are
21 entitled to insurance agreements constituting an indemnity
22 agreement. Mr. Detallis in his testimony, and I think I may
23 have moved to publish his testimony back on May 18th, if
24 counsel can help me out on that, I've quite honestly
25 forgotten, but if not I'd like to move for the publication of

1 Mr. Detallis' testimony taken on November 18th, 1988.

2 MR. ROBERTS: We have no objection.

3 THE COURT: No objection?

4 MR. CLARK: No.

5 MR. BURTON: The importance of the document in terms
6 of our subsequent ability to ask about it is reflected by Mr.
7 Detallis' testimony found on page 278, and I'll just read in
8 part:

9 "Question In any of these discussions with Texaco, was
10 there ever any issue raised with respect to an indemnity
11 regarding Gold Standard's claim?

12 Answer I believe that at that point -- I think that
13 was discussed, yes.

14 Question Can you recall who raised the topic
15 initially?

16 Answer I believe we raised the topic." Quote end
17 quote. Being American Barrick raised the issue of indemnity.

18 "Question Did you raise it?

19 Answer Yes."

20 And then I go on to page 279:

21 "Question Just so I'm clear in my mind, so we're on
22 the same wavelength here, do you recall specifically
23 discussing the Texaco indemnity identifying Barrick to Gold
24 Standard claim in these meetings with Texaco?

25 Answer I asked, as did my counsel, for a warranty with

1 respect to Gold Standard as well as other matters and we asked
2 that we be indemnified with respect to any breach of those
3 warranties."

4 Now, when we find out about the June 11th document
5 -- we have not been able to look at the document. We have no
6 knowledge of what it is, the American Barrick indicates that
7 they can't really describe in much detail what it is because
8 of the nature of the document itself. But by describing more
9 fully what it is that is going to perhaps waive or officiate
10 any type of privilege they very well may have.

11 Well, in that respect, we submitted some admissions
12 back on June 7th, 1989, the part of the court record and their
13 admissions Nos. 26 and 28, and we have parenthetically given
14 the defendant, American Barrick, additional time within which
15 to respond to those admissions. They're going to try get some
16 admissions to us by the 18th of July. But those admissions
17 that we have submitted dealt specifically with this document.
18 And what we ask is that those admissions, and I can read
19 verbatim for the Court, is that basically we want to know
20 whether these -- let me just read from No. 26 admission, that
21 you disclose the June 11th, 1985 documents. Described in the
22 document are Barrick, Texaco, Getty Oil Company, Getty Mining
23 Company, Getty Gold Company, Barrick petroleum USA, Inc., and
24 Barrick Resources Corporation to financial institutions for
25 the purpose of obtaining loans or credit.

1 The same type of admission with respect to public
2 offers is requested in Nos. 27 and 28. The purpose of those
3 is to establish these. This document was, in fact, submitted
4 for the purpose of obtaining financing, part of a commercial
5 transaction. We have a business endeavor here and depending
6 upon the extent that that was submitted to financial
7 institutions to obtain financing, the law is quite clear in
8 that respect. We can analyze it or analogize it to appraisal
9 reports. Things of that nature that by their very nature of
10 the action i.e. a business transaction is not covered by any
11 type of privileged work product or attorney client.

12 In conclusion, Your Honor, I think that we have been
13 diligent in trying to establish what this document is. It's a
14 document that's obviously involved in a commercial
15 transaction. A commercial transaction in which we were
16 intimately involved. It's a document that we know nothing
17 about and we can't find out anything about that document
18 because we've been precluded, until this inquiry, to the very
19 witnesses who actually had input into its preparation until
20 the court rules on the matter. And the bottom line is that
21 if, in fact, we are entitled and if, in fact, all parties
22 recognize the relevancy of the document and if American
23 Barrick's presumed negotiator, Mr. Steven Detallis, indicates
24 that there's another document that it's part and parcel of
25 that commercial transaction, again, I stress that, then we're

1 entitled as a simple matter of having all the facts before the
2 court to find out what the agreement was between the parties
3 involving their acquisition and sale of the Mercur Mine and
4 how that agreement impacted upon the rights of Gold Standard.
5 Thank you.

6 THE COURT: Very well.

7 MR. CLARK: I'll be very brief. Relevance is not
8 the issue. Whether Mr. Burton thinks it's relevant to the
9 lawsuit or important or he'd like to see it does not answer
10 the question. The question is whether or not it's protected
11 by work product and or privilege. And the --

12 THE COURT: Privilege, are you talking about
13 attorney-client privilege? Is that one of the grounds?

14 MR. CLARK: Yes, Your Honor. Have you had a chance
15 to see it?

16 THE COURT: I've seen it. I don't have it before me
17 right now. Maybe I could address that issue. I am concerned
18 that I was not prepared to hear that particular motion. I've
19 looked through all of these documents that I've received,
20 including the notice to submit, and I don't see any reference
21 to the motion to compel. I don't have in these documents the
22 notice of hearing which probably contains the notice that that
23 motion is going to be heard. Maybe we can talk about that
24 later, how to prevent that from happening again. And I don't
25 know whose fault it is. Undoubtedly it's the Court's. In any

1 event, I do recall receiving that document in a sealed
2 envelope and I've reviewed it and will do it again before I
3 rule. Hopefully today before I leave.

4 MR. CLARK: If you can't locate it, I'll be happy to
5 get another copy to you.

6 THE COURT: I'm sure I have it.

7 MR. CLARK: The problem Mr. Burton has is
8 understanding. He hasn't seen the document, so he makes
9 statements. It differs dramatically from what you've seen.
10 And makes statements suggesting that it is an indemnity
11 agreement or something else. He's simply taking shots in the
12 dark and speculating as to what it contains. We feel very
13 properly that we cannot argue in open court to specifics as to
14 why we think the document is subject to work product and in
15 part to attorney-client privilege production with you. We
16 would simply ask you to read it as you have the other
17 documents. You'll see that it is very similar and for the
18 same reasons that you've now ruled twice with respect to the
19 document, that it was entitled the joint defense agreement, we
20 suggest that your answer will be the same in this case.

21 Mr. Burton is suggesting by the fact that he has
22 sent out some requests for admission that this document was
23 provided to other people. We have not completed our answers
24 yet and we're still doing our due diligence, but based on all
25 the information I have received so far, the answer is, it was

1 not provided to any other third party. And I guess if the
2 discovery changes and that has some bearing on it, the issue
3 may come up again, but that particular evidence is not before
4 the court as to whether it was or wasn't. But to the extent
5 that he's suggesting it was given to other parties, that is
6 contrary to the information we've been able to determine so
7 far. So we'd simply ask you to read it. For the same reasons
8 that you found similar documents were protected we believe
9 that you'll reach the same conclusion in this case.

10 THE COURT: Thank you. Counsel?

11 MR. ROMRIELL: Your Honor, can I make the briefest
12 comment?

13 THE COURT: You may.

14 MR. ROMRIELL: We concurred in the brief that was
15 filed by Barrick and I just have one very short issue that I
16 would like to clarify. I believe, and that is that Mr. Burton
17 continually used the term commercial transaction and it's true
18 that there is an exception to the work product doctrine based
19 on documents created in the ordinary course of business. Now,
20 Mr. Burton referred to appraisal reports. There's also things
21 like insurance investigation reports and things like this.
22 But the reason that those are exceptions is not because they
23 are commercial, but because they are routine recurring sorts
24 of things. This happens every day in a business and clearly
25 those kind of things can't always, even though they can

1 ultimately result in litigation, can't just, as you know, in
2 every instance be protected as work product documents.

3 In this case, we're not talking about something
4 that's routine, recurring like an appraisal report or like an
5 insurance report. We're talking about documents that were
6 created specifically in anticipation of a specific litigation.
7 And they haven't cited any cases. They are just basing that
8 on some being commercial in nature means that it can't also be
9 protected as work product. The real important issue there is
10 whether or not it was an ordinary document created as an
11 ordinary part of a business. And this document was not. And
12 that's really all I have to add. Thank you.

13 THE COURT: Counsel?

14 MR. BURTON: Your Honor, just briefly. The other
15 document, the joint defense agreement that's been before the
16 Court, it's my understanding, I think everybody will share
17 that understanding with me, is that we were dealing with an
18 unexecuted agreement, a joint agreement. Nobody has said
19 today that this agreement that was executing counterparts,
20 which constituted the basis of the asset purchase agreement,
21 was not, in fact, part of that agreement. So there is a
22 distinct and major difference here.

23 Secondly, taking Mr. Romriell's comments and
24 consideration, the logical implication from a legal standpoint
25 is that you could have in the merger situation or acquisition

1 situation, you could have basically the hard core elements of
2 the agreement in a document such as Exhibit 426. But if you
3 wanted to, and I'm using this argument for the extreme, I'm
4 not in any way saying that any of these folks, any of these
5 defendants would do anything like this, but assume you have an
6 antitrust situation, you have two competitors who get together
7 and already are going to merge and they want to divide up the
8 market. They want to either allocate for division or for each
9 subdivision the two respective corporations. Once they get
10 involved they want to make sure they maximize their profit.
11 That this company, the successor, gets this area and maybe
12 another competitor might get another area. And that could be
13 incorporated in another agreement which is part and parcel of
14 the overall agreement between the parties which was a
15 consideration for and constituted an integral part of that
16 agreement.

17 Mr. Romriell's argument is those people involved in
18 that type of business situation would not have to divulge that
19 second communication or agreement simply because it was
20 brought between counsel. And the Kennecott case is clear in
21 that and that is that this Supreme Court has approved and
22 indicated you simply cannot invoke the cloak of attorney-
23 client privilege or work product privilege by writing an
24 agreement or in the case of the Kennecott case, unless with
25 respect to the acid content of pollutants being filled in the

1 Tooele area, you can't do it because it's part and parcel of a
2 commercial transaction. There's no doubt about it. And we're
3 entitled to know that agreement. And simply by sending it to
4 the counsel, addressing it to the counsel and simply by
5 putting something on top of it called attorney work product or
6 confidential, you cannot keep that from the scrutiny of the
7 adversary in any civil proceeding. Thank you.

8 THE COURT: Well, I'll want to take a minute and
9 review that document. You have a copy of the cases you've
10 just cited for me, Counsel?

11 MR. BURTON: Sure.

12 THE COURT: Before I do that, why don't we proceed
13 with the other motion, motion to modify the schedule.

14 MR. PRATT: Plaintiff is in a somewhat unusual
15 posture in this motion, Your Honor. Plaintiff is requesting
16 this extension because looking at the situation we're in right
17 now we feel like it's time to bite the bullet and concede that
18 we simply can't meet the existing scheduling order. We're
19 asking the Court to bump the existing schedule by two to three
20 months as to all the scheduled dates, and we think that
21 adjustment will probably take care of the demands of this
22 case. Plaintiff is asking to bump the trial date and the
23 defendants are in here saying, no, we have to keep the
24 existing trial dates. So we've kind of got the opposite of
25 what the more classical kind of situation is.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 14th day of December, 1989, I caused four (4) copies of the foregoing APPENDICES TO BRIEF OF APPELLANT GOLD STANDARD, INC. to be hand-delivered, to:

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