

AGREEMENT

CKD THIS AGREEMENT is made and entered into this *24* day of *May*, 1985, by and between BEARTOOTH LAND AND TIMBER COMPANY, a Montana corporation, having its principal place of business at Cooke City, Montana, hereinafter referred to as the Corporation, and Eugene W. Wade, of Cooke City, Montana, hereinafter referred to as Wade.

RECITALS:

1. Corporation is engaged in the business of acquiring, developing, selling or trading real property, along with related activities.
2. Wade has in the past been involved with the Corporation, but entered into an agreement dated February 9, 1984 which specifically curtailed further involvement by Wade in exchange for certain promises of future performance for Wade's benefit by the Corporation.
3. Corporation and Wade desire to enter into a new amended agreement providing for the division of certain assets and equities in option agreements to go to Wade as a full and complete discharge of the covenants contained in said prior agreement. The parties also desire to

settle and discharge the lawsuit currently filed by the Corporation against Wade and any and all claims or counterclaims arising out of past dealings.

IN WITNESS WHEREOF, THE PARTIES AGREE AS FOLLOWS:

I.

WITHDRAWAL

Wade hereby withdraws from the Corporation and relinquishes his right to receive stock therein, assets therefrom or any future profits thereof and specifically waives any claim against said Corporation or its predecessor, a partnership of the same name. Wade further agrees that the consideration for this agreement as listed herein comprises everything to which Wade shall be entitled. Wade further understands and agrees that he shall occupy the same position in the properties, equities and agreements being transferred hereunder as the Corporation occupied prior to this date of transfer; and that the Corporation makes no warranties whatsoever to Wade as to the validity of said transferred items; and that Wade shall not occupy a better position in said properties, equities or agreements than the Corporation did as of the date hereof; and that the Corporation has no obligation whatsoever to improve the validity or nature of the transferred

items; and transfers only that which it actually owns or has contractual rights in and to as of the date of this transfer. Wade is specifically prohibited herein from asserting any future claim against the Corporation arising out of the transfer of said properties, equities and/or rights in agreements specified herein for any infirmities therein whatsoever. The Corporation is in no way liable to Wade for breaches committed by third parties that may in any way effect any of the properties, equities or rights transferred hereunder.

II.

TRANSFER OF PROPERTY RIGHTS

Corporation hereby transfers, assigns and sets over unto Wade all or part, as specified with particularity below, of its right, title and interest in and to the following real property comprised of undivided interests in certain patented mining claims; and rights it may have in and to certain option agreements, as set forth below:

1. Any and all interest that the Corporation has acquired in and to the following patented mining claims under certain Warranty deeds from (a) Joseph and Virginia Gaab; (b) Fred and Jean Gibson, Winnifred Conger and Ellen Peirsol; and (c) Eugene and Ruth Wade:

Queen of the Valley	Mineral Survey No. 8992
Peach Tree	Mineral Survey No. 8992
Garfield	Mineral Survey No. 8992
Morning Dew	Mineral Survey No. 8992
Great Eastern	Mineral Survey No. 7546
Northern Lights	Mineral Survey No. 9571
Mountain Meadow	Mineral Survey No. 9571
Liberty Bell	Mineral Survey No. 9571
Colonel Byrne	Mineral Survey No. 9571

2. Any and all interest that the Corporation may have in and to the option agreement with Lilian MaNamara, Nancy MaNamara Cain and Nora MaNamara McVoy, dated February 9, 1985, a copy of which is attached hereto and made a part hereof as Exhibit A. The Corporation hereby agrees that its equity in this option agreement is hereby relinquished to Wade.

3. The Corporation hereby assigns all its rights in and to that portion of the option agreement between itself and James Ross dated November 6, 1984 known as Part 1 and the partial interests available in the following patented mining claims listed thereunder:

Peach Tree	Mineral Survey No. 8992
Morning Dew	Mineral Survey No. 8992
Queen of the Valley	Mineral Survey No. 8992 <i>* See addendum</i>
Garfield	Mineral Survey No. 8992
Northern Lights	Mineral Survey No. 9571
Mountain Meadow	Mineral Survey No. 9571
Colonel Byrne	Mineral Survey No. 9571
Liberty Belle	Mineral Survey No. 9571

North Cross	Mineral Survey No. 9391
Evening Star	Mineral Survey No. 6666
Great Eastern	Mineral Survey No. 7546 (1/8)
Great Eastern	Mineral survey No. 7546 (1/12)

A copy of said agreement is attached hereto and made a part hereof as exhibit B. Wade shall be entitled to no equity application whatsoever from the sums paid or to be paid by the Corporation as specified in SECTION II - GRANT OF OPTION PURCHASE of said exhibit B.

The corporation retains the exclusive right to exercise said option agreement with regards to Part 2 thereof and to purchase the partial interests in the claims known thereunder as:

Wisconsin	Mineral Survey No. 8609
Matheson	Mineral Survey No. 8610
Chief Justice	Mineral Survey No. 8611
Little Judge	Mineral Survey No. 8612
Elizabeth	Mineral Survey No. 9680
Golden Bell	Mineral Survey No. 9680

The corporation shall retain the exclusive right to the equity application of any and all monies paid to date under said agreement. Therefore, as spelled out in Section II of exhibit B titled GRANT OF OPTION PURCHASE, the Corporation has the exclusive right to the full benefit of the Thirty Three Thousand Thousand Dollars (\$33,000.00) paid towards the purchase price of the claims listed in Part 2 thereof. The Corporation has the duty

to pay the One Thousand Dollars (\$1,000.00) per annum to keep the option alive until such time as it may exercise its rights to purchase the claims listed in Part 2 of the agreement; as well as the obligation to pay the extra Two Thousand Dollars (\$2,000.00) per annum increase in the purchase price as set forth in Section II of the agreement in the event that it exercises its rights to purchase the claims as stated above. Nothing contained herein shall be construed to obligate the Corporation to exercise its rights thereunder or pay any sums due thereon, excepting the One Thousand Dollars (\$1,000.00) payment due on November 8, 1985.

III.

COVENANTS

Wade covenants and agrees that he shall not, directly or indirectly, engage in any conduct the natural consequences of which would be to hinder or adversely affect the Corporation's business interests. Without limitation on the foregoing, Wade agrees that he shall not attempt to influence any governmental body with respect to zoning, subdivision or trades involving property now owned or hereafter acquired by the corporation. Breach of this or any other covenant contained in this agreement shall make the party committing said breach liable to the other

party for all damages arising therefrom, as well as attorney's fees and costs incurred in the enforcement hereof.

IV.

EXECUTION OF THE NECESSARY INSTRUMENTS

The parties hereto shall execute the necessary deeds and other documents needed to carry out the terms of this agreement.

V.

BINDING EFFECT

This agreement shall be binding on the parties and their respective heirs, personal representatives, administrators and assigns.

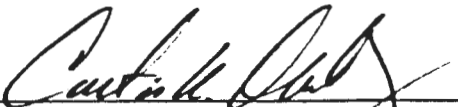
VI.

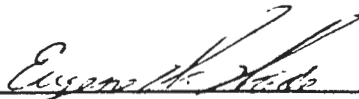
ENTIRE AGREEMENT AND SETTLEMENT OF CLAIMS

The foregoing agreement is the entire agreement between the parties and merges any and all prior agreements, written or verbal, and specifically amends the previous agreement between the parties dated February 9, 1984. The parties hereto further agree to dismiss the lawsuit between them with prejudice and to forego all claims and counterclaims arising from past dealing so long as no material breach of this agreement

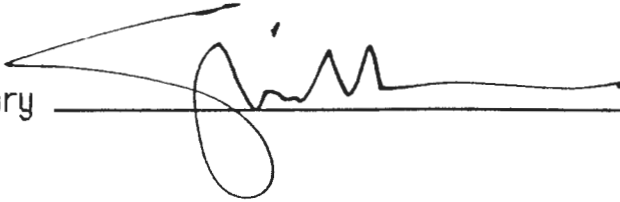
shall occur.

BEARTOOTH LAND AND TIMBER COMPANY
a Montana Corporation,

By 
Curtis K. Oberhansly, President


Eugene W. Wade

Attest by Gerald Nichols, Secretary



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ADDENDUM

dated May 23rd, 1985
The agreement between Gene Wade
and Beartooth Land and Timber is further
modified as follows:

- ① B.L.T. agrees to pay Wade \$1700⁰⁰.
- ② B.L.T. hereby assigns its rights to
the Modification agreement with Ross
dated May 16th 1985 to purchase separately
the claim, Queen of the Valley, a copy
is attached hereto.
- ③ B.L.T. grants Wade the right to
purchase any lands traded with the
forest service that are to the south and
adjacent to Wade's sawmill property
and to the north of the ~~Republic Creek~~ ^{Creek}
(approximating 1/2 acre) for \$5000⁰⁰.
This is binding only in the event that
B.L.T. acquires said ground in a
trade with the forest service.
- ④ Wade can use the service station
now housing his tools in such fashion until
the property is sold or further developed.

Signed:

Curtis K. Oberhansly
Curtis Oberhansly
Beartooth Land & Timber

date ^{CKO} May 25th, 1985

Eugene H. Wade
Gene Wade (Eugene H. Wade)

date 5/24/85