

Woolverton Agmt. File

CYPRUS EXPLORATION CORPORATION, LTD.
510 West Hastings Street
Vancouver 2, B. C.

812153

December 2, 1969

Mr. Roy Wilkins Woolverton
5424 Halifax Street
Burnaby, British Columbia

RE: Letter Agreement Relating to Bulkley Valley Mineral
Investigation

Dear Mr. Woolverton:

It is our desire by means of this letter to clarify and define the legal relations between Cyprus Exploration Corporation, Ltd. (hereinafter "CECL") and yourself in light of the expiration of that certain Agreement dated February 14, 1969, which provided generally for the performance of joint exploration activities by CECL and yourself in the vicinity of the Bulkley Valley, Smithers - Fort St. James, British Columbia (hereinafter referred to as the "Original Agreement").

We agree that so much of Paragraph 3 of the Original Agreement as required you to devote certain minimum amounts of time to the exploration project, or as gave CECL a right of first refusal on your services is hereby terminated. In the future you shall devote such time to the project as may be mutually agreed upon by yourself and CECL based upon the latter's need for your services and your ability at the time to render the services.

In consideration of CECL releasing you from devoting any minimum amounts of time to performing services on the exploration project, it is agreed that CECL may continue to fully conduct exploration activities in the area, that CECL may hire other parties to perform any and all services that may be necessary to carry out CECL's exploration activities, and that such activities by CECL shall in no way be construed as "independent operations" under the one year moratorium provided for in the second paragraph of Paragraph 12 of the Original Agreement.

It is further understood that whereas CECL, through a related corporation, contemplates obtaining an option to purchase certain mineral claims from one J. Hemelspeck, said claims constituting what is generally known as the Big Onion Prospect, in the vicinity of Smithers, British Columbia, CECL agrees that the Big Onion mineral claims do fall within the "Mining Area" as defined in Paragraph 1 of the Original Agreement, and that accordingly your 2-1/2% prospector's interest as

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Mr. Roy W. Woolverton

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provided for in Paragraph 10 of the Original Agreement will extend to the Big Onion mineral claims in the event that CECL or a related corporation, should acquire an interest in said claims by exercise of its option.

It is further agreed that CECL has fully performed all of its obligations under Paragraph 5 of the Original Agreement, whereby CECL undertook to expend certain minimum amounts of money and to conduct an initial mineral investigation.

In the event that any question or dispute should arise that is not expressly or impliedly covered by this letter agreement, it is agreed that the provisions of the Original Agreement are hereby reinstated and shall remain in full force and effect to the extent that said provisions are consistent with the terms of this letter.

If this letter correctly sets forth the terms of our present relationship please execute and return to us a copy of this letter which shall thereafter constitute a binding contract between us.

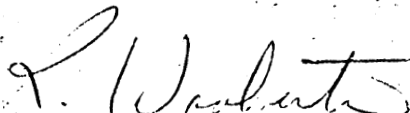
Very truly yours,

CYPRUS EXPLORATION CORPORATION, LTD.

BY: _____

DATED: _____

ACCEPTED BY:



R. W. WOOLVERTON

DATED: 20 Dec 1969

MODIFICATION AGREEMENT

This Agreement made the 5th day of July, 1969.

BETWEEN:

ROY WILKINS WOOLVERTON,
(hereinafter referred to as "Prospector")

OF THE FIRST PART,

AND:

CYPRUS EXPLORATION CORPORATION LTD.
(hereinafter referred to as "Cyprus")

OF THE SECOND PART

WHEREAS the parties hereto entered and are operating under a contract made the 14th day of February, 1969.

WHEREAS the parties thereto are desirous of extending the agreement to provide for possible additions to services required to be performed by the Prospector for Cyprus, the conditions attaching thereto and for remuneration for such additional services.

IT IS THEREFORE AGREED that the contract form of agreement made between the parties hereto on the 14th day of February, 1969 be extended as follows:

(a) The deletion of paragraph numbered one (1) and the substitution therefor of the following paragraph one (1).

"1. Cyprus and Prospector shall undertake a mineral investigation of that portion of the Bulkley Valley, Smithers-Forth St. James, British Columbia, more particularly described in Exhibit A hereto, together with any additional claims staked or acquired by either party within two (2) miles of the boundaries described in Exhibit "A" (hereinafter referred to as the "Mining Area").

Should mineral investigation be required for any additional claims outside of the Mining Area, contiguous and continuous with the outside perimeter of the Mining Area shall be governed by the provision of this Agreement. The Areas so covered as are contiguous and continuous with the outside perimeter of the Mining Area shall be referred to as 'Contiguous Mining Area(s).'

(b) The addition of the phrase "and all Contiguous Mining Area(s) of which the Company shall have given notice to the Prospector" after the words "Mining Area" in line 3 of paragraph numbered six (6), in line two (2) of paragraph numbered seven (7), in line three (3) of paragraph numbered eight (8), in line three (3) of paragraph numbered nine (9), in line four (4) of paragraph numbered ten (10), in line two (2) of paragraph numbered eleven (11), and in line four (4) of sub-paragraph of paragraph number twelve (12).

IN WITNESS WHEREOF this modification agreement has been executed by the parties hereto the date year first above written.

The common seal of CYPRUS EXPLORATION CORPORATION LTD., was hereunto affixed in the presence of:

Hector A. Callaway

SIGNED, SEALED AND DELIVERED by ROY WILKINS WOOLVERTON, "Prospector", in the presence of:

R. Wilkins Woolverton

H. G. Hansen

R. Wilkins Woolverton

AGREEMENT

THIS AGREEMENT, entered into this 14th day of February, 1969, between ROY WILKINS WOOLVERTON (hereinafter referred to as "Prospector") and CYPRUS EXPLORATION CORPORATION LTD. (hereinafter referred to as "Cyprus").

W I T N E S S E T H:

WHEREAS, Cyprus desires Prospector to provide management and consulting services under the direction of Cyprus with respect to a mineral investigation in the Bulkley Valley, Smithers-Fort St. James, British Columbia, and

WHEREAS, Prospector has provided at his expense past exploration and research services which he desires to exchange for a prospector's interest in any mineral properties resulting from this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter set forth, the parties agree as follows:

1. Cyprus and Prospector shall undertake a mineral investigation of that portion of the Bulkley Valley, Smithers-Fort St. James, British Columbia, more

particularly described in Exhibit A hereto, together with any additional claims staked or acquired by either party within two (2) miles of the boundaries described in Exhibit A (hereinafter referred to as the "Mining Area").

2. Cyprus shall direct and control the mineral investigation and any subsequent activities which might be undertaken pursuant to this Agreement.

3. Cyprus shall engage the services of Prospector for a minimum of fifteen (15) days per month during the period from February 1, 1969 to June 30, 1969. Cyprus shall also have a right of first refusal for the services of Prospector for all or any part of the period from February 1, 1969 to June 30, 1969, in excess of fifteen (15) days per month. Cyprus shall pay Prospector Seventy-Five Dollars (\$75.00) per day consulting fees plus expenses for the services provided by Prospector.

During those periods which Prospector is engaged by Cyprus, Prospector shall devote his full time to providing such management and consulting services with respect to the mineral investigation and subsequent activities undertaken pursuant to this Agreement as shall be requested by Cyprus.

4. For so long as this Agreement remains in effect, Prospector shall act as an independent contractor and not as the agent or employee of Cyprus. Prospector

shall have no power to enter into any contract on behalf of or to otherwise bind Cyprus.

5. Cyprus shall direct and finance the initial mineral investigation within the Mining Area for which it shall spend a minimum of Sixty Thousand Dollars (\$60,000.00). The initial mineral investigation shall consist of a helicopter mounted Mag/EM Survey of the Mining Area over one thousand (1,000) line miles at not more than a one-half mile spacing and a follow-up ground investigation of those portions of the Mining Area selected by Cyprus after consultation with Prospector. Prospector shall supply all personnel, equipment and supplies authorized by Cyprus to conduct the initial mineral investigation, and all costs incurred by Prospector shall be reimbursed by Cyprus.

6. Cyprus shall proceed to stake and/or acquire claims or other properties covering those portions of the Mining Area which Cyprus deems to warrant further exploration.

7. (a) All claims or other properties within the Mining Area located or acquired by Prospector, his relatives by blood or marriage, any corporation controlled by any of the above-named persons or by any other person or persons caused or induced by Prospector to locate or acquire such claims or properties shall be transferred to
R.W. ~~by~~ Cyprus by appropriate instrument.

(b) If any claims or properties located or acquired by any person or persons referred to in

Subparagraph (a) are not transferred to Cyprus, Cyprus may take whatever steps it deems necessary to acquire such claims or properties. At Cyprus' option, all costs and expenses incurred by Cyprus in the acquisition and transfer of such claims or properties shall be reimbursed by Prospector or shall be deducted from any payments or expenditures required pursuant to this Agreement.

8. Cyprus shall have the right in its sole discretion to abandon or surrender any claims or properties owned by it in the Mining Area, and it shall notify Prospector in writing of its intent to abandon or surrender such claims or properties provided that such notice shall be given at least sixty (60) days in advance of the annual assessment date of the claim or claims to be abandoned.

Prospector may elect to retain any of the claims or properties which Cyprus intends to abandon or surrender by notifying Cyprus in writing of such election within thirty (30) days of the giving of notice of intent to abandon or surrender. Should Prospector fail to elect within said period of time and notify Cyprus of such election in writing, Prospector shall conclusively be deemed to have consented to such abandonment or surrender. In the event Prospector makes such an election, Cyprus shall cause to be transferred to Prospector by appropriate instrument all of Cyprus' right, title and

interest in the claims or properties which it intends to abandon or surrender. Following such a transfer Cyprus shall be relieved of all its obligations under this Agreement with respect to the abandoned claims or properties.

9. Prospector shall provide Cyprus with all maps, logs, assays or other data in his possession in any way relating to the Mining Area.

10. Cyprus shall grant to Prospector an unrecorded non-assessable prospector's interest of two and one-half per cent (2-1/2%) in all claims or properties located or acquired by Cyprus in the Mining Area or in any entity to which such claims or properties may be subsequently transferred by Cyprus.

The prospector's interest granted to Prospector pursuant to this Paragraph may be purchased by Cyprus at any time on written notice given to Prospector together with a cash payment of Five Hundred Thousand Dollars (\$500,000.00).

11. All maps, logs, assays or other data relating to the Mining Area together with all data obtained instrumentally or recorded on instrument tapes regardless of the land position of such instrument data shall become the property of Cyprus. Neither Prospector nor Cyprus shall disclose any of the above data or information to any person or persons without the prior written consent of the other party.

12. Cyprus may terminate this Agreement at any time by giving written notice of termination to Prospector provided that any such termination shall not relieve Cyprus of its minimum expenditure obligation pursuant to Paragraph 5 of this Agreement.

During the term of this Agreement and for a period of one (1) year following the date of its termination, neither Cyprus nor Prospector shall engage in any independent operations within the Mining Area without the prior written consent of the other party.

13. Any notices required or permitted hereunder shall be effective when deposited in the United States or Canadian mail, airmail, postage prepaid and registered and addressed as follows:

If to Cyprus:

Cyprus Exploration Corporation Ltd.
510 West Hastings Street
Vancouver 2, British Columbia

with a copy to

Cyprus Mines Corporation
523 West Sixth Street
Los Angeles, California 90017

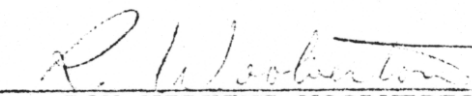
If to Prospector:

Roy Wilkins Woolverton
5424 Halifax Street
Burnaby, British Columbia

14. All sums mentioned in this Agreement refer to Canadian currency.

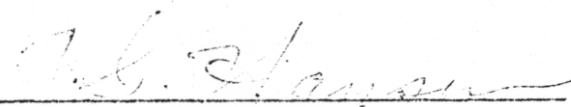
15. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.



ROY WILKINS WOOLVERTON

CYPRUS EXPLORATION CORPORATION
LTD.

By 

ATTEST:



EXHIBIT A

That portion of the Bulkley Valley, Smithers-Fort St. James, British Columbia, which is defined by joining the following points:

55°N - 127°24'W; 55°N - 127°15'W;
54°52'N - 127°03'W; 54°45'N - 126°
45'W; 54°24'N - 126°45'W; 54°24'N -
126°48'W; 54°45'N - 127°15'W; 55°N -
127°24'W.