

✓ PAUL E. HYDE
Hecla Mining Company
6500 MINERAL DRIVE
BOX C-8000
COEUR D'ALENE, IDAHO 83814-1931

MEMORANDUM OF MINING LEASE AND AGREEMENT WITH OPTION TO PURCHASE

NOTICE IS HEREBY GIVEN that Barium Products & Mining Company, a Nevada corporation, whose address is P.O. Box 50300, Reno, Nevada 89513 (therein and hereinafter referred to as "Lessor"), and Hecla Mining Company, a Delaware corporation qualified to conduct business in the State of Nevada, whose address is 6500 Mineral Drive, Box C-8000, Coeur d'Alene, Idaho 83814-1931 (therein and hereinafter referred to as "Hecla"), have entered into a Mining Lease and Agreement With Option to Purchase ("Agreement") effective as of the 26th day of June, 1989, with respect to the real property owned by Lessor and described in Exhibit A, attached hereto and by this reference made a part hereof, which real property is therein and hereinafter referred to as the "Property."

Under the terms of the Agreement, Lessor has leased, let and demised exclusively unto Hecla, and its successors and assigns, the Property, including all mineral rights and water rights, for the purposes of exploration, development and mining of ores, mineral and materials (therein and hereinafter referred to as "Mineral Substances").

Lessor has also granted to Hecla, its successors and assigns, the sole, exclusive and irrevocable option to purchase the Property for a period of twenty (20) years after the Effective Date of the Agreement or until termination of the Agreement, whichever is sooner, as more fully set forth in the Agreement.

The term of the Agreement is for a primary period of twenty (20) years from the Effective Date of the Agreement and for so long thereafter as Hecla mines, processes or markets Mineral Substances from the Property on a continuing basis or other payments are being made to Lessor by Hecla, as more specifically set forth in the Agreement.

Lessor may convey or sell part or all of the Property to a financially responsible buying party who agrees to be bound by the terms and conditions of this Agreement; provided, however, prior to a sale to a buying party, Lessor shall first give sixty (60) days' prior written notice to Hecla of Lessor's desire to sell Lessor's interest. The notice shall specify the name of the buying party and the

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terms and conditions for which it can sell to the buying party. Within the sixty (60) day period, Hecla shall have the right to purchase the interest being sold on said terms and conditions. If Hecla does not exercise such right within the sixty (60) day period, then Lessor may sell its interest to the buying party on said terms and conditions within thirty (30) days after the expiration of the sixty (60) day period.

The Agreement is incorporated herein by this reference and made a part hereof. Copies of the Agreement are in the possession of the parties at the addresses shown on the first page of this Memorandum.

IN WITNESS WHEREOF, this MEMORANDUM OF MINING LEASE AND AGREEMENT WITH OPTION TO PURCHASE has been executed this 26th day of June, 1989.

BARIUM PRODUCTS & MINING COMPANY

HECLA MINING COMPANY

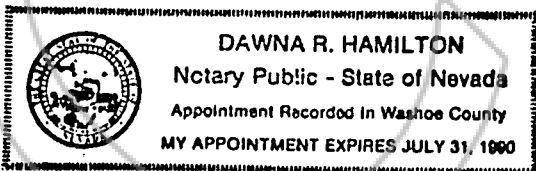
W.B. Kohlmoos
W.B. Kohlmoos, President

By W. Glen Zinn
Vice President W. GLEN ZINN

STATE OF Nevada)
County of Washoe) ss.

On this 26th day of June, 1988, before me, the undersigned, a Notary Public in and for the State of Nevada, personally appeared W.B. Kohlmoos and _____, known to me and to me known to be the President and _____, respectively, of BARIUM PRODUCTS & MINING COMPANY, a corporation whose name is subscribed to the foregoing instrument and acknowledged to me that said officers executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.



Dawna R. Hamilton
Notary Public for the State of Nevada
Residing at Reno, NV
My commission expires: 7/31/89

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STATE OF IDAHO)
) ss.
County of Kootenai)

On this 21st day of July, 1988, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared W. Glen

Zinn and Michael B. White, known to me and to me known to be the Vice President and Assistant Secretary, respectively, of HECLA MINING COMPANY, a corporation whose name is subscribed to the foregoing instrument and acknowledged to me that said officers executed the same.

IN WITNESS WHEREOF; I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.


Notary Public for the State of Idaho
Residing at Camden, Idaho
My commission expires 10-17-1990

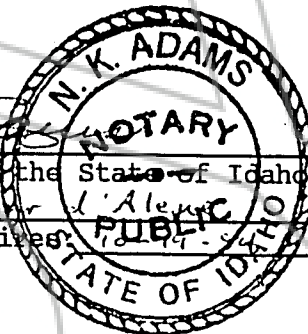


EXHIBIT A

DESCRIPTION OF PROPERTY

THIS EXHIBIT A is attached and made a part of that certain Memorandum of Mining Lease and Agreement with Option to Purchase between BARIUM PRODUCTS & MINING COMPANY, Lessor, and Hecla Mining Company with an Effective Date of June 26, 1989, concerning the following described real property:

All Unpatented

<u>Claim Name</u>	<u>Book</u>	<u>Page</u>	<u>NMC Number</u>
SKY HI			216337
SKI HI #1			216338
SKY HI #2			216339
SKY HI #3-16	282	685 - 688	233671 - 233684
SKY HI #51	282	699	233685
SKY HI #52 - 54	282	700 - 702	233686 - 233688
SKY HI #56	282	703	233689
SKY HI #76	282	704	233690
SKY HI #77	282	705	233691
SKY HI #80 - 82	282	706 - 708	233692 - 233694
PIRI #1			280086
PIRA #4			280087
PIRI #11 - 15			280088 - 280092
BJ	583	2166	275229
BJ #1	583	2168	275230
BJ #2	583	2170	275231

Millsite Claims:

<u>Claim Name</u>	<u>Book</u>	<u>Page</u>	<u>NMC Number</u>
ANGELITA	282	710	233695
ANGELITA #1	282	711	233696
ANGELITA #2	282	712	233697
ANGELITA #3	282	713	233698

TOGETHER WITH all and singular the rights, privileges, hereditaments and appurtenances to the Property belonging or in anywise incident or appertaining.

REQUESTED BY
Paul E. Hyde
 IN OFFICIAL RECORDS OF
 DOUGLAS CO., NEVADA

'89 JUL 24 A11 :02

SUZANNE BEAUDREAU
 RECORDER
 \$8.00 PAID K12 DEPUTY
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