

State of Idaho



Department of State.

CERTIFICATE OF INCORPORATION

GEO. H. CURTIS,

I, [REDACTED] Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

TRIUMPH MINING COMPANY

was filed in the office of the Secretary of State on the **twenty-third** day of **February** A. D. One Thousand Nine Hundred ~~Thirty~~ **forty** and duly recorded in Book A- **35** of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 29-103, Idaho Code, Annotated.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **perpetual** existence from the date hereof, with its registered office in this State located at **Triumph** in the County of **Blaine**.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **13rd** day of **February**, in the year of our Lord one thousand nine hundred **forty**, and of the Independence of the United States of America the One Hundred **sixty-fourth**.

Secretary of State.

ARTICLES OF INCORPORATION

OF

TRIUMPH MINING COMPANY

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, citizens of the United States and at least one of whom is a bona fide resident of the State of Idaho, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of Idaho;

And we hereby certify:

FIRST: That the name of said corporation is:

TRIUMPH MINING COMPANY.

SECOND: That the purposes for which it is formed are:

To possess and exercise all the general powers granted by the laws of the State of Idaho to corporations formed under them, and more particularly:

(a) To conduct the business of mining, milling, concentrating and other methods of treating ores and mine products.

(b) To locate, purchase, acquire and own; and to sell, lease, mortgage and dispose of lands containing minerals and any other lands necessary to carry out the object of the corporation.

(c) To purchase, lease, construct, own, operate or control; and to sell, mortgage, dispose of and encumber mills, smelters, concentrators and other plants for the treatment and reduction of ores; electric light plants, water power plants, tramways and other means of transportation (excepting the business of railroading), water ways, mercantile establishments and boarding houses deemed necessary to the conduct of the business.

(d) To purchase or otherwise acquire, own and hold and to sell, assign, transfer, mortgage, pledge or otherwise dispose of the capital stock, bonds, debentures and other evidences of indebtedness created by this or other corporations, and while the owner thereof to exercise all rights and privileges of ownership, including the right to vote thereon.

(e) To issue, sell and otherwise dispose of bonds, debentures, promissory notes, and other securities to raise money for the purpose of conducting the business of the corporation; and to secure payment thereof by mortgages, deeds of trust, pledges, or other encumbrances upon any or all of the property of the corporation.

(f) To enter into and perform contracts with any person, firm, association, corporation, county, state, territory or government.

(g) To purchase or otherwise acquire and own its own stock and other securities, including the right to receive same at their cash value as determined by the board of directors for property or in payment of obligations to the corporation.

(h) Generally, and in furtherance, not in limitation of any of the foregoing powers, do all things herein set forth to the same extent as a natural person might do as principal, agent, contractor or otherwise, with all the powers conferred by but not in conflict with the laws of the State of Idaho, or the laws of any state in which the corporation may do business.

THIRD: The term for which the corporation is to exist is without limitation.

FOURTH: The registered office of the corporation in the State of Idaho shall be at the property generally known as the Triumph Mine in Blaine County, and the post office address, Triumph, Idaho.

FIFTH: The authorized number of shares of stock to be issued by the corporation is FOUR HUNDRED THOUSAND (400,000), having a par

value of ONE DOLLAR (\$1.00) each, and an aggregate par value of FOUR HUNDRED THOUSAND DOLLARS (\$400,000.00).

SIXTH: The shares of stock of the corporation shall be divided into three classes, consisting of 200,000 shares of common stock, and 200,000 shares of preferred stock, composed of 76,000 shares of preferred stock to be designated as Class A shares, and 124,000 shares of preferred stock to be designated as Class B shares. Upon conditions hereinafter specified, both classes of preferred stock may be converted into common stock, which is authorized and shall be issued only for the purpose of converting and retiring the preferred shares.

The preferences attaching to the Class A stock shall be that during the first ten years of the company's operations there shall be declared semi-annually, or oftener, out of the corporation's earned surplus determined as of a date not more than sixty days previously, dividends on the Class A stock of not less than two-thirds of thirty-eight per cent (38%) of such earned surplus. If at the end of the said ten year period the total dividends paid per share on the Class B stock do not equal the amount of the total dividends per share theretofore paid on the Class A stock, dividends on the latter shall be discontinued until such time as total dividends per share on the Class B stock shall have been paid in an amount equal to the total per share previously paid on the Class A stock. With the consent of a majority of the holders of Class A stock the directors may declare dividends on said stock at a rate less than two-thirds of the thirty-eight per cent (38%) of the earned surplus for any period of time agreed upon, provided always that if in any calendar year operations should result in a loss whereby the corporate reserves are depleted, the board of directors shall have the right to replace such deficiency out of the next earnings before resuming the payment of dividends on the Class A stock. At any time prior

to expiration of the first ten year period, with the consent of the holders of all the issued and outstanding Class A shares, the same may be converted into common stock and the entire Class A stock retired.

With respect to the Class B stock the board of directors shall have the right, in their discretion, to withhold and postpone dividends thereon for the purpose of creating a fund to be known as the Reserve for Mill Construction and Expansion and to apply the said Reserve, or any part thereof, to the building of a mill or to use the same for other corporate purposes for the improvement, benefit or expansion of any mine, reduction plant or accessory owned or operated by the corporation. In the event of any such outlay or outlays the board of directors shall provide for full reimbursement thereof to the said Reserve within three years from the date of such expenditure or as soon thereafter as profitable operations permit, on a basis which shall restore and maintain in said Reserve a fund sufficient to make up any deficiency of dividends on a per share basis on the Class B stock to the extent that these have been exceeded by those on the Class A stock. For this purpose the directors shall have the right to impose a reasonable charge for severance of ores from the company's mines or for the treatment of ores in any mill or reduction plant which the company may construct and to pay the same into the said Reserve. The whole or any part of said Reserve may at any time be declared by the directors as dividends payable solely upon issued and outstanding Class B stock until such time as the total dividends per share paid on said Class B stock shall equal those paid on the Class A stock, provided that after such equality of dividends has been attained any balance remaining in said Reserve shall have the status of general corporate funds and be applied by the directors for any proper corporate purpose. A further preference attaching to the Class B shares shall be that in the event of a sale or other liquidation of the corporation's properties at a time when the holders of

Class B shares shall have received dividends totaling less per share than those on the Class A shares and there being insufficient cash in the said Reserve to make up such deficiency, a sufficient amount of the proceeds of such sale or liquidation shall be first paid into the said Reserve or otherwise applied to making up any such deficiency before any part of such proceeds be distributed among the Class A stockholders.

At any time after and at a time when the total dividends per share paid on the Class B stock equals the total amount of dividends per share on the Class A stock, the board of directors shall have the right to call in both the Class A and the Class B shares and to issue to the holders in exchange therefor common stock share for share.

SEVENTH: It shall be the business policy of the corporation and the duty of its board of directors, except as provided in Article Sixth and in this Article, to distribute as they accrue in suitable amounts, but not less often than semi-annually, earnings and surplus by way of dividend, subject to the accumulation of a reasonable fund to enable the building of a mill and to provide reserves for working capital and against catastrophes, shutdowns and depressions, the requirements of which reserve are estimated to be \$400,000.00 (in which total shall be included the reserve provided for in the above Article Sixth), until such time as a reduction plant or mill shall have been built, after which time such reserve shall be accumulated and maintained at \$250,000.00. There is reserved to the stockholders by the vote or written consent of the holders of nine-tenths of the outstanding stock the right to increase or decrease the amount of such reserve.

EIGHTH: The number of the corporation's directors shall be seven. At all elections of directors, each stockholder shall be entitled to as many votes as shall equal the number of his shares multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for or any two or more of them, as he may see fit.

The stockholders, in their discretion, may at any regular or special meeting elect alternate directors, one to be specifically assigned as substitute for each regular member of the board, and to act in his place at any meeting of the board when he is unable to be present, vacancies among the elected alternates to be filled in the same manner as in the case of regular directors.

To qualify as a director or alternate, it shall not be necessary that a member of the board be a stockholder in the corporation. The board of directors shall have the power to adopt by-laws not inconsistent with these articles and to amend or repeal the same by a two-thirds vote of the board.

The by-laws of the corporation may provide for an executive committee, for the delegation of corporate powers to it and for the manner of their exercise.

The first meeting of the board of directors may be held at any place within or without the State of Idaho upon which they may agree.

The names and post office addresses of the persons appointed to act as the first directors, and until their successors are elected and qualified, are:

<u>NAME</u>	<u>ADDRESS</u>
E. H. Snyder	Salt Lake City, Utah
George W. Snyder	Salt Lake City, Utah
J. W. Swent	San Francisco, California
William Letson	San Francisco, California
R. A. Clark	San Francisco, California
William W. Murray	San Francisco, California
William L. Boos	San Francisco, California

NINTH: Shareholders of the corporation shall have preemptive rights to subscribe to any and all of the corporation's shares or securities sold or disposed of after the original issue of stock, and the same must be first offered to the then shareholders of record, in the first instance in proportion to their respective holdings, and if any shareholder waives or fails to exercise the right to purchase, the remaining shareholders desiring to purchase shall have similar preemptive rights in the ratio of their respective holdings as between such purchasers.

TENTH: To provide working capital and pay obligations, assessments on outstanding capital stock may be levied and collected by the board of directors in accordance with the laws of the State of Idaho, and in the absence of statute, in accordance with the by-laws of the corporation; but no assessment shall be levied for the purpose of paying a dividend or to restore the reserve for mill construction and expansion, nor in any event during a period of profitable operations, except by vote or consent in writing of two-thirds of the outstanding stock.

ELEVENTH: Unless first authorized by the vote or written consent of holders of two-thirds of the outstanding stock, the real property of the corporation shall not be sold, disposed of or encumbered, nor shall mining ventures be entered upon, or properties acquired, other than those situate in the Warm Springs Mining District, Blaine County, Idaho, generally known as the Triumph Group, the North Star Group, the Independence Group and the Snyder Group, together with any additional claims, by purchase or lease, which are deemed to participate in the same ore bodies as the above including appurtenances and mining facilities pertaining thereto.

TWELFTH: These articles, except ARTICLE SEVENTH, may be amended at any annual meeting, or special meeting called for such purpose, by a vote representing two-thirds of all the outstanding

stock, or by the consent in writing of the holders of two-thirds of such stock, and ARTICLE SEVENTH may be amended in like manner except that the vote or written consent necessary shall be by representation of nine-tenths of the outstanding capital stock.

THIRTEENTH: The private property of the stockholders shall not be liable for the debts of the corporation.

FOURTEENTH: The names and post office addresses of the incorporators are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>STOCK SUBSCRIBED</u>
M. W. BURT,	Idaho Building, Boise, Idaho,	One share Class A
M. B. EDWARDS,	Idaho Building, Boise, Idaho,	One share Class B
J. M. DUNN,	Idaho Building, Boise, Idaho,	One share Class B

Each of said incorporators, by virtue of his signature hereto, subscribes and applies for allotment of one (1) share of stock of the class set opposite his name respectively.

IN WITNESS WHEREOF, we have hereunto set our hands this 23rd day of February, 1940.

M. W. Burt.
M. B. Edwards.
J. M. Dunn

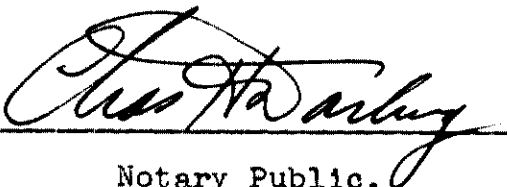
STATE OF IDAHO,

SS.

COUNTY OF ADA,

On this 23rd day of February, A. D. 1940,
before me, a Notary Public, personally appeared M. W. BURT,
M. B. EDWARDS and J. M. DUNN, known to me to be the persons
whose names are subscribed to the within instrument and
acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand
and affixed my official seal the day and year in this certi-
ficate first above written.


Notary Public.

(Seal)