

MERGER AGREEMENT

THIS AGREEMENT dated this 29th day of June, 1970,
between Golden Eagle Mining Company, Inc., an Idaho corporation,
hereinafter referred to as Golden Eagle and Hi-Tariff Silver,
Inc., a Montana corporation, hereinafter referred to as Hi-
Tariff,

W I T N E S S E T H:

WHEREAS, Golden Eagle is a corporation duly organized
and existing under the laws of the State of Idaho and

WHEREAS, Hi-Tariff is a corporation duly organized and
existing under the laws of the State of Montana, and

WHEREAS, the Boards of Directors of the two corporations
deem it advisable for the general welfare and advantage of
both corporation that Hi-Tariff merge into Golden Eagle to
become a single corporation with Golden Eagle the surviving
corporation and pursuant to the applicable provisions of
the laws of the States of Idaho and Montana,

NOW, THEREFORE,

The parties hereby agree, subject to the ratification
of the stockholders of the respective corporations at a
meeting duly held for such purpose, that Hi-Tariff shall be
and become merged into Golden Eagle and be and become a
single corporation with Golden Eagle to be the surviving
corporation and Hi-Tariff to be the extinguished corporation
and that Golden Eagle continue its corporate existence and
shall survive the merger and the terms and conditions of
the merger hereby agreed upon (hereinafter called the
merger) which the parties covenant to preserve, keep and

perform and the mode of carrying the same into effect are and shall be as hereinafter set forth:

I.

At the effective time of the merger, the separate existence of Hi-Tariff shall cease and Hi-Tariff shall be merged into Golden Eagle. Consummation of this agreement shall be effected on the date on which this agreement or a certificate of merger or articles of merger are filed with the appropriate State offices of the States of Idaho and Montana, all in accordance and in satisfaction of the respective requirements of the applicable laws of said States prerequisite to such filings.

II.

The laws which are to govern Golden Eagle are the laws of the State of Idaho.

III.

The By-Laws of Golden Eagle, at the effective time of the merger, shall be the By-Laws of Golden Eagle following the effective time of the merger.

IV.

The Directors of Golden Eagle at the effective time of the merger shall be the Directors following the merger until their successors are duly elected and qualified. Subject to the authority of the Board of Directors as provided by law and By-Laws of Golden Eagle the officers of Golden Eagle at the effective time of the merger shall continue as officers thereof.

V.

The mode of carrying into effect the merger provided in this agreement and the manner and basis of converting the shares of Hi-Tariff into shares of Golden Eagle are as follows:

1. At the effective time of the merger each share of common stock of Hi-Tariff, the only authorized stock of Hi-Tariff, issued and outstanding shall be converted into and become one share of the ten cent (\$0.10) par value common stock of Golden Eagle, the only authorized stock, and each holder of outstanding common stock of Hi-Tariff upon surrender to Walter Bolkovatz, attorney at law, Park Edwards Building, Helena, Montana, counsel for Hi-Tariff, of one or more stock certificates for the common stock of Hi-Tariff or cancellation shall be entitled to one or more stock certificates for the full number of shares of common stock of Golden Eagle in which the common stock of Hi-Tariff so surrendered shall have been converted as aforesaid. Each issued share, if any, of Hi-Tariff common stock held in its treasury at the effective time of the merger shall be cancelled and shall not be converted.

VI.

As soon as practicable after the merger becomes effective the stock certificates representing common stock of Hi-Tariff issued and outstanding at the time of merger shall be surrendered for exchange and conversion to Golden Eagle as

above provided until so surrendered for exchange, each such stock certificate nominally representing common stock of Hi-Tariff shall be deemed for corporate purposes to be ownership of the number of shares of Golden Eagle for which the holder thereof shall be entitled to receive upon their surrender and conversion.

VII.

At the effective time of the merger, Golden Eagle shall succeed to without other transfer and shall possess and enjoy all the rights, privileges, immunities, powers and franchises both of a public and a private nature, and be subject to all restrictions, disabilities and duties of Hi-Tariff, and all the rights, privileges, immunities, powers and franchises of each corporation and all property, real, personal and mixed and all debts due to each of said corporations on whatever account shall be vested in Golden Eagle and the title to any real estate mining claim patented or unpatented by deed or otherwise shall not be impaired by reason of the merger and shall be the property of Golden Eagle; provided, however, all rights of creditors and liens upon property of either of said corporations shall be preserved unimpaired and all debts, liabilities and duties of said corporations shall thenceforth attach to Golden Eagle and may be enforced against it to the same extent as if said debts and liabilities had been incurred or contracted by Golden Eagle.

VIII.

The assets and liabilities of the corporations at the effective time of the merger shall be shown upon the books of Golden Eagle at the amounts at which they shall be carried at that time on the books of Hi-Tariff and Golden Eagle.

IX.

This agreement shall be submitted to the shareholders of Hi-Tariff and Golden Eagle as provided by law and their respective certificates of incorporation and By-Laws at meetings which shall be held at such date as the Board of Directors of the respective corporations shall mutually approve. The respective designations and shares of each class of capital stock of the two corporations on the date hereof entitled to vote upon the adoption and approval of a merger are as follows:

NAME	DESIGNATION	NO. OF SHARES OUTSTANDING	NO. OF SHARES ENTITLED TO VOTE
Golden Eagle,	Common Stock,	2,700,000 shares,	2,700,000 shares
Hi-Tariff,	Common Stock,	2,316,000 shares,	2,316,000 shares

After adoption and approval by the shareholders of the respective corporations and subject to the conditions in this agreement a certificate of merger, articles of merger or this agreement as may be required by the laws of the respective States shall be filed, verified, and delivered to the appropriate State offices of the States of Idaho and Montana and all other steps necessary to be taken to comply with the laws of said States to give effect to the merger.

X.

1. Golden Eagle warrants that it is a corporation duly organized and validly existing and in good standing under the laws of the State of Idaho and shall qualify to do business as a foreign corporation of the laws of the State of Montana immediately upon the date of the merger. Hi-Tariff warrants it is a corporation duly organized and validly existing and in good standing under the laws of the State of Montana and shall qualify to do business as a foreign corporation of the laws of the State of Idaho immediately upon the date of the merger.

2. Golden Eagle capitalization consists of the following:

Authorized capital 9,000,000 shares ten cents (\$0.10) par value, common stock as of the date hereof.

As of the date hereof 2,700,000 shares are issued and outstanding. Each issued share is validly issued non-assessable and each outstanding share is entitled to voting rights.

3. Hi-Tariff capitalization consists of the following:

Authorized capital stock 5,000,000 shares ten cents (\$0.10) par value, common stock as of the date hereof.

As of the date hereof 2,316,000 shares are issued and outstanding and each share is validly issued and non-assessable and entitled to voting rights.

XI.

Each corporation has delivered to the other a copy of its balance sheet and operating statement as of May 31, 1970, which said statements are attached hereto and made a part

hereof and referred to as Exhibits "A" and "B". Each corporation warrants and represents to the other that said statements are true and complete and have been prepared in accordance with generally accepted accounting principles except as otherwise indicated in the notes, if any.

XII.

Each corporation represents to the other there is no suit, legal action or proceeding against it and neither has contingent liabilities not shown by its statements, Exhibits "A" and "B" attached hereto.

XIII.

From and after the date of this agreement and prior to the effective time of the merger, neither corporation shall without the written consent of the other:

1. Amend its Certificate of Incorporation or By-Laws.
2. Engage in any material transaction or material obligation except in the ordinary course of business.
3. Issue rights or options to purchase or subscribe to any shares of its capital stock or subdivide or otherwise change any such shares.
4. Issue or sell any of its capital stock or securities convertible into shares of its capital stock.
5. Declare or make any dividend or distribution in respect of any of its shares of capital stock.
6. During such period neither corporation shall effect any material increase in compensation of its employees.
7. Each corporation agrees that pending the merger each will accord to the other full access to its books and records

through appropriate designated representatives, the respective counsel and accountants.

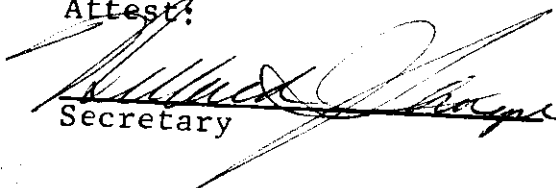
XIV.

Anything herein or elsewhere to the contrary notwithstanding, this agreement may be terminated and abandoned at any time before the effective time of the merger, whether before or after the meeting of the shareholders of the respective corporations by the joint consent of the Boards of Directors of the two corporations.

In the event the required approval of the shareholders of both corporations shall not have been obtained on or before September 1, 1970, this agreement and all rights and obligations arising hereunder shall terminate and end and neither corporation shall have any liability or obligation to the other.


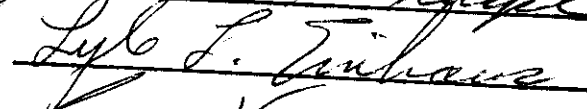

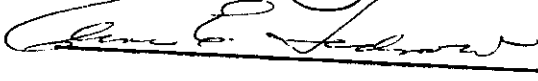
IN WITNESS WHEREOF, this agreement has been signed by a majority of the Directors of each of the corporations and each of the corporations has caused its corporate seal to be affixed and the signature of the corporate secretary, all as of the day and year first above written.

Attest:

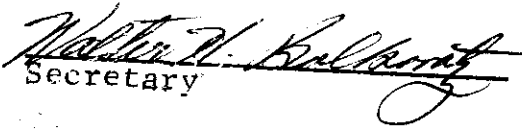

Secretary

(Corporate Seal)

Directors of Golden Eagle

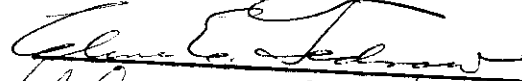
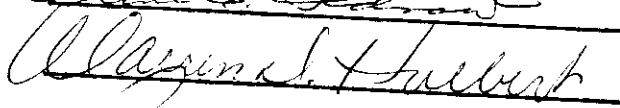
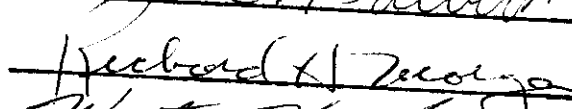
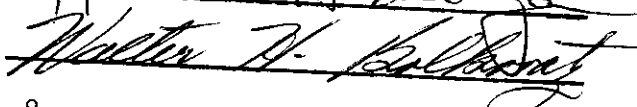





Attest:


Secretary

(Corporate Seal)

Directors of Hi-Tariff

GOLDEN EAGLE MINING CO., INC.
(An Idaho Corporation)
Spokane, Washington

BALANCE SHEET
MAY 31, 1970

A S S E T S

CURRENT ASSETS

Demand deposit, Security Branch, Seattle-First	\$ 1,395.13	
Prepaid insurance premiums	535.06	
Total current assets		\$ 1,930.19

DEFERRED CHARGES

Net exploration costs	46,461.76	
Commissions on sale of capital stock	20,500.00	
Capital stock issued for promotion	30,000.00	
Legal expenses in organization	15,608.97	112,570.73

INVESTMENT

2,700 shares in Gold Placers Mining - cost \$1.25 Market \$1.00 (\$2,700)		3,375.00
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PROPERTY, PLANT, EQUIPMENT AT COST

14 unpatented claims purchased by the company:		
900,000 shares of stock issued @ 10¢	90,000.00	
Liabilities on claims paid by cash	27,020.00	117,020.00
Depreciable equipment:		
International TD 30 crawler tractor - 1962 model	25,000.00	
New Moon house trailer 60'x10' - 1963	4,200.00	
International tractor model 1340 with front end loader and backhoe	4,200.00	
1969 Ford Bronco with winch	3,547.97	
1969 Ford 4x4 pickup with winch	3,830.84	
2 generators	769.26	
Used Norge freezer	339.63	
Total	41,887.70	
Less accumulated depreciation	6,956.62	34,931.08

OTHER ASSETS

Deposit - State of Idaho - workmen's compensation	500.00	
1 year option on Rice property	200.00	700.00

TOTAL

\$270,527.00

L I A B I L I T I E S

CURRENT LIABILITY

Account payable, J. Dan King	\$ 527.00
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CAPITAL STOCK

Authorized 9,000,000 shares @ 10¢ par	
Issued and outstanding, 2,700,000 shares	270,000.00

TOTAL

\$270,527.00

Prepared from books without audit or verification.

RICHARD M. IRELAND - CERTIFIED PUBLIC ACCOUNTANT

EXHIBIT "A"

Page One

GOLDEN EAGLE MINING CO., INC.

STATEMENT OF EXPLORATION COSTS
FROM THE DATE OF INCEPTION, NOVEMBER 4, 1968 THROUGH MAY 31, 1970

COSTS	
Wages	\$15,281.55
Payroll taxes	2,051.54
Geological services	3,747.38
Equipment maintenance	3,910.88
Assays	2,711.50
Travel and entertainment	3,579.38
Tools and supplies	3,572.33
Gas and oil for equipment	1,722.74
Office supplies	2,018.75
Bookkeeping services	1,992.50
Rent	845.75
Miscellaneous	565.17
Miscellaneous taxes	609.55
Equipment rental	179.60
Insurance expense	831.94
Depreciation on equipment	6,956.62
Interest	87.58
Loss on the sale of Gold Placer stock	750.00
Total	<u>750.00</u>
	\$51,414.76
INCOME CREDITS	
Equipment rental	4,160.00
Interest income	750.00
Transfer fees	43.00
Total	<u>43.00</u>
	<u>4,953.00</u>
NET EXPLORATION COSTS	<u>\$46,461.76</u>

Prepared from books without audit or verification.

RICHARD M. IRELAND - CERTIFIED PUBLIC ACCOUNTANT

EXHIBIT "A"

Page Two

HI-TARIFF SILVER, INC.
HELENA, MONTANA
BALANCE SHEET
AS OF MAY 31, 1970

Assets

Current Assets

Cash in Bank

17084.73

Accounts Receivable

4156.25

Current Assets

21240.98

Fixed Assets

Mine and Mine Buildings

79000.00

Exploration and development expenses

4565.00

Fixed Assets

83565.00

Prepaid Expenses

Organizational costs

1257.00

Prepaid underwriting expenses

5385.00

Prepaid Expenses

6642.00

Total Assets

111447.98

Liabilities and Net Worth

Current Liabilities

Accounts payable

1600.00

Current Liabilities

1600.00

Net Worth

Capital Stock; Issued (2,086,000 shares
10¢ par)

208600.00

Capital Surplus

(78500.00)

Earned Surplus

(20252.02)

Net Worth

109847.98

Liabilities and Net Worth

111447.98

HI-TARIFF SILVER, INC.
HELENA, MONTANA
PROFIT AND LOSS STATEMENT
FOR THE PERIOD
10-22-69 thru 5-31-70

Income

Operating Expenses

Travel expenses - stock sales	1560.10
Travel expenses - mining conventions	150.00
Financing costs	3000.00
Travel expense - geologist	475.00
Commissions	11490.00
Legal expense	500.00
Telephone	300.00
Repairs	25.80
Misc.	33.12
Sundry costs	1118.00
Administrative expenses	1600.00

Operating Loss

20252.02

20252.02

C E R T I F I C A T E

STATE OF WASHINGTON)
COUNTY OF SPOKANE) SS

I, WILLARD J. SHARPE, the duly elected, qualified and acting Secretary of Golden Eagle Mining Company, Inc., an Idaho corporation hereby certify that the attached and foregoing Merger Agreement was submitted to the shareholders of Golden Eagle Mining Company, Inc., an Idaho corporation, at a meeting thereof, duly called separately in the manner provided in Section 30-133, of the Laws of the State of Idaho, for calling shareholders meetings and at such meeting the holders of two-thirds (2/3) of the voting power of all shareholders of Golden Eagle Mining Company, Inc. voted for the adoption of said Agreement.

Willard J. Sharpe, Secretary of
Golden Eagle Mining Company, Inc.

SUBSCRIBED AND SWORN to before me this 10th day of
October, 1970.

~~James E. Wall~~
Notary Public in and for the
State of Washington, residing
at Spokane.

Attest:

~~SECRET~~
Secretary

STATE OF WASHINGTON)
COUNTY OF SPOKANE) SS

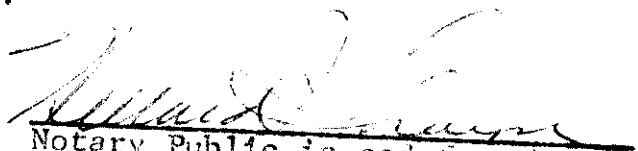
GOLDEN EAGLE MINING COMPANY, INC.
an Idaho corporation

By X
President

On this 17th day of October, 1970, before me, the under-

signed, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared CLINE E. TEDROW, to me known to be the President of Golden Eagle Mining Company, Inc., an Idaho corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.


Notary Public in and for the
State of Washington, residing
at Spokane.

C E R T I F I C A T E

STATE OF MONTANA)
COUNTY OF LEWIS AND CLARK) SS

I, WALTER H. BOLKOVATZ, the duly elected, qualified and acting Secretary of Hi-Tariff Silver, Inc., a Montana corporation, hereby certify that the above and foregoing Merger Agreement was submitted to the shareholders of Hi-Tariff Silver, Inc., a Montana corporation, at a meeting thereof, duly called separately in the manner provided in Section 20-133 of the Laws of the State of Idaho and as provided by the provisions of Section 15-22-134 of the Laws of the State of Montana for calling shareholders meetings and at such meeting the holders of two-thirds (2/3) of the voting power of all shareholders of the corporation voted for the adoption of said agreement.

~~Walter H. Bolkovatz, Secretary of~~
~~Hi-Tariff Silver, Inc.~~

SUBSCRIBED AND SWORN to before me this 9th day of
October, 1970.

Notary Public in and for the
State of Montana, residing at
Helena.

Attest:

HI-TARIFF SILVER, INC., a
Montana corporation

Secretary

By J. H. [Signature]
President


STATE OF MONTANA)
COUNTY OF LEWIS AND CLARK) SS

(Corporate Seal)

On this 9th day of October, 1970, before me, the under-

signed, a Notary Public in and for the State of Montana, duly commissioned and sworn, personally appeared RICHARD H. MORGAN, to me known to be the President of Hi-Tariff Silver, Inc., a Montana corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year last above written.



Notary Public in and for the
State of Montana, residing at
Helena