

ROYALTY DEED

THIS ROYALTY DEED is made as of the 15th day of September, 1979 from IDAHO MINING CORPORATION, a Nevada corporation with principal offices in Grand Junction, Colorado, (the "Grantor") to A.K. WILSON, JR. residing in Reno, Nevada, JOAN WILSON, W.L. WILSON and WILLIAM G. WALDECK, each residing in Grand Junction, Colorado (the "Grantees").

The Grantor, for and in consideration of Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby bargains, sells and conveys to the Grantees, their legal representatives, heirs and assigns, a perpetual overriding royalty interest, as specified below, in and to the following described patented and unpatented lode mining claims situated in the Eureka Mining District in Eureka County, Nevada:

1. Patented Lode Mining Claims: Those certain patented lode mining claims the names of which together with the U.S. Mineral Survey Number of each are, respectively, as follows:

| <u>Claim Name</u>           | <u>U.S. Mineral Survey No.</u> |
|-----------------------------|--------------------------------|
| Jim Crow                    | 3705                           |
| Jim Crow Fraction           | 3705                           |
| Southern Cross              | 3705                           |
| Elmer                       | 3705                           |
| Elmer Fraction              | 3705                           |
| Windfall                    | 3705                           |
| Windfall Fraction           | 3705                           |
| "2G"                        | 3705                           |
| May                         | 3705                           |
| May Fraction                | 3705                           |
| Windfall Extension Fraction | 4537                           |
| Rustler No. 1               | 4537                           |
| Rustler No. 2               | 4537                           |
| Rambler                     | 239                            |
| Little Rosa                 | 301                            |

2. Unpatented Lode Mining Claims: Those certain unpatented lode mining claims, the names of which, together with the book and page of the location certificates thereof are, respectively, as follows: (The abbreviation "O.R." used below means "Official

Records"; the abbreviation "O.D.M.L." used below mean  
 "Outside District Mining Locations" and the abbrevi-  
 ation "M.L." used below means "Mining Locations".)

| <u>Claim Name</u> | <u>Book</u> | <u>Page</u> |
|-------------------|-------------|-------------|
| F-1               | 34 O.R.     | 528         |
| F-2               | 34 O.R.     | 508-509     |
| F-3               | 34 O.R.     | 529         |
| F-4               | 34 O.R.     | 510-511     |
| F-5               | 34 O.R.     | 530         |
| F-6               | 34 O.R.     | 512-513     |
| F-7               | 34 O.R.     | 531         |
| F-8               | 34 O.R.     | 514-515     |
| F-9               | 34 O.R.     | 532         |
| F-10              | 34 O.R.     | 516-517     |
| F-11              | 34 O.R.     | 533         |
| F-12              | 34 O.R.     | 518-519     |
| F-13              | 34 O.R.     | 534         |
| F-14              | 34 O.R.     | 520-521     |
| F-15              | 34 O.R.     | 535         |
| F-16              | 34 O.R.     | 522-523     |
| F-17              | 34 O.R.     | 536         |
| F-18              | 34 O.R.     | 524-525     |
| F-19              | 34 O.R.     | 537         |
| F-20              | 34 O.R.     | 526-527     |
| F-21              | 34 O.R.     | 491         |
| F-22              | 34 O.R.     | 501         |
| F-23              | 34 O.R.     | 492         |
| F-24              | 34 O.R.     | 502         |
| F-25              | 34 O.R.     | 493         |
| F-26              | 34 O.R.     | 503         |
| F-27              | 34 O.R.     | 494         |
| F-28              | 34 O.R.     | 504         |
| F-29              | 34 O.R.     | 495         |
| F-30              | 34 O.R.     | 496         |
| F-31              | 34 O.R.     | 497         |
| F-32              | 34 O.R.     | 498         |
| F-33              | 34 O.R.     | 499         |
| F-34              | 34 O.R.     | 500         |
| F-91              | 71 O.R.     | 405         |
| F-92              | 71 O.R.     | 406         |
| F-93              | 71 O.R.     | 407         |
| F-94              | 71 O.R.     | 408         |
| F-95              | 71 O.R.     | 409         |
| F-96              | 71 O.R.     | 410         |
| F-97              | 35 O.R.     | 306         |
| F-98              | 35 O.R.     | 307         |
| F-102             | 35 O.R.     | 308         |
| F-104             | 35 O.R.     | 309         |
| F-106             | 35 O.R.     | 310         |
| F-108             | 35 O.R.     | 311         |
| F-110             | 35 O.R.     | 312         |
| F-112             | 35 O.R.     | 313         |
| F-118             | 35 O.R.     | 315         |
| F-120             | 35 O.R.     | 316         |
| F-122             | 35 O.R.     | 317         |
| F-124             | 35 O.R.     | 318         |
| F-126             | 35 O.R.     | 319         |
| F-128             | 35 O.R.     | 320         |
| F-130             | 34 O.R.     | 507         |
| F-198             | 35 O.R.     | 314         |

|                   |            |         |
|-------------------|------------|---------|
| W-3               | 26 O.R.    | 105-106 |
| W-1               | 26 O.R.    | 101-102 |
| W-2               | 26 O.R.    | 103-104 |
| W-4               | 26 O.R.    | 107-108 |
| W-5               | 26 O.R.    | 109-110 |
| W-7               | 26 O.R.    | 111-112 |
| W-8               | 26 O.R.    | 113-114 |
| W-11              | 43 O.R.    | 077     |
| W-12              | 26 O.R.    | 115-116 |
| W-13              | 26 O.R.    | 117-118 |
| W-17              | 26 O.R.    | 119-120 |
| W-19              | 43 O.R.    | 078     |
| W-20              | 33 O.R.    | 105     |
| W-21              | 33 O.R.    | 106     |
| W-22              | 33 O.R.    | 107     |
| W-23              | 33 O.R.    | 108     |
| W-24              | 33 O.R.    | 109     |
| W-25              | 33 O.R.    | 110     |
| W-26              | 33 O.R.    | 111     |
| W-27              | 33 O.R.    | 112     |
| W-30              | 43 O.R.    | 079     |
| W-31              | 43 O.R.    | 080     |
| W-32              | 43 O.R.    | 081     |
| W-33              | 43 O.R.    | 082     |
| W-34              | 43 O.R.    | 083     |
| Gold              | K-O.D.M.L. | 100     |
| Gold No. 1        | K-O.D.M.L. | 101     |
| Summit            | 25 O.R.    | 300     |
| Red Iron          | 25 O.R.    | 302     |
| Johnnie           | 25 O.R.    | 301     |
| Sadie Nos. 1 to 8 | 47 O.R.    | 78-85   |
| H 1 to 7          | 71 O.R.    | 398-404 |
| Rambler No. 1     | H-O.D.M.L. | 328     |
| Rambler No. 2     | H-O.D.M.L. | 329     |
| Gossan            | J-O.D.M.L. | 268     |
| Doe Run No. 1     | 35 O.R.    | 322     |
| Doe Run No. 2     | 35 O.R.    | 323     |
| Pearl             | H-M.L.     | 261     |
| Nellie            | H-M.L.     | 262     |

(The above described patented claims are hereinafter referred to as the "Patented Claims", the above described unpatented claims as the "Unpatented Claims" and the Patented Claims and Unpatented Claims are referred to together as the "Mining Claims")

The overriding royalty interest hereby conveyed to Grantees is as follows:

(a) Gold and/or Silver. Five percent (5%) of any gold or silver derived from the Mining Claims whether produced by in situ or solution mining or by mining of ores and the extraction of gold or silver by means of heap or vat leaching or by milling or other extraction methods. Grantees shall be entitled to receive five percent (5%) of the gold or silver produced from the Mining Claims and to receive such overriding royalty in kind. By "in kind" is meant the dore bullion containing gold and silver extracted from

the Mining Claims or ores mined therefrom. Each of the individual Grantees shall have the election to receive his or her share of the gold and silver overriding royalty herein granted and conveyed either "in kind", as above defined, or to receive his or her share of the proceeds received from the sale of gold or silver by the purchaser. If the purchaser makes a charge or deduction for refining or for penalties, then Grantor may deduct five percent (5%) of such charges or deductions from the amounts to be paid Grantees hereunder.

(b) Ores or Concentrates Sold to Smelter. In respect to ores produced from the Mining Claims sold to a smelter and/or concentrate derived from ores produced from the Mining Claims (other than ores principally valuable for the uranium and/or vanadium content thereof) Grantees shall receive five percent (5%) of the Net Smelter Returns received from ores or concentrate derived therefrom. By the term "Net Smelter Returns" is meant the amount received from a Smelter for ores (or concentrates derived therefrom) mined and sold from the Mining Claims less (i) the costs of surface transportation of the ores from the Mining Claims (in the case of ores sold in the crude state) or of the concentrates from the mill (in the case of the sale of concentrate derived from such ores) to the smelter, to the extent that such costs are paid by Grantor, (ii) the costs of smelting such ores or concentrates if paid by Grantor and (iii) any metallurgical penalties, surcharges or other charges made or imposed by the smelter to the extent the same are paid by Grantor.

(c) Uranium and/or Vanadium Ores. Five percent (5%) of the "Net Sales Price" received by Grantor from the sale of all ores principally valuable for uranium



and/or vanadium which are mined and sold from the Mining Claims, if ores are sold in the crude state in an arms-length sale. "Net Sales Price" shall mean the full amounts received from the sale of such ores less the costs of surface transportation of such ores from the Mining Claims to the point of sale. If such ores are concentrated by Grantor, either in its own facilities or by means of tolling arrangements, or if such ores are sold other than as a result of an arms-length transaction, then the term "Net Sales Price" shall mean the prevailing price paid at the time such ore is mined for ores of like grade and metallurgical characteristics f.o.b. the Mining Claims by other purchasers of uranium and/or vanadium ores.

(d) Other Mineral Substances and Ores. If Grantor should produce and sell any minerals, substances or ores from the Mining Claims, other than those encompassed within the provisions of subparagraphs (a) through (c) above, Grantees shall receive five percent (5%) of the proceeds received for such substances after deducting the costs of the transportation thereof from the Mining Claims to the point of sale.

Grantees shall have the right to be supplied with duplicate settlement sheets from any refinery, mill, smelter or other purchaser of ores, minerals or other substances produced or derived from the Mining Claims and sold. In addition, Grantees shall have the right to have the refiner or other buyer to which gold or silver produced from the Mining Claims is shipped divide the overriding royalty shares of the Grantees in kind and supply Grantees' shares thereof directly to the Grantees, or, at Grantees' election, to sell Grantees' shares for the account of the Grantees and to settle directly with Grantees for such sales. Grantors shall have the right at any time or from time to time to have their share of overriding royalty,

herein granted and conveyed, paid directly to them by any mill, smelter or other purchaser of ores, minerals or other substances produced and sold from the Mining Claims.

Nothing herein contained shall create any implied covenant on the part of Grantor to explore, develop or mine the Mining Claims. If Grantor should elect to cease the performance of annual assessment work with respect to any of the Unpatented Claims, it shall quit claim its title and interest in the Unpatented Claims with respect to which Grantor does not intend to perform assessment work to Grantees at least sixty (60) days prior to the date that such assessment work is due. If Grantor should elect not to pay taxes assessed against any of the Patented Claims, it shall quit claim its right and title in such claims with respect to which Grantor has elected not to pay such taxes to Grantees at least thirty (30) days before such taxes become due and payable.

The Deed for the overriding royalty hereby granted shall attach to any right and title in the Mining Claims which Grantor may presently possess and which Grantor may hereafter acquire. The said overriding royalty herein conveyed shall attach and pertain to the Mining Claims above described and/or any amended locations or relocations thereof. In addition the said overriding royalty herein conveyed shall attach to any other mining claims or other properties acquired by Grantor within an area defined as being within two miles of the exterior boundaries of the Mining Claims. Grantor warrants its title to the Mining Claims as against, but only as against, any persons lawfully claiming any of said Mining Claims or any interests therein by, through or under Grantor.

The respective percentage interests of the individuals forming the Grantees in and to the overriding royalty herein conveyed are as follows:

| <u>Name of Grantee</u> | <u>Share of<br/>Total Royalty<br/>Granted</u> | <u>Net Amount<br/>of Royalty<br/>Granted</u> |
|------------------------|---|--|
| A.K. WILSON, JR.       | 45%   | 2.25%  |
| W.L. WILSON            | 22.5%   | 1.125%                                       |
| JOAN WILSON            | 22.5%   | 1.125%                                       |
| WILLIAM G. WALDECK     | 10%   | .5%  |
| Totals                 | 100%  | 5.0%   |

This Deed shall be binding upon Grantor, its successors and assigns and share inure to the benefit of Grantees, their respective legal representatives, heirs and assigns.

EXECUTED the day and year first above written.

IDAHO MINING CORPORATION

Attest: Joan Wilson  
Secretary

By W.L. Wilson  
President



STATE OF COLORADO )  
 )  
COUNTY OF M E S A ) ss.

On the 15th day of September, 1979, personally appeared before me W.L. WILSON, being by me duly sworn, say that he is the president of IDAHO MINING CORPORATION and that the above instrument was signed on behalf of said corporation by authority of its by-laws or by resolution of its board of directors, and the said W.L. WILSON acknowledged to me that said corporation executed the same.



Julia Bratton  
Notary Public

My Commission Expires:

October 21, 1980

RECORDED AT THE REQUEST OF W. L. Wilson  
on October 12, 1979, at 15 mins. past 11 A. M. In  
Book 75 of OFFICIAL RECORDS, page 86-92, RECORDS OF  
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder  
File No. 70558 Fee \$ 9.00

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