

ROYALTY DEED

THIS ROYALTY DEED is made as of the 5th day of September, 1983, from W.L. WILSON of Grand Junction, Colorado (the "Grantor") to JOHN N. BESIC, TRUSTEE, of Medford, Oregon (the "Grantee").

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 Grantee and his successor Trustees and assigns, a perpetual overriding royalty interest, as specified below, in and to the patented and unpatented lode mining claims situated in the Eureka Mining District in Eureka County, Nevada (referred to below as the "Mining Claims") and described on Exhibit A hereto attached.

The percentage of the overriding royalty interest hereby conveyed to Grantee is 0.27272% until such time as an aggregate of 50,000 troy ounces of gold has been produced from the Property from and after the date of this Royalty Deed, and, thereafter such percentage shall be 0.40908%, which percentages are referred to below as the "Applicable Percentage." The Applicable Percentage shall be applied to, calculated and paid as follows:

(a) Gold and/or Silver. The Applicable Percentage of the Net Sales Price received from the sale of any gold or silver derived from the Mining Claims whether produced by in situ or solution mining, the mining of ores and extraction of gold and/or silver by means of heap or vat leaching, milling or other extraction methods. By the term "Net Sales Price" is meant the proceeds received from the sale of gold and/or silver less the costs of transportation thereof to the refinery or other point of sale and the costs of refining thereof to the extent paid by the operator of the Mining Claims.

(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, Grantees shall receive the Applicable Percentage 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 the operator or the Mining Claims.

(c) Other Mineral Substances and Ores. If the operator of the Mining Claims should produce and sell any minerals, substances or ores from the Mining Claims, other than those encompassed within the provisions of Subparagraphs (a) and (b) above, Grantee shall receive the Applicable Percentage of the proceeds received from such substances after deducting the costs of the transportation thereof from the Mining Claims to the point of sale.

Grantee 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. Grantee shall have the right at any time or from time to time to have its share of overriding royalty, herein granted and conveyed, paid directly to it by any mill, smelter or other purchaser of ores, minerals or other substances produced and sold from the Mining Claims.

Nothing herein shall create any implied covenant on the part of Grantor to explore, develop or mine the Mining Claims.

The conveyance for the overriding royalty hereby granted by this Deed 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 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 located by the operator of the Mining Claims within the exterior boundaries of the Mining Claims. Grantor warrants its title to Royalty Interest in the the Mining Claims hereby conveyed as against, but only as against, any persons lawfully claiming any of said Royalty Interest or any interest therein by, through or under Grantor.

This Deed shall be binding upon Grantor, its successors and assigns and shall inure to the benefit of Grantee and his assigns.

EFFECTIVE as of the 8th day of September, 1983.

W.L. Wilson
W.L. WILSON

STATE OF COLORADO
COUNTY OF MESA

)
) ss.
)

On the 8th day of September, 1983, personally appeared before me, WILLIAM L. WILSON.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: 10-15-83



Patricia Murphy
Notary Public
Address: P.O. Box 2188
Grand Junction, CO 81502

EXHIBIT A TO ROYALTY DEED
Dated September 8, 1983

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 means "Outside District Mining Locations" and the abbreviation "M.L." used below means "Mining Locations.")

<u>Claim Name</u>	<u>BLM Serial No.</u>	<u>Recordation Data</u>	
		<u>Book</u>	<u>Page</u>
W-1	NMC 123123	26 O.R.	101-102
W-2	NMC 123124	26 O.R.	103-104
W-3	NMC 123125	26 O.R.	105-106
W-4	NMC 123126	26 O.R.	107-108
W-5	NMC 123127	26 O.R.	109-110
W-7	NMC 123128	26 O.R.	111-112
W-8	NMC 123129	26 O.R.	113-114
W-11	NMC 123130	43 O.R.	077
W-12	NMC 123131	26 O.R.	115-116
W-13	NMC 123132	26 O.R.	117-118
W-17	NMC 123133	26 O.R.	119-120
W-19	NMC 123134	43 O.R.	078
W-20	NMC 123135	33 O.R.	105
W-21	NMC 123136	33 O.R.	106
W-22	NMC 123137	33 O.R.	107
W-23	NMC 123138	33 O.R.	108
W-24	NMC 123139	33 O.R.	109
W-25	NMC 123140	33 O.R.	110
W-26	NMC 123141	33 O.R.	111
W-27	NMC 123142	33 O.R.	112
W-30	NMC 123143	43 O.R.	079
W-31	NMC 123144	43 O.R.	080
W-32	NMC 123145	43 O.R.	081
W-33	NMC 123146	43 O.R.	082
W-34	NMC 123147	43 O.R.	083
W-101	NMC 169094	88 O.R.	149
W-102	NMC 169095	88 O.R.	150
W-103	NMC 169096	88 O.R.	151
W-104	NMC 169097	88 O.R.	152

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Gold	NMC 123148	K-O.D.M.L.	100
Gold No. 1	NMC 123149	K-O.D.M.L.	101
Summit	NMC 123150	25 O.R.	300
Red Iron	NMC 123151	25 O.R.	302
Johnnie	NMC 123152	25 O.R.	301
Doe Run No. 1	NMC 123121	35 O.R.	322
Doe Run No. 2	NMC 123122	35 O.R.	323
Pearl	NMC 99261	H-M.L.	261
Nellie	NMC 99262	H-M.L.	262
W W #4	NMC 258400	107 O.R.	183
J 1	NMC 153823	81 O.R.	312
J 2	NMC 153824	81 O.R.	313
J 3	NMC 153825	81 O.R.	314
J 4	NMC 153826	81 O.R.	315
J 5	NMC 153827	81 O.R.	316
J 6	NMC 153828	81 O.R.	317
J 7	NMC 153829	81 O.R.	318
J 8	NMC 153830	81 O.R.	319
J 9	NMC 153831	81 O.R.	320
J 10	NMC 153832	81 O.R.	321
J 11	NMC 153833	81 O.R.	322
J 12	NMC 153834	81 O.R.	323
J 13	NMC 153835	81 O.R.	324
J 14	NMC 153836	81 O.R.	325
J 15	NMC 153837	81 O.R.	326
J 16	NMC 153838	81 O.R.	327
J 17	NMC 153839	81 O.R.	328
J 18	NMC 153840	81 O.R.	329
J 19	NMC 153841	81 O.R.	330
J 20	NMC 153842	81 O.R.	331
J 21	NMC 153843	81 O.R.	332
J 22	NMC 153844	81 O.R.	333
J 23	NMC 153845	81 O.R.	334
J 24	NMC 160193	84 O.R.	361
J 25	NMC 160194	84 O.R.	362
J 26	NMC 160195	84 O.R.	363
J 27	NMC 160196	84 O.R.	364
J 28	NMC 160197	84 O.R.	365
J 29 Fraction	NMC 160198	84 O.R.	366
J 30	NMC 153846	81 O.R.	335
J 31	NMC 153847	81 O.R.	336
J 33	NMC 160199	84 O.R.	367
J 34	NMC 160200	84 O.R.	368
J 35	NMC 160201	84 O.R.	369
J 36	NMC 160202	84 O.R.	370
J 37	NMC 160203	84 O.R.	371
J 38	NMC 160204	84 O.R.	372
J 39	NMC 160205	84 O.R.	373
J 40	NMC 160206	84 O.R.	374
J 41	NMC 160207	84 O.R.	375
J 42	NMC 160208	84 O.R.	376
J 43	NMC 160209	84 O.R.	377
J 44	NMC 160210	84 O.R.	378
J 45	NHC 160211	84 O.R.	379
J 46	NMC 160212	84 O.R.	380
J 47	NMC 160213	84 O.R.	381
J 48	NMC 160214	84 O.R.	382
J 49	NMC 160215	84 O.R.	383
J 50	NMC 160216	84 O.R.	384
J 51	NMC 160217	84 O.R.	385
J 52	NMC 160218	84 O.R.	386
J 53	NMC 160219	84 O.R.	387
J 54	NMC 160220	84 O.R.	388

J 71	NMC 160221	84 O.R.	389
J 72	NMC 160222	84 O.R.	390
J 73	NMC 160223	84 O.R.	391
J 74	NMC 160224	84 O.R.	392
J 75	NMC 160225	84 O.R.	393
J 76	NMC 160226	84 O.R.	394
J 81	NMC 160227	84 O.R.	395
J 82	NMC 160228	84 O.R.	396
J 83	NMC 160229	84 O.R.	397
J 84	NMC 160230	84 O.R.	398
F-1	NMC 123071	34 O.R.	528
F-2	NMC 123072	34 O.R.	508-509
F-3	NMC 123073	34 O.R.	529
F-4	NMC 123074	34 O.R.	510-511
F-5	NMC 123075	34 O.R.	530
F-6	NMC 123076	34 O.R.	512-513
F-7	NMC 123077	34 O.R.	531
F-8	NMC 123078	34 O.R.	514-515
F-9	NMC 123079	34 O.R.	532
F-10	NMC 123080	34 O.R.	516-517
F-11	NMC 123081	34 O.R.	533
F-12	NMC 123082	34 O.R.	518-519
F-13	NMC 123083	34 O.R.	534
F-14	NMC 123084	34 O.R.	520-521
F-15	NMC 123085	34 O.R.	535
F-16	NMC 123086	34 O.R.	522-523
F-17	NMC 123087	34 O.R.	536
F-18	NMC 123088	34 O.R.	524-525
F-19	NMC 123089	34 O.R.	537
F-20	NMC 123090	34 O.R.	526-527
F-21	NMC 123091	34 O.R.	491
F-22	NMC 123092	34 O.R.	501
F-23	NMC 123093	34 O.R.	492
F-24	NMC 123094	34 O.R.	502
F-25	NMC 123095	34 O.R.	493
F-26	NMC 123096	34 O.R.	503
F-27	NMC 123097	34 O.R.	494
F-28	NMC 123098	34 O.R.	504
F-29	NMC 123099	34 O.R.	495
F-30	NMC 123100	34 O.R.	496
F-31	NMC 123101	34 O.R.	497
F-32	NMC 123102	34 O.R.	498
F-33	NMC 123103	34 O.R.	499
F-34	NMC 123104	34 O.R.	500
F-55	NMC 153744	81 O.R.	276
F-56	NMC 153745	81 O.R.	277
F-57	NMC 153746	81 O.R.	278
F-58	NMC 153747	81 O.R.	279
F-59	NMC 153748	81 O.R.	280
F-60	NMC 153749	81 O.R.	281
F-61	NMC 153750	81 O.R.	282
F-62	NMC 153751	81 O.R.	283
F-63	NMC 153752	81 O.R.	284
F-64	NMC 153753	81 O.R.	285
F-65	NMC 153754	81 O.R.	286
F-66	NMC 153755	81 O.R.	287
F-67	NMC 153756	81 O.R.	288
F-68	NMC 153757	81 O.R.	289
F-69	NMC 153758	81 O.R.	290
F-70	NMC 153759	81 O.R.	291
F-71	NMC 153760	81 O.R.	292
F-72	NMC 153761	81 O.R.	293
F-73	NMC 153762	81 O.R.	294
F-74	NMC 153763	81 O.R.	295
F-75	NMC 153764	81 O.R.	296
F-76	NMC 153765	81 O.R.	297
F-77	NMC 153766	81 O.R.	298
F-78	NMC 153767	81 O.R.	299

F-79	NMC 153768	81 O.R.	300
F-80	NMC 153769	81 O.R.	301
F-81	NMC 153770	81 O.R.	302
F-82	NMC 153771	81 O.R.	303
F-83	NMC 153772	81 O.R.	304
F-84	NMC 153773	81 O.R.	305
F-85	NMC 153774	81 O.R.	306
F-86	NMC 153775	81 O.R.	307
F-87	NMC 153776	81 O.R.	308
F-88	NMC 153777	81 O.R.	309
F-89	NMC 153778	81 O.R.	310
F-90	NMC 153779	81 O.R.	311
F-91	NMC 80983	71 O.R.	405
F-92	NMC 80984	71 O.R.	406
F-93	NMC 80985	71 O.R.	407
F-94	NMC 80986	71 O.R.	408
F-95	NMC 80987	71 O.R.	409
F-96	NMC 80988	71 O.R.	410
F-97	NMC 123105	35 O.R.	306
F-98	NMC 123106	35 O.R.	307
F-102	NMC 123107	35 O.R.	308
F-104	NMC 123108	35 O.R.	309
F-106	NMC 123109	35 O.R.	310
F-108	NMC 123110	35 O.R.	311
F-110	NMC 123111	35 O.R.	312
F-112	NMC 123112	35 O.R.	313
F-118	NMC 123113	35 O.R.	315
F-120	NMC 123114	35 O.R.	316
F-122	NMC 123115	35 O.R.	317
F-124	NMC 123116	35 O.R.	318
F-126	NMC 123117	35 O.R.	319
F-128	NMC 123118	35 O.R.	320
F-130	NMC 123119	34 O.R.	507
F-198	NMC 123120	35 O.R.	314
Rambler #1	NMC 123153	H-O.D.M.L.	328
Rambler #2	NMC 123154	H-O.D.M.L.	329
Gossan	NMC 123155	J-O.D.M.L.	
Sadie 1	NMC 123156	47 O.R.	78
Sadie 2	NMC 123157	47 O.R.	79
Sadie 3	NMC 123158	47 O.R.	80
Sadie 4	NMC 123159	47 O.R.	81
Sadie 5	NMC 123160	47 O.R.	82
Sadie 6	NMC 123161	47 O.R.	83
Sadie 7	NMC 123162	47 O.R.	84
Sadie 8	NMC 123163	47 O.R.	85
H 1	NMC 80976	71 O.R.	398
H 2	NMC 80977	71 O.R.	399
H 3	NMC 80978	71 O.R.	400
H 4	NMC 80979	71 O.R.	401
H 5	NMC 80980	71 O.R.	402
H 6	NMC 80981	71 O.R.	403
H 7	NMC 80982	71 O.R.	404
New York #1	NMC 107867	75 O.R.	29
New York #2	NMC 107868	75 O.R.	30
New York #3	NMC 126811	75 O.R.	525
HC 1	NMC 153780	81 O.R.	223
HC 2	NMC 153781	81 O.R.	224
HC 3	NMC 153782	81 O.R.	225
HC 4	NMC 153783	81 O.R.	226
HC 5	NMC 153784	81 O.R.	227
HC 6	NMC 153785	81 O.R.	228
HC 7	NMC 153786	81 O.R.	229
HC 8	NMC 153787	81 O.R.	230
HC 9	NMC 153788	81 O.R.	231

HC 10	NMC 153789	81 O.R.	232
HC 11	NMC 153790	81 O.R.	233
HC 12	NMC 153791	81 O.R.	234
HC 13	NMC 153792	81 O.R.	235
HC 14	NMC 153793	81 O.R.	236
HC 15	NMC 153794	81 O.R.	237
HC 16	NMC 153795	81 O.R.	238
HC 17	NMC 153796	81 O.R.	239
HC 18	NMC 153797	81 O.R.	240
HC 19	NMC 153798	81 O.R.	241
HC 20	NMC 153799	81 O.R.	242
HC 21	NMC 153800	81 O.R.	243
HC 22	NMC 153801	81 O.R.	244
HC 23	NMC 153802	81 O.R.	245
HC 24	NMC 153803	81 O.R.	246
HC 25	NMC 172742	88 O.R.	247
HC 26	NMC 172743	88 O.R.	248

HC Fraction	NMC 153804	77 O.R.	361
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IM 1	NMC 153805	81 O.R.	258
IM 2	NMC 153806	81 O.R.	259
IM 3	NMC 153807	81 O.R.	260
IM 4	NMC 153808	81 O.R.	261
IM 5	NMC 153809	81 O.R.	262
IM 6	NMC 153810	81 O.R.	263
IM 7	NMC 153811	81 O.R.	264
IM 8	NMC 153812	81 O.R.	265
IM 9	NMC 153813	81 O.R.	266
IM 10	NMC 153814	81 O.R.	267
IM 11	NMC 153815	81 O.R.	268
IM 12	NMC 153816	81 O.R.	269
IM 13	NMC 153817	81 O.R.	270
IM 14	NMC 153818	81 O.R.	271
IM 15	NMC 153819	81 O.R.	272
IM 16	NMC 153820	81 O.R.	273
IM 17	NMC 153821	81 O.R.	274
IM 18	NMC 153822	81 O.R.	275

3. Newly Located Unpatented Mining Claims: Those certain newly located unpatented mining claims located by Windfall Venture, the location certificates for which are not yet of record:

<u>Claim Name</u>	<u>Date of Location</u>
J 84 through 88	8/14/83
J 103 - 110	8/24/83
J 111 - 122	8/14/83
J 123 - 130	8/26/83
J 145 - 148	8/19/83
J 149 - 152	8/21/83
J 161 - 168	8/27/83
J 169 - 178	8/26/83
Sadie 9 - 12	8/21/83
Sadie 18, 19	8/21/83
H 8 - 13	RECORDED AT REQUEST OF 9/6/83
H 16, 17	<u>W. J. Wilson</u> 9/6/83
H 14, 15	BOOK <u>114</u> PAGE <u>72</u> 9/7/83

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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 89080
FEE \$ 12.00