

Grantee's Address: 20 Eglinton West Suite 2000  
Toronto, Canada M4R 1K8

When recorded, return to:  
M. Craig Haase  
Haase & Harris  
P.O. Box 70250  
Reno, Nevada 89570

115234

ROYALTY DEED

THIS INDENTURE is made this 16<sup>th</sup> day of December, 1987, by and between KATHRYN LEE BARSTOW, JAMES HARNESS, LESLIE J. HARNESS, and RUTH HARNESS, hereinafter collectively referred to as Grantor, and EURO-NEVADA MINING CORPORATION, INC., a Nevada corporation, hereinafter referred to as Grantee.

Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) lawful money of the United States of America, the receipt of which is hereby acknowledged, has granted, bargained sold, remised, released, and forever quitclaimed, and by these presents does grant, bargain, sell, remise, release and forever quitclaim, unto the Grantee the following royalty interests and royalties to be paid directly from the royalty obligor to the Grantee, its successors and assigns:

(1) A portion of Grantor's royalty interest in the Maggie Creek Mine (described in paragraph 1.a below), said portion being equal to an undivided three and one-half per cent (3.5%) gross sales royalty which is part of the eight per cent (8%) gross sales royalty reserved by and granted to the Grantor by the Carlin Gold Mining Company in those certain deeds dated the 9th day of December, 1978 and the 10th day of January, 1979, and recorded in the Official Records of Eureka County, Nevada, in Book 68 at Pages 271-273 and 336-337. Prior to the execution and delivery hereof, Grantor was vested with a sixty five percent (65%) interest in said eight percent (8%) gross sales royalty, or an amount equal to five and two-tenths percent (5.2%) gross sales royalty. The royalty interest herein conveyed by Grantor equals approximately sixty seven and 30,769/100,000ths percent (67.30769%) of Grantor's five and two-tenths percent (5.2%) gross sales royalty interest, or an amount equal to three and one-half percent (3.5%) gross sales royalty.

a. The mining properties comprising the Maggie Creek Mine which are subject to the royalty interests described in paragraph (1) above consist of 20 mining claims located in Sections 34 and 35 of Township 34 North, Range 51 East, M.D.B. & M. in Eureka County, Nevada, known as the Les 1, 2, 3, 4, 8, 9, 10 and 11, the Lorri 1, 2 and 3, and the KL 1 through 9, inclusive, all of which are more particularly described in the deed identified in paragraph (1) above.

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HAASE AND HARRIS  
ATTORNEYS AND COUNSELORS AT LAW  
6121 LAKESIDE DRIVE, SUITE 240  
POST OFFICE BOX 70250  
RENO, NEVADA 89570-0250  
(702) 825-4300

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(2) A portion of Grantor's royalty interest in production from adjacent and associated mining properties described in that certain Agreement for Unitization of Ore Reserves entered into on the 18th day of January, 1982, between Carlin Gold Mining, a Delaware corporation, Southern Pacific Land Company, a California corporation, Lynn M. Barstow, and Kathryn Lee Barstow, which is not recorded in the Official Records of Eureka County, Nevada. Said portion of Grantor's royalty interest under said Agreement for Unitization of Ore Reserves being conveyed by this royalty deed to Grantee is an amount equal to sixty seven and 30,769/100,000ths per cent (67.30769%) of Grantor's sixty five per cent (65%) interest in (a) sixty two and seven tenths per cent (62.7%) interest in royalties on production of mill grade ores and (b) sixty eight and seven tenths per cent (68.7%) interest in royalties on production of leach grade ores from the properties subject to said Agreement for Unitization of Ore Reserves.

Grantor warrants that the interest herein conveyed pursuant to paragraphs 1 and 2 above are owned free and clear of all liens, encumbrances, royalty credits or claims of third parties of any nature or kind, and that under any and all circumstances, Grantor shall indemnify and hold Grantee harmless from any and all third party claims, including attorney fees and costs, which are contrary to the royalty interests herein conveyed.

TO HAVE AND TO HOLD the above-described royalty interests, together with all other and singular rights thereunto pertaining, all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof unto the Grantee and its heirs and assigns forever.

DATED this 16<sup>th</sup> day of December, 1987.

By Leslie J. Harness  
 LESLIE J. HARNESS  
4701 E. Desert Cone  
Phoenix, AZ 85028

By Kathryn Lee Barstow  
 KATHRYN LEE BARSTOW  
 2425 Ranch Road  
 Placerville, Cal.

By Ruth Harness  
 RUTH HARNESS  
4701 E. Desert Cone  
Phoenix, AZ 85028

By James Harness  
 JAMES HARNESS  
4601 E. SHAWGILL RD.  
PHX. AZ 85028

HAASE AND HARRIS  
 ATTORNEYS AND COUNSELORS AT LAW  
 8121 LAKESIDE DRIVE, SUITE 240  
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STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this 16<sup>th</sup> day of December, 1987, personally appeared before me, a Notary Public, Kathryn Lee Barstow who acknowledged that she executed the foregoing Royalty Deed.

My Commission Expires July 7, 1991

Crista Napfelin  
Notary Public

SEAL  
Affixed

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this 16<sup>th</sup> day of December, 1987, personally appeared before me, a Notary Public, James Harness, who acknowledged that he executed the foregoing Royalty Deed.

My Commission Expires July 7, 1991

Crista Napfelin  
Notary Public

SEAL  
Affixed

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this 16<sup>th</sup> day of December, 1987, personally appeared before me, a Notary Public, Leslie J. Harness, who acknowledged that she executed the foregoing Royalty Deed.

My Commission Expires July 7, 1991

Crista Napfelin  
Notary Public

SEAL  
Affixed

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

On this 16<sup>th</sup> day of December, 1987, personally appeared before me, a Notary Public, Ruth Harness, who acknowledged that she executed the foregoing Royalty Deed.

My Commission Expires July 7, 1991

Crista Napfelin  
Notary Public

SEAL  
Affixed

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RECORDED AT THE REQUEST OF  
Shane & Son  
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'87 DEC 21 AIO :03

OFFICIAL RECORDS  
EUREKA COUNTY - EUREKA  
M.M. REBAGLIA, RECORDER  
FILE NO. 115234  
FEE \$ 8.00

40-27311-10

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