

126112

AMENDMENT NO. 1
TO
AGREEMENT, ASSIGNMENT
AND CONVEYANCE OF NET
PROFITS ROYALTY INTEREST

THIS AMENDMENT NO. 1 TO AGREEMENT, ASSIGNMENT AND CONVEYANCE OF NET PROFITS ROYALTY INTEREST (the "Amendment") is executed on this 9th day of November, 1988, but effective as of October 31, 1986, by and between WESTMONT MINING INC., an Illinois corporation, BREWER GOLD COMPANY, a Delaware corporation, and WESTMONT GOLD INC., a Delaware corporation (collectively referred to herein as "Westmont") and NICOR Minerals Inc., a Delaware corporation ("NMI").

WITNESSETH

WHEREAS, NICOR Mineral Ventures Inc. ("NMV"), an Illinois corporation and NMI have heretofore entered into that certain Agreement, Assignment and Conveyance of Net Profits Royalty Interest dated as of October 31, 1986 (the "Agreement"), and recorded in the states and counties where the affected projects are located, as are more fully described in Exhibit A, attached hereto;

WHEREAS, NICOR Mineral Ventures Inc. formally changed its name to Westmont Mining Inc. and assigned its interest in the Brewer Project to Brewer Gold Company, a wholly-owned subsidiary and its interest in the remaining Projects listed on Exhibit A to Westmont Gold Inc., a wholly-owned subsidiary (with all three companies being collectively referred to in this Amendment as "Westmont"); and

WHEREAS, Westmont and NMI now jointly desire to amend the Agreement to clarify the intent of same;

NOW THEREFORE, in consideration of the mutual covenants contained herein, Westmont and NMI agree as follows:

1. Section 4(b) of the Agreement is hereby amended to read as follows:
 - (b) Account to be a Profit/Loss Account. The Net Profits Account shall be a profit-loss account prepared in conformity with Generally Accepted Accounting Principles ("GAAP") applied on a consistent basis and shall present fairly Westmont's share of the net profits or losses generated by mining on the Subject Properties. The Net Profits Royalty shall be calculated on the basis of

deducting, from Westmont's share of gross revenues realized (or deemed to be realized in the case of a sale to an Affiliate and as determined in accordance with Section 4(c) hereof) from the sale of Subject Minerals (subject, however, to Section 3(c) hereof), NMV's and Westmont's share of costs and expenses commencing with the acquisition of the Subject Properties covered hereby (expressly excluding all state and federal income taxes) that are attributable to (among other appropriate matters) the maintenance, evaluation, exploration, development, mining, processing, refining, smelting and marketing of Subject Minerals from the Subject Properties. Development costs shall include all costs associated with all preparation for the removal and recovery of Subject Minerals, including the construction or installation of a mill or other facility and any other improvements to be used for the mining, handling, milling, processing or other beneficiation of Subject Minerals. Specifically included within the costs and expenses chargeable to the Net Profits Account are the following: (i) costs and expenses incurred by either NMV or Westmont and their Affiliates which are directly attributable to the Subject Properties, the operation thereof, or any activity related thereto; provided, however, that the cost of any item (except those items expressly excluded below) which is customarily considered in the mining industry to be a capital item (including as examples, pre-production mining costs, plant construction, buildings and equipment costs) and which are customarily depreciated, amortized or depleted under GAAP (the "Capitalized Items"), shall be charged monthly to the Net Profits Account on the basis of the monthly amount of such depreciation, amortization and depletion charges as determined under GAAP. Expressly excluded from the category of Capitalized Items are all costs of exploration, evaluation, and pre-production working capital, which shall be fully chargeable to the Net Profits Account when incurred; (ii) an amount equal to a reasonable charge for overhead of Westmont to cover the portion thereof properly allocable to the Subject Minerals, the Subject Properties, milling and processing facilities and marketing activities (such amount, however, not to exceed (a) ten percent (10%) of Westmont's share of the costs (which costs shall not include capital expenditures on property, plant and equipment and shall not include imputed interest referred

to in clause 4(b)(iii) below) with respect to the project prior to making of the first commercial sale, or (b) three percent (3%) of the greater of such costs of the project or of Westmont's share of gross sales revenues after the first commercial sale); and (iii) during all periods commencing on November 1, 1986, when the Net Profits Account has a negative balance, an amount equal to imputed interest on such negative balance at an annual rate, adjusted at the end of each calendar quarter, equal to the prime rate, or any successor reference rate of interest announced publicly time to time by First National Bank of Chicago; provided, however, that no such imputed interest charges to the Net Profits Account shall be considered in calculating the existence or size of any negative balance thereof for purposes of calculating any charge pursuant to this Subsection 4(b)(iii).

2. Except as herein amended, Westmont and NMI ratify and confirm that the Agreement is in full force and effect.
3. This Amendment is binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written, but effective as of October 31, 1986.

ATTEST:

Gregory L. Martin
Secretary

ATTEST: SEAL

Affixed

Gregory L. Martin
Secretary

ATTEST:

Gregory L. Martin
Secretary

ATTEST: SEAL

Affixed

ATTEST:

Alexander L. Higin
Secretary

WESTMONT MINING INC.

By:

Alex F. Bissett
Alex F. Bissett, President
BREWER GOLD COMPANY

By:

Michael B. Richings
Michael B. Richings, President
WESTMONT GOLD INC.

By:

Alex F. Bissett
Alex F. Bissett, President

NICOR MINERALS INC.

By:

Title:

Treasurer

STATE OF Colorado)
COUNTY OF Denver)

ss.

On this 9th day of January, in the year 1988, before me, Sharon A. Ellebracht, a Notary Public of said State, duly qualified, commissioned and sworn, personally appeared Alex F. Bissett and Gregory G. Marlier, known to me to be the President and Secretary, respectively, of Westmont Mining Inc. and of Westmont Gold Inc. and also personally appeared Michael B. Richings and Gregory G. Marlier, known to me to be the President and Secretary, respectively, of Brewer Gold Company, and acknowledged to me that such corporations executed the same.

California

Personally appeared before me each such persons, known to me to be the persons who executed the within instrument on behalf of the corporations set opposite their names, and acknowledged to me that such corporations executed the same.

Colorado

The foregoing instrument was acknowledged before me this day by each such persons on behalf of said corporations.

Illinois

The foregoing instrument was acknowledged before me this day by said persons as the designated officers of the corporations or association set opposite their names (or as Trustees, as the case may be) on behalf of said corporations or association (or themselves, as Trustees).

Nevada

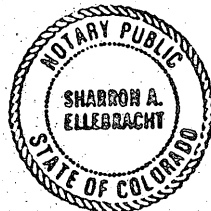
On the above date personally appeared before me, a notary public, such persons who acknowledged that they executed the above instrument.

South Carolina

Personally appeared before me such persons who, being duly sworn, says that he saw the corporate seal of the said corporations affixed to the foregoing instrument and the he also saw the president and the secretary of said corporations, sign and attest the same, and that he witnessed the execution and delivery thereof as the act and deed of such persons.

Witness my hand and official seal.

(SEAL)



Sharon A. Ellebracht
Notary Public

Residing at 1949 S. Syracuse St.
Denver, Co 80237

My commission expires: June 16, 1991

STATE OF Illinois)
) ss.
COUNTY OF DuPage)

On this 9th day of November, in the year 1988, before me,
Bruce W. Gilbert, a Notary Public of said
State, duly qualified, commissioned and sworn, personally appeared
Donald W. Lohrentz and Alexander C. Allison of
NICOR Minerals Inc., respectively, and acknowledged to me that such
corporation executed the same.

California Personally appeared before me each such
persons, known to me to be the persons who
executed the within instrument on behalf of the
corporation set opposite their names, and
acknowledged to me that such corporation
executed the same.

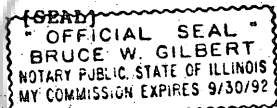
Colorado The foregoing instrument was acknowledged
before me this day by each such persons on
behalf of said corporation.

Illinois The foregoing instrument was acknowledged
before me this day by said persons as the
designated officers of the corporation or
association set opposite their names (or as
Trustees, as the case may be) on behalf of said
corporation or association (or themselves, as
Trustees).

Nevada On the above date personally appeared before
me, a notary public, such persons who
acknowledged that they executed the above
instrument.

South Carolina Personally appeared before me such persons who,
being duly sworn, says that he saw the
corporate seal of the said corporation affixed
to the foregoing instrument and the he also saw
the president and the secretary of said
corporation, sign and attest the same, and that
he witnessed the execution and delivery thereof
as the act and deed of such persons.

Witness my hand and official seal.



B. W. Gilbert
Notary Public

Residing at _____
Naperville, Illinois 60540

My commission expires:

EXHIBIT A

Summary of Recording Data
for
Agreement, Assignment and Conveyance of
Net Profits Royalty Interest

Dated as of October 31, 1986

<u>Project</u>	<u>County/ State</u>	<u>Recording Date</u>	<u>Reception Number</u>	<u>Book</u>	<u>Page</u>
Riverside Pass	Riverside/ California	11/12/86	286771	N/A	N/A
New Pass	Churchill/ Nevada	11/10/86	223531	N/A	N/A
Bullion- Monarch	Eureka/ Nevada	11/10/86	106207	152	047
Railroad	Elko/ Nevada	11/10/86	221956	542	88
Mount Hamilton	White Pine/ Nevada	11/10/86	240526	103	194
Brewer	Chesterfield/ So. Carolina	12/29/86	N/A	300	944
	Lancaster/ So. Carolina	12/29/86	4157	T-6	90

RECORDED AT THE REQUEST OF
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Westmont Mining Inc.
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M. H. BALLANTINE, RECORDER
FILE NO. FILE # 10 -

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