

131275

MINING DEED

THIS MINING DEED is made this 23<sup>rd</sup> day of January, 1990, 1989 by and between KENNECOTT NEVADA COMPANY, a Delaware Corporation, whose address is 1515 Mineral Square, Post Office Box 11248, Salt Lake City, Utah 84147, GRANTOR, and BARRICK GOLDSTRIKE MINES INC., a Colorado Corporation, whose address is Post Office Box 29, Elko, Nevada 89801, GRANTEE.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, GRANTOR hereby sells, conveys and quitclaims to GRANTEE all of GRANTOR'S right, title, interest, claim and demand in and to the unpatented mining claims situated in Eureka County, Nevada, which are more particularly described on Exhibit "A", attached hereto and incorporated herein (the "CLAIMS"), and all interest that GRANTOR may hereafter acquire in and to the CLAIMS.

EXCEPTING and RESERVING to the GRANTOR a production royalty of FIVE PERCENT of the NET SMELTER RETURNS from the production of minerals mined and sold from the CLAIMS. "NET SMELTER RETURNS" shall mean the Actual Proceeds of Sale received by GRANTEE from the sale of ore, ore concentrates, bullion or other products mined, produced and sold from the CLAIMS to a smelter, refinery or other buyer less (i) custom smelting costs, smelting treatment charges and penalties, including, but not limited to, metal losses, penalties for impurities and charges for refining and selling; and (ii) costs of transportation from the mine, mill or concentrator to a mint, smelter, refinery or other place of treatment. In the event crude products are shipped to a place of treatment owned and operated by GRANTEE, the net smelter returns for which the royalties are calculated shall be no less favorable to GRANTOR than if such crude products had been shipped to the nearest place of treatment which would accept such crude products, except that charges for transportation on crude products shipped to GRANTEE's place of treatment shall be the actual cost to GRANTEE;

PROVIDED FURTHER THAT, in the event GRANTEE receives refined bullion rather than a cash settlement for products produced from the CLAIMS, for purposes of calculating the royalty "Actual Proceeds of Sale" will be calculated as if the refined bullion is deemed to be sold at the time the refined bullion is delivered or made available to GRANTEE by the place of treatment. The price used for calculating royalties on refined bullion shall be the spot price for refined bullion on the date on which refined bullion is delivered or made available to GRANTEE and may not reflect the actual proceeds received by GRANTEE as a result of any "hedging" or "trading" techniques employed by GRANTEE. The London P.M. fix (or an equivalent price if the London P.M. fix is not available) shall be used to determine the spot price for refined bullion;

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PROVIDED FURTHER THAT royalty payments shall be made by GRANTEE on or before thirty (30) days after receipt by GRANTEE of final payment or final settlement (in the case of refined bullion) for all products for which the royalty is payable. All royalty payments shall be by GRANTEE's check made payable to GRANTOR and accompanied by a statement and settlement sheet listing the quantities and grades of metals, ores, minerals or materials mined and sold from the CLAIMS, costs, assays and analyses, proceeds of sale, or the price used in the computation of the proceeds of sale and other pertinent information in sufficient detail to explain the calculation of the production royalty payment. GRANTOR, at its sole election and expense, shall have the right to audit the GRANTEE's accounts relating to payment of the production royalty. All royalty payments made in any given calendar year shall be considered final and in full satisfaction of all obligations of Grantee with respect thereto, unless the Grantor gives written notice describing and setting forth a specific objection to the calculation thereof within six months following the close of the calendar year. GRANTEE shall account for any deficiencies or excess in the payment made to Grantor which may be confirmed by such an audit by adjusting the next quarterly statement following completion of such audit to account for such deficits or excess;

PROVIDED FURTHER THAT nothing herein contained is intended or shall be held to require Grantee to commence, suspend, resume or terminate any particular operation, whether exploration, development, mining or other process upon the CLAIMS and GRANTOR hereby waives all covenants implied with regard to the same. All operations, including the timing thereof, on the CLAIMS shall be at the sole discretion of GRANTEE;

PROVIDED FURTHER THAT the production royalty reserved hereunder shall be payable only from actual production from the CLAIMS and the GRANTOR herein shall have only a royalty interest and rights and incidents of ownership of a nonparticipating royalty owner. GRANTOR shall not have any possessory interest in the CLAIMS nor any of the incidents of such estate, including by way of example but not by way of limitation, the right to participate in the execution of applications for authorities, permits, or licenses, mining leases, options, farm-outs, or other conveyances, the right to share in bonus payments or rental payments received as the consideration for the execution of such lease, options, farm-outs, or other conveyances, and the right to enter upon the CLAIMS and prospect for, mine, drill for, or remove ores or minerals therefrom. GRANTEE shall have the full, exclusive and unconditional right to abandon the CLAIMS, to relocate the same as lode or placer mining claims or as millsites, to amend, apply for mineral or millsite patents, defend contests or adverse claims and to negotiate settlement thereof with respect to any and all of the CLAIMS and GRANTOR shall cooperate with GRANTEE and shall execute any and all documents necessary or desirable in the opinion of GRANTEE to such abandonment, relocation, patent application, contest, adverse claim, or settlement; provided that GRANTOR's royalty shall attach to the extent hereof to such

claims as relocated or patented unless said claims are relocated as millsites, in which case the parties understand that such action by GRANTEE may result in the loss of GRANTOR'S production royalty interest. GRANTEE, its successors and assigns, shall not be liable in any manner whatsoever to GRANTOR, its successors and assigns, for the loss of the CLAIMS or any portion thereof or for any claims otherwise arising from GRANTEE's activities on the CLAIMS.

TO HAVE AND TO HOLD the same unto GRANTEE, its successors and assigns, forever, and together with any and all right, titled and interest hereafter acquired by GRANTOR for the benefit of GRANTOR in and to CLAIMS, or for the lands covered thereby.

EXECUTED to be effective as of the date first written above.

KENNECOTT EXPLORATION COMPANY

By *Russell E. Fisher* *pres*  
Its *Vice President*

STATE OF *Utah* )  
COUNTY OF *Salt Lake* ) ss.

The foregoing instrument was acknowledged before me this *23* day of *December*, 19*84*, by *Russell E. Fisher, Vice President* of Kennecott Exploration Company.

*Georgia H. Mills*  
NOTARY PUBLIC

My Commission Expires:

*January 11, 1992*

Residing at *Salt Lake City*

224:121889A



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# EXHIBIT A - CLAIMS

Attached to and made a part of the Mining Deed between Kennecott Nevada Company and Barrick Goldstrike Mine dated the 23rd day of January, 1990.

The following unpatented lode claims are located in Township 36 North, Range 49 East, Section 34, Mount Diablo Base and Meridian, Eureka County, Nevada.

UNPATENTED CLAIM NAME	BLM NMC #	DATE OF LOCATION	EUREKA COUNTY RECORDER'S OFFICE	
			BOOK	PAGE
Rod 1	412472	5-12-87	158	351
Rod 2	412473	5-12-87	158	352
Rod 3	412474	5-12-87	158	353
Rod 4	412475	5-12-87	158	354
Rod 5	412476	5-12-87	158	355
Rod 6	412477	5-12-87	158	356
Rod 7	412478	5-12-87	158	357
Rod 8	412479	5-12-87	158	358
Rod 9	412480	5-12-87	158	359
Rod 10	412481	5-12-87	158	360
Rod 11	412482	5-12-87	158	361
Rod 12	412483	5-12-87	158	362
Rod 13	412484	5-12-87	158	363
Rod 14	412485	5-12-87	158	364
Rod 15	412486	5-12-87	158	365
Rod 16	412487	5-12-87	158	366
Rod 17	412488	5-13-87	158	367
Rod 18	412489	5-13-87	158	368
Rod 19	412490	5-13-87	158	369
Rod 20	412491	5-13-87	158	370
Rod 21	412492	5-13-87	158	371
Rod 22	412493	5-13-87	158	372
Rod 23	412494	5-13-87	158	373
Rod 24	412495	5-13-87	158	374
Rod 25	412496	5-13-87	158	375
Rod 26	412497	5-13-87	158	376
Rod 27	412498	5-13-87	158	377
Rod 28	412499	5-13-87	158	378
Rod 29	412500	5-13-87	158	379
Rod 30	412501	5-13-87	158	380
Rod 31	412502	5-13-87	158	381
Rod 32	412503	5-13-87	158	382

OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
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David T. Terry  
30 JUN 29 AM 54

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SLC: Boulder Creek

EUREKA COUNTY CLERK  
MIN. REPLEAT. FEE \$2.00  
FILE NO. 131275

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