

136791

SPECIAL WARRANTY DEED AND ASSIGNMENT

THIS SPECIAL WARRANTY DEED AND ASSIGNMENT is made this 17th day of May, 1991, by and between NERCO Exploration Company, an Alaska corporation, whose address is 8100 N.E. Parkway Drive, Vancouver, Washington 98662 ("NERCO"), and Atlas Corporation, a Delaware corporation, whose address is 370 Seventeenth Street, Suite 3150, Denver, Colorado 80202 ("Atlas").

RECITALS

A. NERCO, NERCO Minerals Company and Atlas entered into a Purchase and Sale Agreement dated May 17, 1991 (the "Agreement"), under which NERCO agreed to grant to Atlas (i) an undivided 100% interest in and to certain unpatented lode mining claims located in Eureka County, Nevada, as more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Roberts Mountain Claims"), and (ii) all of NERCO's right, title and interest in and to that certain TJ Joint Venture Agreement between NERCO and Pegasus Gold Corporation dated May 10, 1990 (the "TJ Joint Venture") covering certain unpatented lode mining claims located in Eureka County, Nevada, as more particularly described in Exhibit B attached hereto and incorporated herein by reference (the "Pegasus Claims").

B. Pursuant to the terms and conditions of the Agreement, NERCO now desires to grant the Roberts Mountain Claims and the Pegasus Claims (collectively, the "Claims") to Atlas, and Atlas desires to obtain the Claims with NERCO reserving a royalty

on the production of Valuable Minerals from the Claims as set forth below.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. Grant of Claims. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NERCO does hereby grant, bargain, assign, transfer and sell unto Atlas, its successors and assigns forever, (i) all of NERCO's right, title and interest in and to the Claims, together with all lodes, ledges, veins and mineral bearing rock, both known and unknown, lying within the boundaries of the above named claims, together with all dips, spurs, and angles, and all the ores, mineral-bearing quartz, rock and earth or other deposits therein or thereon, and all of the rights, privileges and franchises thereto incident, and all and singular the tenements and hereditaments thereunto or in anywise appertaining, and the rents, issues and profits thereof; and also all the estate, right, title, interest, property, possession, claim and demand whatsoever, as well in law as in equity, of said NERCO, of, in or to the premises and every part and parcel thereof, including all after acquired title, reserving to NERCO the royalty described in Section 2 below, and (ii) all of NERCO's right, title and interest in and to the TJ Joint Venture. NERCO warrants that there are no persons or entities lawfully claiming any interest in the Roberts Mountain Claims by, through or under NERCO, subject to the paramount title of the United States of America, and subject to conflicting unpatented mining claims

owned or controlled by Atlas or an Affiliate and the rights of third parties arising by virtue of their ownership of said overlapping claims, if any, along the exterior boundaries of the claim groups within the Roberts Mountain Claims.

2. Grant of Royalty. NERCO excepts and reserves from the foregoing conveyance, and Atlas, for and in consideration of its acquisition of the Claims and NERCO's interest in the TJ Joint Venture, does hereby grant, bargain, sell, convey, set over, assign and deliver unto NERCO, its successors and assigns, the following nonoperating, nonexecutory, nonparticipating production royalty:

(a) four percent (4%) of the Net Smelter Returns (as defined below) from the sale of any ore, minerals or mineral substances ("Valuable Minerals") in excess of the first 50,000 ounces of gold or gold equivalent produced and sold from the Claims, until an additional 100,000 ounces of gold or gold equivalent are produced and sold (or in other words, until a total of 150,000 ounces of gold or gold equivalent are produced and sold) from the Claims. "Net Smelter Returns" are defined as the gross proceeds resulting from the sale of any such Valuable Minerals derived from the Claims, less (i) all costs incurred in transporting Valuable Minerals from the mine or mill (or other processing facility) to the point of sale, including insurance and intransit security costs; (ii) all charges and penalties imposed by the smelter, refinery or purchaser; and (iii) ad valorem taxes, severance taxes and such other taxes (excluding taxes based on income) as are imposed upon production. The "gold

equivalent" of Valuable Minerals other than gold shall be equal to the gross price received for the Valuable Minerals, divided by the average price per ounce of gold as determined by the average of the daily London Bullion Broker's Second Gold Fixing for the month prior to the month in which the other Valuable Minerals are sold. For purposes of calculating Net Smelter Returns in the event Atlas elects not to sell any portion of any gold derived from the Claims, but instead elects to have the final product of any such gold credited to or held for its account with any smelter, refiner or broker, such gold shall be deemed to have been sold at the price per ounce of gold equal to the London Bullion Broker's Second Gold Fixing on the day such gold is actually credited to or placed in Atlas's account.

(b) Time of Payment; Reports; Inspection of Records. All production royalties shall be computed and paid on a quarterly basis on or before 30 days following the close of the calendar quarter during which Atlas shall have received payment for Valuable Minerals sold or deemed to have been sold from the Claims. At the time of making each such payment, Atlas shall deliver to NERCO a statement showing the amount of such production royalty and the manner in which it was determined, including the number of units of Valuable Minerals sold during the quarter, the price received, and the amounts deducted. Atlas shall maintain accurate books and records concerning Valuable Minerals produced and sold from the Claims and the royalty payable hereunder. Upon the commencement of production from the Claims, similar quarterly statements shall be furnished to NERCO

within 30 days after the end of each quarter prior to the time that 50,000 ounces of gold or gold equivalent are produced and sold. All records relating to the calculation of such royalties shall be available for an annual inspection by an authorized representative of NERCO for the purpose of confirming the accuracy of such statements. Any such inspection shall be for a reasonable length of time during regular business hours, at a mutually convenient time, upon reasonable notice by NERCO. Any complaint or objection which NERCO may wish to raise with respect to production royalties payable hereunder shall be made by NERCO to Atlas in writing within six months after the end of the calendar year in which such payment was made to NERCO or shall be deemed to have been waived by NERCO.

(c) Ore Processing. All determinations with respect to: (i) whether ore will be beneficiated, processed or milled by Atlas or sold in a raw state, (ii) the methods of beneficiating, processing or milling any such ore, (iii) the constituents to be recovered therefrom, and (iv) the purchasers to whom any Valuable Minerals may be sold, shall be made by Atlas in its sole and absolute discretion.

(d) Ore Samples. For purposes other than commingling, the mineral content of all ore mined and removed from the Roberts Mountain Claims (excluding ore leached in place) and the quantities of constituents recovered by Atlas shall be determined by Atlas, or with respect to such ore which is sold, by the mill or smelter to which the ore is sold, in accordance with standard sampling and analysis procedures, and shall be a

weighted average based on the total amount of ore from the Roberts Mountain Claims crushed and sampled or the constituents recovered during the entire calendar quarter. Upon reasonable advance notice to Atlas, NERCO shall have the right to have representatives present at the time samples are taken for the purpose of confirming that the sampling and analysis procedure is proper.

(e) Commingling. Atlas shall have the right to commingle Valuable Minerals from the Roberts Mountain Claims with Valuable Minerals from other properties owned, leased or controlled by Atlas; provided, however, that before commingling, Atlas shall calculate from representative samples the average grade of the ore from the Roberts Mountain Claims and shall either weigh or volumetrically calculate the number of tons of ore from the Roberts Mountain Claims to be commingled. As other products are produced from the commingled ores, Atlas shall calculate from representative samples the average percentage recovery of other products produced from the commingled ores during each quarter. In obtaining representative samples, calculating the average grade of commingled ores and average percentage of recovery, Atlas may use any procedures acceptable in the mining and metallurgical industry which Atlas believes to be accurate and cost-effective for the type of mining and processing activity being conducted, and Atlas's choice of such procedures shall be final and binding on NERCO. In addition, comparable procedures may be used by Atlas to apportion among the commingled ores any penalty charges imposed by the refiner on

commingled ores or concentrates. The records relating to commingled ores shall be available for inspection by NERCO, at NERCO's sole expense, in accordance with the provisions of Section 2(b).

(f) Except as otherwise set forth in Section 2(g), the royalty provided for herein shall apply to (i) any relocations of unpatented mining claims included in the Claims and (ii) all property interests of any nature acquired by Atlas, its successors and assigns or their Affiliates to the extent such property interests cover lands now covered by any of the Claims (which Claims, when originally located, were located prior to any overlapping unpatented mining claims), and (iii) all unpatented mining claims now owned by Atlas and its affiliates which cover lands now covered by any of the Claims (which Claims, when originally located, were located prior to any overlapping unpatented mining claims now owned by Atlas). As used herein, the term "Affiliate" shall mean any person or entity which controls, is controlled by, or is under common control with Atlas.

(g) In the event that NERCO owns and grants to Atlas an interest in any Valuable Minerals extracted from any part of the Claims which is less than the entire undivided mineral or working interest in such Valuable Minerals from the Roberts Mountain Claims, or an indirect fifty-one percent ownership of the undivided mineral or working interest in such Valuable Minerals from the Pegasus Claims (contingent upon performance of NERCO's obligations under the TJ Joint Venture),

then the production royalty herein reserved and attributable to NERCO with respect to the portion of the Claims in which NERCO has a lesser interest (the "Lesser Area") shall be paid to NERCO only in the proportion that NERCO's interest in production from such Lesser Area bears to (i) the entire undivided mineral or working interest in such Lesser Area, if such Lesser Area is part of the Roberts Mountain Claims or (ii) an indirect fifty-one percent ownership of the undivided mineral or working interest in such Lesser Area, if such Lesser Area is part of the Pegasus Claims.

3. Place and Manner of Payment. Atlas shall make all payments required hereunder by check payable to NERCO Exploration Company, whose address is 8100 N.E. Parkway Drive, Vancouver, Washington 98662. All such payments shall be delivered by certified mail to NERCO at such address, or to such other single depository bank as NERCO, its successors or assigns, may designate from time to time in writing. Payments by Atlas to NERCO in accordance herewith shall discharge fully Atlas's obligation with respect to such payment, and Atlas shall have no duty to apportion or allocate any payment due to NERCO, or to its successors and assigns.

4. No Implied Covenant for Operations. Nothing herein contained is intended or shall be held to require Atlas to commence, suspend, resume or terminate any particular operation upon the Claims or with reference to the disposition of Valuable Minerals, and all such operations, including the timing thereof, shall be made at the sole discretion of Atlas.

5. Nature of NERCO's Rights. The production royalty granted hereunder shall be payable from actual production from the Claims. NERCO shall have only a royalty interest and rights and incidents of ownership of a nonparticipating royalty owner. NERCO shall not have any fee simple estate or possessory interest in the Claims nor any of the incidents of such estate or interest, 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 consideration for the execution of any such leases, 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.

6. Duration of Atlas's Obligation to Make Payments. Atlas's personal obligation to pay such royalty shall terminate when it conveys its interest in the Claims to any third party (or such obligation shall be proportionately reduced if Atlas conveys less than all of its interest in the Claims to any third party) with respect to Valuable Minerals produced and sold from the Claims after such conveyance. Atlas's personal obligation to pay to NERCO the production royalty provided for herein shall be reduced or terminated as set forth above only if the third party to whom Atlas conveys some or all of its interest in the Claims explicitly assumes an obligation to pay its proportionate share of such royalty, and if NERCO receives prior written notice of the name and address of such third party.

IN WITNESS WHEREOF, the parties have executed this instrument effective the day and year first above written.

NERCO EXPLORATION COMPANY

By: Glen J. Zion
Name: Glen J. Zion
Title: Vice President

ATLAS CORPORATION

By: Richard R. Weaver
Name: Richard R. Weaver
Title: President

STATE OF Washington)
COUNTY OF Clark) ss

On this 16th day of May, 1991, personally appeared before me, a notary public Glen J. Zion, personally known to me to be the person whose name is subscribed to the within instrument, who acknowledged that he executed the instrument as Vice President of NERCO Exploration Company, an Alaska corporation.

Witness my hand and official seal.

My commission expires: January 11, 1992
Bonnie R. Curtis
Notary Public

STATE OF Colorado)
) ss
COUNTY OF Denver)

On this 17 day of May, 1991, personally
appeared before me, a notary public, Richard R. Weaver,
personally known to me to be the person whose name is subscribed to
the within instrument, who acknowledged that he executed this
instrument as President of Atlas Corporation, a
Delaware corporation.

Witness my hand and official seal.

My commission expires: November 8, 1993

Sharon J. Heinrich
Notary Public

EXHIBIT A

THE ROBERTS MOUNTAIN CLAIMS

The following unpatented lode mining claims located in Sections 5, 6, 7, 8, 9, 14, 15, 16, 17, 21, 22, 23 and 27, Township 22 North, Range 50 East, Eureka County, Nevada:

| NAME OF CLAIM | EUREKA COUNTY RECORDING | | BLM SERIAL NO. |
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| | BOOK | PAGE | |
| JAM #1 | 117 | 090 | NMC 288528 |
| JAM #2 | 117 | 091 | NMC 288529 |
| JAM #3 | 117 | 092 | NMC 288530 |
| JAM #4 | 117 | 093 | NMC 288531 |
| JAM #5 | 117 | 094 | NMC 288532 |
| JAM #6 | 117 | 095 | NMC 288533 |
| JAM #7 | 117 | 096 | NMC 288534 |
| JAM #8 | 117 | 097 | NMC 288535 |
| JAM #9 | 117 | 098 | NMC 288536 |
| JAM #10 | 117 | 099 | NMC 288537 |
| JAM #11 | 117 | 100 | NMC 288538 |
| JAM #12 | 117 | 101 | NMC 288539 |
| JAM #13 | 117 | 102 | NMC 288540 |
| JAM #14 | 117 | 103 | NMC 288541 |
| JAM #15 | 117 | 104 | NMC 288542 |
| JAM #16 | 117 | 105 | NMC 288543 |
| JAM #17 | 117 | 106 | NMC 288544 |
| JAM #18 | 117 | 107 | NMC 288545 |
| JAM #19 | 117 | 108 | NMC 288546 |
| JAM #20 | 117 | 109 | NMC 288547 |
| JAM #21 | 117 | 110 | NMC 288548 |
| JAM #22 | 117 | 111 | NMC 288549 |
| JAM #23 | 117 | 112 | NMC 288550 |
| JAM #24 | 117 | 113 | NMC 288551 |
| JAM #25 | 117 | 114 | NMC 288552 |
| JAM #26 | 117 | 115 | NMC 288553 |
| JAM #27 | 117 | 116 | NMC 288554 |
| JAM #28 | 117 | 117 | NMC 288555 |
| JAM #29 | 117 | 118 | NMC 288556 |
| JAM #30 | 117 | 119 | NMC 288557 |
| JAM #31 | 117 | 120 | NMC 288558 |
| JAM #32 | 117 | 121 | NMC 288559 |
| JAM #33 | 117 | 122 | NMC 288560 |
| JAM #34 | 117 | 123 | NMC 288561 |
| JAM #35 | 117 | 124 | NMC 288562 |
| JAM #36 | 117 | 125 | NMC 288563 |
| JAM #37 | 117 | 126 | NMC 288564 |
| JAM #38 | 117 | 127 | NMC 288565 |
| JAM #39 | 117 | 128 | NMC 288566 |

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> BOOK | PAGE | <u>BLM SERIAL NO.</u> |
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| JAM #40 | 117 | 129 | NMC 288567 |
| JAM #41 | 117 | 130 | NMC 288568 |
| JAM #42 | 117 | 131 | NMC 288569 |
| JAM #43 | 117 | 132 | NMC 288570 |
| JAM #44 | 117 | 133 | NMC 288571 |
| JAM #45 | 117 | 134 | NMC 288572 |
| JAM #46 | 117 | 135 | NMC 288573 |
| JAM #47 | 117 | 136 | NMC 288574 |
| JAM #48 | 117 | 137 | NMC 288575 |
| JAM #49 | 117 | 138 | NMC 288576 |
| JAM #50 | 117 | 139 | NMC 288577 |
| JAM #51 | 117 | 140 | NMC 288578 |
| JAM #52 | 117 | 141 | NMC 288579 |
| JAM #53 | 117 | 142 | NMC 288580 |
| JAM #54 | 117 | 143 | NMC 288581 |
| JAM #55 | 117 | 144 | NMC 288582 |
| JAM #56 | 117 | 145 | NMC 288583 |
| JAM #57 | 117 | 146 | NMC 288584 |
| JAM #58 | 117 | 147 | NMC 288585 |
| JAM #59 | 117 | 148 | NMC 288586 |
| JAM #60 | 117 | 149 | NMC 288587 |
| JAM #61 | 117 | 150 | NMC 288588 |
| JAM #62 | 117 | 151 | NMC 288589 |
| JAM #63 | 117 | 152 | NMC 288590 |
| JAM #64 | 117 | 153 | NMC 288591 |
| JAM #65 | 117 | 154 | NMC 288592 |
| JAM #66 | 117 | 155 | NMC 288593 |
| JAM #67 | 117 | 156 | NMC 288594 |
| JAM #68 | 117 | 157 | NMC 288595 |
| JAM #69 | 117 | 158 | NMC 288596 |
| JAM #70 | 117 | 159 | NMC 288597 |
| JAM #71 | 117 | 160 | NMC 288598 |
| JAM #72 | 117 | 161 | NMC 288599 |
| JAM #73 | 117 | 162 | NMC 288600 |
| JAM #74 | 117 | 163 | NMC 288601 |
| JAM #75 | 117 | 164 | NMC 288602 |
| JAM #76 | 117 | 165 | NMC 288603 |
| JAM #77 | 117 | 166 | NMC 288604 |
| JAM #78 | 117 | 167 | NMC 288605 |
| JAM #79 | 117 | 168 | NMC 288606 |
| JAM #80 | 117 | 169 | NMC 288607 |
| JAM #81 | 117 | 170 | NMC 288608 |
| JAM #82 | 117 | 171 | NMC 288609 |
| JAM #83 | 117 | 172 | NMC 288610 |
| JAM #84 | 117 | 173 | NMC 288611 |
| JAM #85 | 117 | 174 | NMC 288612 |
| JAM #86 | 117 | 175 | NMC 288613 |

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| JAM #87 | 117 | 176 | NMC 288614 |
| JAM #88 | 117 | 177 | NMC 288615 |
| JAM #89 | 117 | 178 | NMC 288616 |
| CRAM #1 | 124 | 304 | NMC 311504 |
| CRAM #2 | 124 | 305 | NMC 311505 |
| CRAM #3 | 124 | 306 | NMC 311506 |
| CRAM #4 | 124 | 307 | NMC 311507 |
| CRAM #5 | 124 | 308 | NMC 311508 |
| CRAM #6 | 124 | 309 | NMC 311509 |
| CRAM #7 | 124 | 310 | NMC 311510 |
| CRAM #8 | 124 | 311 | NMC 311511 |
| CRAM #9 | 124 | 312 | NMC 311512 |
| CRAM #10 | 124 | 313 | NMC 311513 |
| CRAM #11 | 124 | 314 | NMC 311514 |
| CRAM #12 | 124 | 315 | NMC 311515 |
| CRAM #13 | 124 | 316 | NMC 311516 |
| CRAM #14 | 124 | 317 | NMC 311517 |
| CRAM #15 | 124 | 318 | NMC 311518 |
| CRAM #16 | 124 | 319 | NMC 311519 |
| CRAM #17 | 124 | 320 | NMC 311520 |
| CRAM #18 | 124 | 321 | NMC 311521 |
| CRAM #19 | 124 | 322 | NMC 311522 |
| CRAM #20 | 124 | 323 | NMC 311523 |
| CRAM #21 | 124 | 324 | NMC 311524 |
| CRAM #22 | 124 | 325 | NMC 311525 |
| CRAM #23 | 124 | 326 | NMC 311526 |
| CRAM #24 | 124 | 327 | NMC 311527 |
| CRAM #25 | 124 | 328 | NMC 311528 |
| CRAM #26 | 124 | 329 | NMC 311529 |
| CRAM #27 | 124 | 330 | NMC 311530 |
| CRAM #28 | 124 | 331 | NMC 311531 |
| CRAM #29 | 124 | 332 | NMC 311532 |
| CRAM #30 | 124 | 333 | NMC 311533 |
| CRAM #31 | 124 | 334 | NMC 311534 |
| CRAM #32 | 124 | 335 | NMC 311535 |
| CRAM #33 | 124 | 336 | NMC 311536 |
| CRAM #34 | 124 | 337 | NMC 311537 |
| CRAM #35 | 124 | 338 | NMC 311538 |
| CRAM #36 | 124 | 339 | NMC 311539 |
| CRAM #37 | 124 | 340 | NMC 311540 |
| CRAM #38 | 124 | 341 | NMC 311541 |
| CRAM #39 | 124 | 342 | NMC 311542 |
| CRAM #40 | 124 | 343 | NMC 311543 |
| CRAM #41 | 124 | 344 | NMC 311544 |
| CRAM #42 | 124 | 345 | NMC 311545 |

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| CRAM #43 | 124 | 346 | NMC 311546 |
| CRAM #44 | 124 | 347 | NMC 311547 |
| JELLY #1 | 124 | 290 | NMC 311548 |
| JELLY #2 | 124 | 291 | NMC 311549 |
| JELLY #3 | 124 | 292 | NMC 311550 |
| JELLY #4 | 124 | 293 | NMC 311551 |
| JELLY #5 | 124 | 294 | NMC 311552 |
| JELLY #6 | 124 | 295 | NMC 311553 |
| JELLY #7 | 124 | 296 | NMC 311554 |
| JELLY #8 | 124 | 297 | NMC 311555 |
| JELLY #9 | 124 | 298 | NMC 311556 |
| JELLY #10 | 124 | 299 | NMC 311557 |
| JELLY #11 | 124 | 300 | NMC 311558 |
| JELLY #12 | 124 | 301 | NMC 311559 |
| JELLY #13 | 124 | 302 | NMC 311560 |
| JELLY #14 | 124 | 303 | NMC 311561 |
| CRAM A | 214 | 458 | NMC 606265 |
| CRAM B | 214 | 459 | NMC 606266 |

The following unpatented lode mining claims located in Sections 7 and 18, Township 22 North, Range 50 East and Sections 12 and 13, Township 22 North, Range 49 East, Eureka County, Nevada:

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
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| COTTON #1 | 118 | 327 | NMC 291906 |
| COTTON #2 | 118 | 328 | NMC 291907 |
| COTTON #3 | 118 | 329 | NMC 291908 |
| COTTON #4 | 118 | 330 | NMC 291909 |
| COTTON #5 | 118 | 331 | NMC 291910 |
| COTTON #6 | 118 | 332 | NMC 291911 |
| COTTON #7 | 118 | 333 | NMC 291912 |
| COTTON #8 | 118 | 334 | NMC 291913 |
| COTTON #9 | 118 | 335 | NMC 291914 |
| COTTON #10 | 118 | 336 | NMC 291915 |
| COTTON #11 | 118 | 337 | NMC 291916 |
| COTTON #12 | 118 | 338 | NMC 291917 |
| COTTON #13 | 118 | 339 | NMC 291918 |
| COTTON #14 | 118 | 340 | NMC 291919 |
| COTTON #15 | 118 | 341 | NMC 291920 |
| COTTON #16 | 118 | 342 | NMC 291921 |
| COTTON #17 | 118 | 343 | NMC 291922 |
| COTTON #18 | 118 | 344 | NMC 291923 |
| COTTON #19 | 118 | 345 | NMC 291924 |
| COTTON #20 | 118 | 346 | NMC 291925 |
| COTTON #21 | 118 | 347 | NMC 291926 |
| COTTON #22 | 118 | 348 | NMC 291927 |

The following unpatented lode mining claims located in Sections 12 and 13, Township 22 North, Range 50 East, and in Sections 7 and 18, Township 22 North, Range 51 East, Eureka County, Nevada:

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
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| Hunter #1 | 118 | 215 | NMC 291187 |
| Hunter #2 | 118 | 216 | NMC 291188 |
| Hunter #3 | 118 | 217 | NMC 291189 |
| Hunter #4 | 118 | 218 | NMC 291190 |
| Hunter #5 | 118 | 219 | NMC 291191 |
| Hunter #6 | 118 | 220 | NMC 291192 |
| Hunter #7 | 118 | 221 | NMC 291193 |
| Hunter #8 | 118 | 222 | NMC 291194 |
| Hunter #9 | 118 | 223 | NMC 291195 |
| Hunter #10 | 118 | 224 | NMC 291196 |
| Hunter #11 | 118 | 225 | NMC 291197 |
| Hunter #12 | 118 | 226 | NMC 291198 |
| Hunter #13 | 118 | 227 | NMC 291199 |
| Hunter #14 | 118 | 228 | NMC 291200 |
| Hunter #15 | 118 | 229 | NMC 291201 |
| Hunter #16 | 118 | 230 | NMC 291202 |
| Hunter #17 | 118 | 231 | NMC 291203 |
| Hunter #18 | 118 | 232 | NMC 291204 |
| Hunter #19 | 118 | 233 | NMC 291205 |
| Hunter #20 | 118 | 234 | NMC 291206 |
| Hunter #21 | 118 | 235 | NMC 291207 |
| Hunter #22 | 118 | 236 | NMC 291208 |
| Hunter #23 | 118 | 237 | NMC 291209 |
| Hunter #24 | 118 | 238 | NMC 291210 |
| Hunter #25 | 118 | 239 | NMC 291211 |
| Hunter #26 | 118 | 240 | NMC 291212 |
| Hunter #27 | 118 | 241 | NMC 291213 |
| Hunter #28 | 118 | 242 | NMC 291214 |
| Hunter #28 | 118 | 243 | NMC 291215 |
| Hunter #30 | 118 | 244 | NMC 291216 |
| Hunter #31 | 118 | 245 | NMC 291217 |
| Hunter #32 | 118 | 246 | NMC 291218 |
| Hunter #33 | 118 | 247 | NMC 291219 |
| Hunter #34 | 118 | 248 | NMC 291220 |
| Hunter #35 | 118 | 249 | NMC 291221 |
| Hunter #36 | 118 | 250 | NMC 291222 |
| Hunter #37 | 118 | 251 | NMC 291223 |
| Hunter #38 | 118 | 252 | NMC 291224 |
| Hunter #39 | 118 | 253 | NMC 291225 |
| Hunter #40 | 118 | 254 | NMC 291226 |
| Hunter #41 | 118 | 255 | NMC 291227 |
| Hunter #42 | 118 | 256 | NMC 291228 |

| NAME OF CLAIM | EUREKA COUNTY RECORDING | | BLM SERIAL NO. |
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| Hunter #43 | 118 | 257 | NMC 291229 |
| Hunter #44 | 118 | 258 | NMC 291230 |
| Hunter #45 | 118 | 259 | NMC 291231 |
| Hunter #46 | 118 | 260 | NMC 291232 |
| Hunter #47 | 118 | 261 | NMC 291233 |
| Hunter #48 | 118 | 262 | NMC 291234 |
| Hunter #49 | 118 | 263 | NMC 291235 |
| Hunter #50 | 118 | 264 | NMC 291236 |
| Hunter #51 | 118 | 265 | NMC 291237 |
| Hunter #52 | 118 | 266 | NMC 291238 |
| Hunter #53 | 118 | 267 | NMC 291239 |
| Hunter #54 | 118 | 268 | NMC 291240 |
| Hunter #55 | 118 | 269 | NMC 291241 |
| Hunter #56 | 118 | 270 | NMC 291242 |
| Hunter #57 | 118 | 271 | NMC 291243 |
| Hunter #58 | 118 | 272 | NMC 291244 |
| Hunter #59 | 118 | 273 | NMC 291245 |
| Hunter #60 | 118 | 274 | NMC 291246 |
| Hunter #61 | 118 | 275 | NMC 291247 |
| Hunter #62 | 118 | 276 | NMC 291248 |
| Hunter #63 | 118 | 277 | NMC 291249 |
| Hunter #64 | 118 | 278 | NMC 291250 |
| Hunter #65 | 118 | 279 | NMC 291251 |
| Hunter #66 | 118 | 280 | NMC 291252 |
| Hunter #67 | 144 | 52 | NMC 366143 |
| Hunter #68 | 144 | 53 | NMC 366144 |
| Hunter #69 | 144 | 54 | NMC 366145 |
| Hunter #70 | 144 | 55 | NMC 366146 |
| Hunter #71 | 144 | 56 | NMC 366147 |
| Hunter #72 | 144 | 57 | NMC 366148 |
| Hunter #73 | 144 | 58 | NMC 366149 |
| Hunter #74 | 144 | 59 | NMC 366150 |
| Hunter #75 | 144 | 60 | NMC 366151 |
| Hunter #76 | 144 | 61 | NMC 366152 |
| Hunter #77 | 144 | 62 | NMC 366153 |
| Hunter #78 | 144 | 63 | NMC 366154 |
| Hunter #79 | 144 | 64 | NMC 366155 |
| Hunter #80 | 144 | 65 | NMC 366156 |
| Hunter #81 | 144 | 66 | NMC 366157 |

The following unpatented lode mining claims located in Sections 29, 30, 31 and 32, Township 23 North, Range 50 East, Eureka County, Nevada:

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
|----------------------|--------------------------------|-------------|-----------------------|
| | <u>BOOK</u> | <u>PAGE</u> | |
| KEPH #1 | 118 | 286 | NMC 291097 |
| KEPH #2 | 118 | 287 | NMC 291098 |
| KEPH #3 | 118 | 288 | NMC 291099 |
| KEPH #4 | 118 | 289 | NMC 291100 |
| KEPH #5 | 118 | 290 | NMC 291101 |
| KEPH #6 | 118 | 291 | NMC 291102 |
| KEPH #7 | 118 | 292 | NMC 291103 |
| KEPH #8 | 118 | 293 | NMC 291104 |
| KEPH #9 | 118 | 294 | NMC 291105 |
| KEPH #10 | 118 | 295 | NMC 291106 |
| KEPH #11 | 118 | 296 | NMC 291107 |
| KEPH #12 | 118 | 297 | NMC 291108 |
| KEPH #13 | 118 | 298 | NMC 291109 |
| KEPH #14 | 118 | 299 | NMC 291110 |
| KEPH #15 | 118 | 300 | NMC 291111 |
| KEPH #16 | 118 | 301 | NMC 291112 |
| KEPH #17 | 118 | 302 | NMC 291113 |
| KEPH #18 | 118 | 303 | NMC 291114 |
| KEPH #19 | 118 | 304 | NMC 291115 |
| KEPH #20 | 118 | 305 | NMC 291116 |
| KEPH #22 | 118 | 306 | NMC 291117 |
| KEPH #23 | 118 | 307 | NMC 291118 |
| KEPH #24 | 118 | 308 | NMC 291119 |
| KEPH #25 | 118 | 309 | NMC 291120 |
| KEPH #26 | 118 | 310 | NMC 291121 |
| KEPH #27 | 118 | 311 | NMC 291122 |
| KEPH #28 | 118 | 312 | NMC 291123 |
| KEPH #29 | 118 | 313 | NMC 291124 |
| KEPH #30 | 118 | 314 | NMC 291125 |
| KEPH #31 | 118 | 315 | NMC 291126 |
| KEPH #32 | 118 | 316 | NMC 291127 |
| KEPH #33 | 118 | 317 | NMC 291128 |
| KEPH #34 | 118 | 318 | NMC 291129 |
| KEPH #35 | 118 | 319 | NMC 291130 |
| KEPH #36 | 118 | 320 | NMC 291131 |
| KEPH #37 | 118 | 321 | NMC 291132 |
| KEPH #38 | 144 | 67 | NMC 366158 |
| KEPH #39 | 144 | 68 | NMC 366159 |
| KEPH #40 | 144 | 69 | NMC 366160 |
| KEPH #41 | 144 | 70 | NMC 366161 |

| EUREKA COUNTY | | | |
|----------------------|-------------|-------------|-----------------------|
| <u>RECORDING</u> | | | |
| <u>NAME OF CLAIM</u> | <u>BOOK</u> | <u>PAGE</u> | <u>BLM SERIAL NO.</u> |
| KEPH #42 | 144 | 71 | NMC 366162 |
| KEPH #43 | 144 | 72 | NMC 366163 |
| KEPH #44 | 144 | 73 | NMC 366164 |
| KEPH #45 | 144 | 74 | NMC 366165 |
| Amended | 160 | 505 | |
| KEPH #46 | 144 | 75 | NMC 366166 |
| KEPH #47 | 144 | 76 | NMC 366167 |
| KEPH #48 | 144 | 77 | NMC 366168 |
| KEPH #49 | 144 | 78 | NMC 366169 |
| KEPH #50 | 144 | 79 | NMC 366170 |
| KEPH #51 | 144 | 80 | NMC 366171 |
| KEPH #52 | 144 | 81 | NMC 366172 |
| KEPH #53 | 144 | 82 | NMC 366173 |
| KEPH #54 | 144 | 83 | NMC 366174 |
| KEPH #55 | 144 | 84 | NMC 366175 |
| KEPH #56 | 144 | 85 | NMC 366176 |
| KEPH #57 | 144 | 86 | NMC 366177 |
| KEPH #58 | 144 | 87 | NMC 366178 |
| KEPH #59 | 144 | 88 | NMC 366179 |
| KEPH #60 | 144 | 89 | NMC 366180 |
| KEPH #61 | 144 | 90 | NMC 366181 |
| KEPH #62 | 144 | 91 | NMC 366182 |
| KEPH #63 | 144 | 92 | NMC 366183 |
| KEPH #64 | 144 | 93 | NMC 366184 |
| KEPH #65 | 144 | 94 | NMC 366185 |
| KEPH #66 | 144 | 95 | NMC 366186 |
| KEPH #67 | 144 | 96 | NMC 366187 |

The following unpatented lode mining claims located in Sections 2, 11, and 14, Township 22 North, Range 50 East, and Section 35, in Townships 23 North, Range 50 East, Eureka County, Nevada:

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
|----------------------|--------------------------------|-------------|-----------------------|
| | <u>BOOK</u> | <u>PAGE</u> | |
| Si Si 1 | 155 | 1 | NMC 396998 |
| Si Si 2 | 155 | 2 | NMC 396999 |
| Si Si 3 | 155 | 3 | NMC 397000 |
| Si Si 4 | 155 | 4 | NMC 397001 |
| Si Si 5 | 155 | 5 | NMC 397002 |
| Si Si 6 | 155 | 6 | NMC 397003 |
| Si Si 7 | 155 | 7 | NMC 397004 |
| Si Si 8 | 155 | 8 | NMC 397005 |
| Si Si 9 | 155 | 9 | NMC 397006 |
| Si Si 10 | 155 | 10 | NMC 397007 |
| Si Si 11 | 155 | 11 | NMC 397008 |
| Si Si 12 | 155 | 12 | NMC 397009 |
| Si Si 13 | 155 | 13 | NMC 397010 |
| Si Si 14 | 155 | 14 | NMC 397011 |
| Si Si 15 | 155 | 15 | NMC 397012 |
| Si Si 16 | 155 | 16 | NMC 397013 |
| Si Si 17 | 155 | 17 | NMC 397014 |
| Si Si 18 | 155 | 18 | NMC 397015 |
| Si Si 19 | 155 | 19 | NMC 397016 |
| Si Si 20 | 155 | 20 | NMC 397017 |
| Si Si 21 | 155 | 21 | NMC 397018 |
| Si Si 22 | 155 | 22 | NMC 397019 |
| Si Si 23 | 155 | 23 | NMC 397020 |
| Si Si 24 | 155 | 24 | NMC 397021 |
| Si Si 25 | 155 | 25 | NMC 397022 |
| Si Si 26 | 155 | 26 | NMC 397023 |
| Si Si 27 | 155 | 27 | NMC 397024 |
| Si Si 28 | 155 | 28 | NMC 397025 |
| Si Si 29 | 155 | 29 | NMC 397026 |
| Si Si 30 | 155 | 30 | NMC 397027 |
| Si Si 31 | 155 | 31 | NMC 397028 |
| Si Si 32 | 155 | 32 | NMC 397029 |
| Si Si 33 | 155 | 33 | NMC 397030 |
| Si Si 34 | 155 | 34 | NMC 397031 |
| Si Si 35 | 155 | 35 | NMC 397032 |
| Si Si 36 | 155 | 36 | NMC 397033 |
| Si Si 37 | 155 | 37 | NMC 397034 |
| Si Si 38 | 155 | 38 | NMC 397035 |

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> <u>BOOK</u> | <u>PAGE</u> | <u>BLM SERIAL NO.</u> |
|----------------------|---|-------------|-----------------------|
| Si Si 39 | 212 | 385 | NMC 602494 |
| Si Si 40 | 213 | 386 | NMC 602495 |
| Si Si 41 | 214 | 387 | NMC 602496 |
| Si Si 42 | 215 | 388 | NMC 602497 |
| Si Si 43 | 216 | 389 | NMC 602498 |
| Si Si 44 | 217 | 390 | NMC 602499 |
| Si Si 45 | 218 | 391 | NMC 602500 |
| Si Si 46 | 219 | 392 | NMC 602501 |
| Si Si 47 | 220 | 393 | NMC 602502 |
| Si Si 48 | 221 | 394 | NMC 602503 |
| Si Si 49 | 222 | 395 | NMC 602504 |
| Si Si 50 | 223 | 396 | NMC 602505 |
| Si Si 51 | 224 | 397 | NMC 602506 |
| Si Si 52 | 225 | 398 | NMC 602507 |
| Si Si 53 | 226 | 399 | NMC 602508 |
| Si Si 54 | 227 | 400 | NMC 602509 |
| Si Si 55 | 228 | 401 | NMC 601510 |

EXHIBIT B

THE PEGASUS CLAIMS

The following unpatented lode mining claims located in Sections 1 and 12, Township 22 North, Range 50 East, Sections 6 and 7, Township 22 North, Range 51 East, Section 36, Township 23 North, Range 52 East and Section 31, Township 23 North, Range 51 East, Eureka County, Nevada:

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
|----------------------|--------------------------------|-------------|-----------------------|
| | <u>BOOK</u> | <u>PAGE</u> | |
| Taurus No. 1 | 140 | 486 | NMC 356500 |
| Taurus No. 2 | 140 | 487 | NMC 356501 |
| Taurus No. 3 | 140 | 488 | NMC 356502 |
| Taurus No. 4 | 140 | 489 | NMC 356503 |
| Taurus No. 5 | 140 | 490 | NMC 356504 |
| Taurus No. 6 | 140 | 491 | NMC 356505 |
| Taurus No. 7 | 140 | 492 | NMC 356506 |
| Taurus No. 8 | 140 | 493 | NMC 356507 |
| Taurus No. 9 | 140 | 494 | NMC 356508 |
| Taurus No. 10 | 140 | 495 | NMC 356509 |
| Taurus No. 11 | 140 | 496 | NMC 356510 |
| Taurus No. 12 | 140 | 497 | NMC 356511 |
| Taurus No. 13 | 140 | 498 | NMC 356512 |
| Taurus No. 14 | 140 | 499 | NMC 356513 |
| Taurus No. 15 | 140 | 500 | NMC 356514 |
| Taurus No. 16 | 140 | 501 | NMC 356515 |
| Taurus No. 17 | 140 | 502 | NMC 356516 |
| Taurus No. 18 | 140 | 503 | NMC 356517 |
| Taurus No. 19 | 140 | 504 | NMC 356518 |
| Taurus No. 20 | 140 | 505 | NMC 356519 |
| Taurus No. 21 | 140 | 506 | NMC 356520 |
| Taurus No. 22 | 140 | 507 | NMC 356521 |
| Taurus No. 23 | 140 | 508 | NMC 356522 |
| Taurus No. 24 | 140 | 509 | NMC 356523 |
| Taurus No. 25 | 140 | 510 | NMC 356524 |
| Taurus No. 26 | 140 | 511 | NMC 356525 |
| Taurus No. 27 | 140 | 512 | NMC 356526 |
| Taurus No. 28 | 140 | 513 | NMC 356527 |
| Taurus No. 29 | 140 | 514 | NMC 356528 |
| Taurus No. 30 | 140 | 515 | NMC 356529 |
| Taurus No. 31 | 140 | 516 | NMC 356530 |
| Taurus No. 33 | 140 | 517 | NMC 356531 |
| Taurus No. 35 | 140 | 518 | NMC 356532 |
| Taurus No. 37 | 140 | 519 | NMC 356533 |

| <u>NAME OF CLAIM</u> | <u>EUREKA COUNTY RECORDING</u> | | <u>BLM SERIAL NO.</u> |
|--------------------------|------------------------------------|-------------|-----------------------|
| | <u>BOOK</u> | <u>PAGE</u> | |
| Taurus No. 38 | 140 | 520 | NMC 356534 |
| Taurus No. 39 | 140 | 521 | NMC 356535 |
| Taurus No. 40 | 140 | 522 | NMC 356536 |
| Taurus No. 41 | 140 | 523 | NMC 356537 |
| Taurus No. 42 | 140 | 524 | NMC 356538 |
| Taurus No. 43 | 140 | 525 | NMC 356539 |
| Taurus No. 44 | 140 | 526 | NMC 356540 |
| Taurus No. 45 | 140 | 527 | NMC 356541 |
| Taurus No. 46 | 140 | 528 | NMC 356542 |
| Taurus No. 47 | 140 | 529 | NMC 356543 |
| Taurus No. 48 | 140 | 530 | NMC 356544 |
| Taurus No. 49 | 140 | 531 | NMC 356545 |
| Taurus No. 50 | 140 | 532 | NMC 356546 |
| Taurus No. 51 | 140 | 533 | NMC 356547 |
| Taurus No. 52 | 140 | 534 | NMC 356548 |
| Taurus No. 53 | 140 | 535 | NMC 356549 |
| Taurus No. 54 | 140 | 536 | NMC 356550 |
| Taurus No. 55 | 140 | 537 | NMC 356551 |
| Taurus No. 56 | 140 | 538 | NMC 356552 |
| Taurus No. 57 | 140 | 539 | NMC 356553 |
| Taurus No. 58 | 140 | 540 | NMC 356554 |
| Taurus No. 59 | 140 | 541 | NMC 356555 |
| Taurus No. 60 | 140 | 542 | NMC 356556 |
| Taurus No. 61 | 140 | 543 | NMC 356557 |

The folloing unpatented lode mining claims located in Sections 11, 12, 13 and 14, Township 22 North, Range 50 East, Eureka County, Nevada:

| NAME OF CLAIM | EUREKA COUNTY RECORDING | | BLM SERIAL NO. |
|------------------|----------------------------|------|----------------|
| | BOOK | PAGE | |
| Jake #1 | 142 | 98 | NMC 359084 |
| Jake #2 | 142 | 99 | NMC 359085 |
| Jake #3 | 142 | 100 | NMC 349086 |
| Jake #4 | 142 | 101 | NMC 359087 |
| Jake #5 | 142 | 102 | NMC 359088 |
| Jake #6 | 142 | 103 | NMC 359089 |
| Jake #7 | 142 | 104 | NMC 359090 |
| Jake #8 | 142 | 105 | NMC 359091 |
| Jake #9 | 142 | 106 | NMC 359092 |
| Jake #10 | 142 | 107 | NMC 359093 |
| Jake #11 | 142 | 108 | NMC 359094 |
| Jake #12 | 142 | 109 | NMC 359095 |

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

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