

When recorded, return to:

M. Craig Haase
Euro-Nevada Mining Corporation, Inc.
Suite 240, 6121 Lakeside Drive
Reno, Nevada 89511

MEMORANDUM OF
CARLIN VALLEY AGREEMENT

THIS MEMORANDUM is made of the Carlin Valley Agreement ("Agreement") entered into as of and effective the 12th day of April, 1991 by and between NEWMONT GOLD COMPANY a Delaware corporation ("NEWMONT"), and FRANCO-NEVADA MINING CORPORATION, INC., a Nevada corporation, and EURO-NEVADA MINING CORPORATION, INC., a Nevada corporation, (collectively "FRANCO/EURO").

Recitals:

A. WHEREAS, in accordance with the Agreement, FRANCO/EURO has conveyed to NEWMONT by Mining Deed those certain unpatented mining claims described below in Section 2.1 ("Claims"), reserving to FRANCO/EURO a net smelter return Royalty in production from the Claims; and

B. WHEREAS, in accordance with the Agreement, NEWMONT has conveyed to FRANCO/EURO by Royalty Deed a net smelter return Royalty in production from those certain mineral lands described in Section 2.2 ("Mineral Property"); and

C. WHEREAS, the Parties desire to give public notice of those terms and conditions of the Agreement not contained in the Mining Deed and Royalty Deed by recording this MEMORANDUM.

Memorandum of Agreement:

NOW, THEREFORE, in consideration of the premises, the receipt of which is hereby acknowledged, the Parties have agreed as follows:

1. **Parties.** As used in the Agreement, the terms "NEWMONT" and FRANCO/EURO shall include all of NEWMONT's and FRANCO/EURO's respective successors-in-interest, including without limitation assignees, partners, joint venture partners, lessees, and when applicable mortgagees and affiliated companies.

2. **Property Subject to Agreement.** All of the right, title and interest of FRANCO/EURO in and to the Claims and NEWMONT in and to the Mineral Property as described below in Sections 2.1 and 2.2 (collectively "Property"):

2.1. **Claims.** All those certain unpatented lode mining claims situate in Sections 28 and 32, Township 35 North, Range 51 East; Sections 4, 6, 8, 10, 16, 18, 20, and 30, Township 34 North, Range 51 East; and Section 14, Township 34 North, Range 50 East, M.D.B.&M., and more particularly described as follows:

<u>Claim Name</u>	<u>Book: Page</u>	<u>BLM Serial No.</u>
KBM 1-15	197: 436-450	NMC 560098-560112
IK 1-35	197: 451-485	NMC 560113-560147
EM 1-31	197: 486-516	NMC 560148-560178
WP 1-114	197: 517-630	NMC 560179-560292
WP 115-248	198: 001-134	NMC 560293-560426

together with all amendments, relocations, and rights attendant thereto ("Claims"); NEWMONT acknowledges that International Metals and Energy Corp. ("IM&E") presently retains certain rights in the Claims under a Mining Deed recorded as Instrument 132107 at Book 209, Pages 405-413 in the Official Records of Eureka County, Nevada ("1990 Deed"); FRANCO/EURO acknowledge that, pursuant to the terms and provisions of Sections 4 and 5 of the Agreement, FRANCO/EURO retains certain duties and obligations under the 1990 Deed; and

2.2. **Mineral Property.** All minerals (except oil, gas, hydrocarbons, geothermal resources, sand and gravel), together with necessary and appropriate surface rights for mining and associated operations in, on or under the lands in Sections 7, 17, 19, 21, 29, 30 and 31, Township 34 North, Range 51 East; and Sections 11, 15, and 23 of Township 34 North, Range 50 East, M.D.B.&M. ("Mineral Property").

3. **Term.** The term of the Agreement is perpetual, it being the intent of the Parties that the Royalty (as defined below) and the matters in the Agreement pertaining to the Royalty constitute a covenant running with the Property and the ground covered thereby.

4. **Advance Minimum Royalties.** NEWMONT shall pay to FRANCO/EURO certain Advance Minimum Royalty payments, adjusted and recovered, in accordance with the terms and provisions of the Agreement. It shall be the sole obligation of FRANCO/EURO to satisfy without reimbursement from Newmont any and all Advance Minimum Royalty payment obligations required to be made to IM&E pursuant to the 1990 Deed.

5. **Production Royalty.** NEWMONT shall pay to FRANCO/EURO (each of the parties presently comprising FRANCO/EURO as to an undivided fifty percent (50%)) a royalty ("Royalty") in the amount described in the Mining Deed and the Royalty Deed. It shall be the sole obligation of FRANCO/EURO to satisfy without reimbursement from NEWMONT any and all rights in or to the Royalty which IM&E has or may have under the

1990 Deed. The Royalty shall be paid at the time, in the manner, and in accordance with the provisions of the Agreement. NEWMONT may commingle Minerals from the Property with minerals from other properties in accordance with the provisions of the Agreement.

6. NEWMONT's Work Commitments. The Agreement requires NEWMONT to perform certain work commitments on or with respect to the Property.

7. Books; Records; Inspections; Confidentiality. The Agreement contains provisions which, subject to certain limitations and confidentiality restrictions, provide FRANCO/EURO with access to the Property as well as NEWMONT's books and records pertaining to the Property.

8. Assessment Work; Abandonment; Conversion and Exchange Rights. The Agreement contains provisions which require NEWMONT to perform certain obligations with respect to maintaining title to the Property, and which, subject to certain limitations, allow NEWMONT to abandon portions of the Claims or convert the Claims to other types of property interests.

9. Compliance with Laws; Environmental Obligations. Subject to certain limitations, the Agreement requires NEWMONT to comply with applicable laws, reclamation requirements, and environmental matters.

10. Stockpiling. Subject to certain limitations, the Agreement provides that NEWMONT may stockpile, store or place Minerals off of the Property.

11. Tailings and Residues. The Agreement provides that FRANCO/EURO shall have a continuing Royalty interest, on a pro rata basis, in all tailings, residues, waste rock, spoiled leach materials, and other materials produced from the Property.

12. Insurance. The Agreement requires NEWMONT to obtain certain insurance or self insure for certain liabilities.

13. General Provisions. The Agreement contains a number of general provisions.

14. Conflict Between Agreement and This Memorandum. In the event of a conflict between any of the terms and provisions of the Agreement, the Royalty Deed, or the Mining Deed and this Memorandum, the terms and provisions of the Agreement, the Royalty Deed, or the Mining Deed, as the case may be, shall prevail.

15. Examination of Agreement. The Agreement may be examined upon reasonable notice and during regular business hours at the offices of NEWMONT, 1700 Lincoln Street, Denver, Colorado 80203 or FRANCO/EURO, Suite 240, 6121 Lakeside Drive, Reno, Nevada 89511.

IN WITNESS WHEREOF, the Parties hereto have executed this Memorandum effective on the day and year first above written.

NEWMONT GOLD COMPANY,
a Delaware corporation

By: Graham M. Clark, Jr.

Name: Graham M. Clark, Jr.

Title: Sr. Vice President and General Counsel

FRANCO-NEVADA MINING CORPORATION, INC.,
a Nevada corporation

By: M. Craig Haase

M. Craig Haase

Executive Vice President

EURO-NEVADA MINING CORPORATION, INC.,
a Nevada corporation

By: M. Craig Haase

M. Craig Haase

Executive Vice President

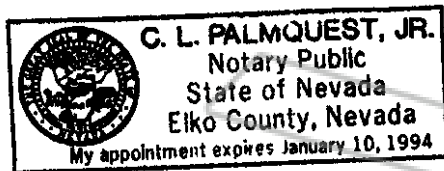
STATE OF NEVADA)
COUNTY OF ~~WASHOE~~ ^{EUREKA}) SS.

On this 4TH day of FEBRUARY, 1991², personally appeared before me, a Notary Public, M. Craig Haase, the Executive Vice President of EURO-NEVADA MINING CORPORATION, INC., a Nevada corporation, who acknowledged that he executed the foregoing instrument on behalf of the corporations for the uses and purposes stated therein.



STATE OF COLORADO)
COUNTY OF _____) SS.

[Signature]
Notary Public
My commission expires: 1-10-94



On this 1st day of December, 1991, personally appeared before me, a Notary Public, Graham M. Clark, Jr., the Sr. Vice President of NEWMONT GOLD COMPANY, a Delaware corporation, who acknowledged that he executed the foregoing instrument on behalf of the Corporation for the uses and purposes stated therein.

[Signature]
Notary Public

My commission expires: Nov. 18, 1992

RECORDER'S STAMP AREA

BOOK 231 PAGE 518
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
John Miller
92 FEB 10 AM 07

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 139772 FEE \$ 9.00

NmmtCVC.Mem/1/GenMinAg93

BOOK 231 PAGE 522