

ASSIGNMENT AND QUIT CLAIM DEED TO WATER RIGHTS

THIS ASSIGNMENT AND QUIT CLAIM DEED TO WATER RIGHTS IS MADE

and entered into as of the 31 day of December, 1993, between TONKIN

SPRINGS VENTURE LIMITED PARTNERSHIP, a Nevada limited partnership

("TSVLP"), and U.S. GOLD CORPORATION, a Colorado corporation

("USG"), the address for both companies being 55 Madison Street,

Suite 745, Denver, Colorado 80206, and GOLD CAPITAL CORPORATION, a

Colorado corporation, whose address is 5525 Erindale drive, Suite

#201, Colorado Springs, Colorado 80918 ("Gold Capital"). TSVLP and

USG, for and in consideration of the sum of TEN DOLLARS (\$10.00),

and other good and valuable consideration, the receipt and

sufficiency of which TSVLP and USG acknowledge, do hereby assign,

grant, convey, transfer and quit claim to Gold Capital and its

successors and assigns forever an undivided sixty percent (60%)

interest in and to all of TSVLP's and USG's right, title and

interest in and to the following water rights permits, which are on

file with the Nevada State Engineer's office:

Number

Description

Renewal*

48708

Well #2, by crusher

09/27/93

Lot 2, NW-1/4, NE-1/4, Sec2, T23-1/2S, R49E

Underground Basin No. 53, Eureka County

J#1

50930 Rooster well 09/27/93 SE-1/4, NE-1/4, Sec. 28, T24N, R49E Undergrnd Basin No. 53, Eureka County

50931 Rooster well 09/27/93 SE-1/4, NE-1/4, Sec. 28, T24N, R49E Undergrnd Basin No. 53, Eureka County

50932 Rooster well 09/27/93 SE-1/4, NE-1/4, Sec. 28, T24N, R49E Undergrnd Basin No. 53, Eureka County

52463 Well #6, RV park 09/27/93 SW-1/4, SW-1/4, Sec. 36, T24N, R49E Undergrnd Basin No. 53, Eureka County

52966 So. of well #5 (well not yet drilled) 09/27/93

52968 Well #5, production 09/27/93 NE-1/4, NE-1/4, Sec. 1, T23-1/2N, R49E Undergrnd Basin No. 53, Eureka County

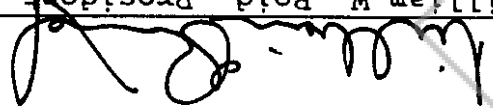
M/O-191 Well #7, monitor n/a NE-1/4, NE-1/4, Sec. 1, T23-1/2N, R49E Undergrnd Basin No. 53, Eureka County

* Filed for annual extension

To have and to hold, all and singular, the said interest in said water rights with the appurtenances, to gold capital, and to gold capital's successors and assigns forever.

TONKIN SPRINGS VENTURE LIMITED PARTNERSHIP

BY: TONKIN SPRINGS GOLD MINING COMPANY, General Partner

BY:  William W. Reid, President

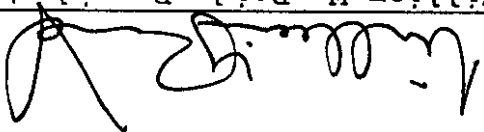
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COPY

William W. Reid, President

BY:



U.S. GOLD CORPORATION

Before me personally appeared William W. Reid on this 31 day of December, 1993, and executed the above ASSIGNMENT AND QUIT CLAIM DEED TO WATER RIGHTS, as President of Tonkin Springs Gold Mining Company, which is the sole general Partner of Tonkin Springs Venture Limited Partnership, a Nevada limited partnership, and acknowledged to me that he executed the same in that capacity.

STATE OF NEVADA
County of *Washoe*
ss. *William W. Reid*

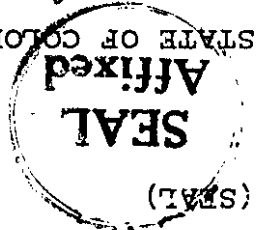
Witness my hand and official seal.

My commission expires: 8/9/97

NOTARY PUBLIC

Audith Rubin

(SEAL)



Before me personally appeared William W. Reid on this 31 day of December, 1993, and executed the above ASSIGNMENT AND QUIT CLAIM DEED TO WATER RIGHTS, as President of U.S. Gold Corporation, and acknowledged to me that he executed the same in that capacity.

STATE OF COLORADO
County of *Washoe*
ss. *William W. Reid*

Witness my hand and official seal.

My commission expires: 8/9/97

NOTARY PUBLIC

Audith Rubin

(SEAL)



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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Parrell, Mauro, Mullin
94 JAN 10 P2:59

EUREKA COUNTY, NEVADA
M.N. REBALANCE RECORDER
FILE NO. 150140
FEE \$10.00

J44

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