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Royalty Deed

This Royalty Deed (this "Royalty Deed") is made as of the 1st day of November, 1995, from Windfall Venture, a Colorado general partnership, the address of which is P.O. Box 2183, Grand Junction, Colorado, 81502 ("Grantor") to SUZANNE K. WILSON, WILLIAM BRENT WILSON, JULIET R. WILSON and HOLLIS C. WILSON, the address of each of which is P.O. Box 2183, Grand Junction, CO 81502; ROBERT G. WILSON, whose address is P.O. Box 604, Grand Junction, CO 81502; M.E. FOSTER, whose address is 915 Lakeside Court, Grand Junction, CO 81506; CHAN EDMONDS, whose address is P.O. Box 604, Grand Junction, CO 81502; and ROBERT G. WILSON, Trustee whose address is P.O. Box 604, Grand Junction, CO 81502, (the foregoing eight parties are hereinafter referred to, in the aggregate, as the "Windfall Royalty Owners"), and W.L. Wilson, Joan Wilson, whose address is P.O. Box 2183; and JoANN W. CURTIS (formerly JoAnn K. Wilson), whose address is 1125 Dartmouth Drive, Reno NV 89509, (the foregoing three parties are hereinafter referred to, in the aggregate, as the "Idaho Royalty Owners"). Together the Windfall Royalty Owners and the Idaho Royalty Owners are hereinafter referred to as "Grantees."

1.1 The Grantor, for and in consideration of Ten Dollars ($10) and other valuable consideration received from Grantees, the receipt and sufficiency of which is acknowledged, hereby bargains, sells, deeds and conveys to Grantees, their successors, personal representatives, heirs and assigns, a perpetual overriding royalty interest (the

"Royalty") as specified below, in and to those certain unpatented lode mining claims, including any amendments or relocations of such claims by Grantor (the "Mining Claims"), situated in the Eureka Mining District in Eureka County, Nevada, the names of which, together with the book and page of the recording information of the location certificates thereof are shown on Exhibit A hereto attached.

1.2 The rights, interests and the total of the Royalty conveyed under this Royalty Deed is conveyed in the respective undivided percentages to the individual Grantees, their successors, personal representatives, heirs and assigns, as set forth in the following tabulation:

Grantees	Royalty Percentage
Suzanne K. Wilson	.13636
William Brent Wilson	.13636
Juliet R. Wilson	.13636
Hollis C. Wilson	.13636
Robert G. Wilson	.26667
M.E. Foster	.38790
Chan Edmonds	.26667
Robert G. Wilson, Trustee	.53332
W.L. Wilson	.50000
Joan Wilson	.50000
JoAnn W. Curtis	1.00000
Total	4.00000 %

The royalties to be paid to the Grantees shall be calculated and paid as follows:

Percentage, Royalty Bases, and Method of
Calculation of Royalty

2.1 Percentage of Royalty. Under and by virtue of the Royalty hereby conveyed to Grantees, Grantor shall pay to the Depository Agent, for the individual accounts of Grantees, as provided in Section 2.6 below, the Royalty. The Grantees shall own the Royalty in the proportions of the undivided ownership of each as set forth in paragraph 1.2, above, which consists of an overriding royalty equal to the percentages set forth below, with respect to all gold, silver, and other saleable ores metals, minerals, materials and other mine or mill product (referred to, collectively, as "Production") produced from the Mining Claims in accordance with the provisions hereinafter set forth. The percentage rate of the Royalty shall be a total of four percent (4%). Calculation of the Royalty shall be accomplished by multiplication of the royalty percentage by the applicable royalty base (the "Royalty Base") all in the manner and in accordance with the provisions set forth in this Article II.

2.1(a) Gold and/or Silver: The Royalty Base applicable to gold or silver produced from the Mining Claims, other than gold or silver contained in ores or concentrate which are subject to 2.1 (b) or (c), below, shall be the "Gross Value", calculated as herein below specified, whether produced by in situ or solution mining, by mining ores and the extraction of gold or silver by means of heap or vat leaching, by milling or other extraction method and by refining to produce Bullion. The term "Bullion", as used herein, means refined gold or silver meeting the generally accepted commercial standards for refined gold or refined silver, as the case may be, recovered from Production by refining by an independent third-party refinery or refineries. The number of ounces (wherever used herein "ounces" refers to Troy ounces) of gold or silver contained in Bullion recovered in each month from Production shall be determined by the records pertaining thereto of the said refinery or refineries.

2.1 (a) (1) <u>Calculation of "Gross Value"</u>. "Gross Value" as used in this section 2.1(a) shall be determined by multiplying the ounces of gold and of silver contained in Bullion recovered during any calendar month, by the respective average price for gold and silver Bullion for that month, as follows:

(i) The average monthly price of gold for the month of production shall be calculated by dividing the sum of all of the prices for gold reported for the month by the London Bullion Market Association in its P.M. Gold Fixes divided by the number of days for which such prices were reported.

(ii) The average monthly price for silver for the month of production shall be determined by the average New York Silver Price as published daily by Handy and Harman, calculated by dividing the sum of all such prices reported for the month by the number of days for which such prices were reported.

(iii) The quotational source for gold and silver referred to in (i) and (ii) above shall be the Wall Street Journal, a Dow Jones and Company, Inc., publication.

(iv) If either the London Bullion Market Association P.M. Gold Fix or the Handy & Harman silver quotations cease to be published, all such references shall be replaced with references to prices of gold or silver for immediate delivery in the most nearly comparable established market selected by Grantor as published in "Metals Week" or a similar publication.

2.1 (a) (2) <u>Gross Value Royalty Base for Gold and Silver</u>. The product obtained by multiplying the number of ounces of gold contained in Bullion recovered during any month by the average monthly price for gold for such month (as such average monthly price is determined as above provided), shall be added to the product obtained by multiplying the number of ounces of silver contained in Bullion recovered during that month by the average monthly price for silver for such month, (as such average monthly price is determined as above provided), and the sum of those amounts shall constitute the Gross Value Royalty Base for calculation of gold/silver Royalty applicable to this section 2.1(a) due for that month.

2.1 (b) <u>Royalty Base for Ore or Concentrate Sold to Smelter:</u> The Royalty Base for calculation of Royalty in respect to ore produced from the Mining Claims and/or concentrate derived from ores produced from the Mining Claims which are sold in an arms-length sale to a third-party smelter by Grantor shall be the Net Smelter Returns received therefrom during any calender month. The term "Net Smelter Returns" means the amount actually received by Grantor from the Smelter less, (i) the costs of surface transportation, inclusive of insurance, of the ores from the Mining Claims (in the case of ores sold in the crude state) or of the concentrates from the mill (in the case of the sale of concentrate derived from such ores) to the smelter, to the extent that such costs are paid by Grantor, (ii) the costs of smelting such ores or concentrates if paid by Grantor and (iii) any metallurgical penalties, surcharges or other charges made or imposed by the smelter to the extent the same are paid by Grantor.

2.1(c) <u>Royalty Base for Other Mineral Substances and Ores:</u> If Grantor should produce and sell any minerals, substances or ores from the Mining Claims, other than those encompassed within the provisions of subparagraphs (a) and (b) , above, the Royalty Base for calculation of the Royalty applicable thereto shall be the net proceeds received for such substances during any calender month, after deducting the cost of the transportation thereof from the Mining Claims to the point of sale.

2.2 <u>Net Proceeds of Mines Taxes:</u> Grantees shall be responsible for payment of any Net Proceeds of Mines taxes imposed by the State of Nevada in respect to Royalty paid under this Royalty Deed.

2.3 <u>Commingling of Ores.</u> At no time shall ores, minerals or materials produced from the Mining Claims be commingled with Production derived from other properties, except and unless all such commingled ores, minerals and materials comprising Production from each source have first been weighed or measured, sampled, assayed and metallurgically analyzed in accordance with sound mining and metallurgical practice in order that the Royalty due Grantees hereunder can be reasonably and accurately determined. Upon request to Grantor, Grantees shall have the right to have a representative present at the time all such samples and measurements are taken. Grantees shall have the right to obtain sample splits for separate assaying in order to determine the accuracy of the assays of Grantor. Grantor shall make available to Grantees pertinent technical data and records within its possession reasonably required to determine the accuracy of calculation made by Grantor of Royalty payable upon commingled ores, minerals or materials.

2.4 <u>Furnishing Marketing Information</u>. Grantor shall supply to W.L. Wilson, agent for Grantees ("Grantees Agent"), on a monthly basis, duplicate settlement sheets from any refinery, mill, smelter or other purchaser of Production derived from the Mining Claims, whether or not the mine products have been sold, and shall also supply to Grantees Agent monthly reports of mining, milling and leaching activities and sufficient information as to the amounts of the gold and silver contained in dore and Bullion or other mineral products recovered during the month so that Grantees will be able to determine the amount of Production on which Royalty is due Grantees.

2.5 Payment of Royalty. Payments of Royalty shall be made by check or wire transfer, at the election of Grantees Agent. Payments of Royalty attributable to the Grantees shall be made to the Depository Agent for receipt of payment designated in paragraph 2.6, below. Royalty subject to Sections 2.1 (a), above, shall be payable monthly by the last day of the month following the month in which Bullion was recovered by the refinery, and Royalty subject to any other sections hereof shall be payable by the last day of the calendar month following the month in which settlement was made for Production subject to such other sections. The amount of Royalty payable for any month shall be the sum of the amounts resulting from the calculations made according to 2.1 (a) (for gold and silver), 2.1 (b) (for ore or concentrate sold to a smelter) and 2.1 (c) (for other mineral substances and ores). The sum of these amounts for any month shall be paid to such Depository Agent at the times and in the manner provided herein. Grantor shall accompany each such payment with sufficient detailed data showing quantities of Production produced and refined, in respect to gold or silver, or sold in respect to other types of Production, in order that Grantees may verify the accuracy of each payment.

2 .6 Depository Agent. The Grand Valley National Bank, P.O. Box 4090, Grand Junction, CO 81502, (the "Depository Agent") is hereby designated by Grantees as their agent to receive and distribute Royalty payments which become due Grantees. Payments of Royalty by Grantor to the Depository Agent shall constitute full payment to Grantees and Grantor shall have no responsibility for the subsequent distribution from the Depository Agent to the individual Grantees. The Depository Agent may be changed, from time to time, by written notice from Grantees to Grantor.

2.7 Other Royalty - Related Matters.

(a) The minerals contained in ores mined but not processed by Grantor as a result of Grantor's reasonable determination that such ore is economically infeasible of recovery, including waste or low grade ore, shall not give rise to a Grantor royalty obligation until minerals are extracted from such ores, if ever.

This Royalty Deed is made without warranty of title either express or implied, and shall be binding upon Grantor, its successors and assigns and shall inure to the benefit of Grantees, and their successors and assigns.

Effective as of November 1, 1995.

Windfall Venture

by: W L Wilson
W.L. Wilson, General Partner

State of Colorado)
) ss:
County of Mesa)

The foregoing instrument was duly acknowledged before me this 10th day of November, 1995 by W.L. Wilson as General Partner of Windfall Venture, a Colorado Partnership, on behalf of said partnership.

My Commission Expires: 3-1-99

Julie K Mullen
Notary Public

NOTARY PUBLIC
JULIE K. MULLEN
STATE OF COLORADO

EXHIBIT A TO ROYALTY DEED

Those certain unpatented lode mining claims situated in Township 18 North, Range 53 East, MDB&M, in the Eureka (unorganized) Mining District, Eureka County, Nevada, the names of which, together with the book and page of the recording information of the location certificates thereof in the official records of the Recorder of said Eureka County are, respectively, as follows:

CLAIM NAME	DATE OF LOCATION	BLM #	BOOK	PAGE
W-50	5/22/95	718868	284	579
W-51	5/22/95	718869	284	580
W-52	5/22/95	718870	284	581
W-53	6/14/95	718871	284	582
W-54	10/14/95	723240	289	336
W-55	6/15/95	718872	284	583
W-56	6/15/95	718873	284	584

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Wendgad Venture
95 NOV 15 AM 11:36
EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 16.00
159855

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