

WHEN RECORDED, MAIL TO:

Clayton J. Parr

KIMBALL, PARR, WADDUPS, BROWN & GEE
185 South State Street, Suite 1300
Salt Lake City, UT 84111

DEED OF TRUST, ASSIGNMENT,
SECURITY AGREEMENT AND FINANCING STATEMENT

THIS DEED OF TRUST, ASSIGNMENT, SECURITY AGREEMENT, AND
FINANCING STATEMENT ("Agreement") is entered into to be effective as of November 30,
1995, by ROYAL HAL CO., a Delaware corporation, as trustor ("Borrower"), whose address
is 1200 Parkview Drive, Elko, Nevada 89801; STEWART TITLE OF NORTHEASTERN
NEVADA, as trustee ("Trustee"), whose address is 810 Idaho Street, Elko, Nevada 89801, and
BARRICK BULLFROG INC., a Delaware corporation, as beneficiary ("Lender"), whose
address is Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, Toronto, Ontario,
Canada M5J 2J3.

1. Grant in Trust.

A. For good and valuable consideration, Borrower, as trustor, irrevocably and
unconditionally grants, bargains, sells, transfers, assigns, conveys and warrants to Trustee, in
trust for the benefit of Lender, and its successors and assigns, in trust, with power of sale, all
estate right, title and interest which Borrower now has or may later acquire in the following
property (collectively the "Property"):

(1) All of the net smelter returns royalty arising under that certain
Royalty Assignment, Confirmation, Amendment, and Restatement of Royalty, and Agreement,
dated as of November 30, 1995 ("Royalty Assignment"), between Lender, Barrick Goldstrike
Mines Inc., a Nevada corporation, and Borrower, which constitutes a burden upon and an
interest in the S.J. #1 through #14 patented mining claims situated in Eureka County, Nevada,
which are more particularly described in Exhibit A attached hereto;

(2) All direct or indirect proceeds, products, royalties in cash or in
kind, profits, gold and other minerals, ore, concentrate, doré bar and refined metals, including,
without limitation all inventories of minerals warehouse receipts or documents of title covering
the same, arising from or relating to the property described in paragraph 1.A.(1) above, together
with any and all corrections or amendments to, or renewals, extensions or ratifications of, any
of the foregoing, or of any instrument relating thereto and all books and records relating to the
foregoing; and

(3) All property of every kind acquired by Borrower after the date
hereof which by the terms hereof is intended to be subject to the lien of this Agreement shall

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immediately upon the acquisition thereof by the Borrower and without further mortgage, conveyance or assignment become subject to the lien of this Agreement as fully as though now owned by the Borrower and specifically described herein. Nevertheless, the Borrower shall take such actions and execute and deliver such additional instruments as Lender shall reasonably require to furnish evidence or confirm the subjection to the lien of this Agreement of any such property.

B. To the extent of Borrower's right, title and interest therein, and insofar as such properties, rights and interests consist of general intangibles, accounts, contract rights, proceeds of collateral or any other personal property of a kind or character defined in or subject to the provisions of the Uniform Commercial Code of Nevada, Borrower hereby further grants to Lender a security interest in all such personal property collateral for the purpose of securing all obligations of Borrower contained herein. This Agreement shall also be deemed a security agreement and a financing statement under the Uniform Commercial Code of Nevada with respect to the personal property and for the remedies for any violation of the covenants, terms and conditions of the agreements herein contained. Information concerning the security interest created by this instrument may be obtained from Lender or from Borrower at the addresses set forth in the initial paragraph of this Agreement. Borrower has an interest in the real estate described in Exhibit A. For the purposes of recording this instrument as a financing statement, Borrower is the debtor and Beneficiary is the secured party. Borrower's federal tax ID # is 88-0348537. Borrower shall execute and deliver to Lender any financing statements, supplements thereto, or other instruments which Lender may, from time to time, reasonably require to perfect or preserve Lender's interests in the Property or the priority thereof.

2. Secured Obligations.

Borrower makes the grant, conveyance, transfer and assignment set forth in Section 1 for the purpose of securing, (1) the indebtedness of the principal amount of \$2,463,000.00, evidenced by a promissory note of even date herewith (the "Note"), made by Borrower, and payable in full on March 15, 1996, to the order of Lender, together with interest thereon payable at the rate and other charges provided in the Note, and any extensions and/or renewals or modifications thereof; (2) the payment and performance of each agreement of Borrower herein contained; and (3) the payment of all sums expended or advanced by Lender under or pursuant to the terms hereof, together with interest thereon as herein provided.

3. Rights and Duties of the Parties.

A. Borrower agrees to comply with all laws, covenants, agreements and restrictions relating to, arising from or in any way affecting the Property and promptly and diligently perform each and every covenant and condition of the Note, this Agreement and the Royalty Assignment, including, where and when appropriate, timely providing all notices and information required under the Royalty Assignment for the purposes of consenting to the lien arising under this Agreement.

B. Borrower agrees to appear in and defend any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of

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Lender or Trustee; and should Lender or Trustee elect to appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum incurred by Lender or Trustee.

C. Borrower agrees to pay before delinquency all taxes and assessments affecting the Property, including all license, severance or production taxes upon any minerals with respect to which any royalty is to be paid; to pay, when due, all encumbrances, charges, and liens, on the Property or any part thereof, which at any time appear to be prior or superior hereto; and to pay all costs, fees, and expenses of this Trust.

D. Should Borrower fail to make any payment or to do any act as herein provided, then Lender or Trustee, but without obligation to do so, and without notice or demand upon Borrower and without releasing Borrower from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Lender or Trustee being authorized to take possession of the Property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, and to employ counsel, and pay its reasonable fees and expenses.

E. Borrower agrees to pay immediately and without demand all sums expended hereunder by Lender or Trustee, with interest from date of expenditures at the rate set forth in the Note and the repayment thereof shall be secured hereby.

F. Borrower shall not create or permit to exist any lien or encumbrance upon the Property, except (i) liens provided for the benefit of Lender; (ii) liens existing as of the date hereof and approved by Lender in writing as provided herein; (iii) liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; or (iv) liens for which Lender shall give its prior written consent, which consent shall not be unreasonably withheld.

G. Should the Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner, Lender shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage.

4. Default and Remedies.

A. Any of the following shall constitute a "default" hereunder:

(1) The failure to pay in full, when due, any payment required hereunder or under the Note;

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(2) The failure to pay in full, make complete performance of any obligation due under the Note, or otherwise pay, perform, complete or satisfy any term or condition of this Agreement;

(3) The failure to observe and perform any term, covenant, promise, payment or agreement by Borrower under this Agreement, the Note, or the Royalty Assignment, other than a monetary payment due, and that such failure continues for a period of 30 days following notice thereof by the Lender or Trustee, unless a shorter period of notice is provided in the applicable document.

B. Time is the essence hereof. At any time after a default hereunder, Lender may, at its option, and without further notice or demand, declare all indebtedness secured hereby immediately due and payable, and take the further action authorized herein and described below, regardless of: (i) Lender's delay or failure in exercising such option; (ii) Lender's failure to exercise such option for any prior default or abandonment; or (iii) the adequacy of Lender's security. Lender may, at its option and in its sole discretion, without any additional notice or demand to or upon Borrower, do one or more of the following:

(1) Trustee and Lender, and either of them, shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Agreement or other agreement or any laws now or hereafter in force notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, guaranty, lien, assignment or otherwise. Neither the acceptance of this Agreement nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Lender's right to realize upon or enforce any other security now or hereafter held by Trustee or Lender, and either of them, shall be entitled to enforce this Agreement and any other security now or hereafter held by Lender or Trustee in such order and manner as they or either of them in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Lender is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given to Trustee or Lender or to which either of them may be otherwise entitled, may be exercised concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Lender and any of them may pursue inconsistent remedies.

(2) Lender shall, without regard to the adequacy of any security for the indebtedness hereby secured, be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession of and protect the Property.

(3) Lender may bring an action in any court of competent jurisdiction to foreclose this Agreement as a mortgage or to enforce any of the covenants hereof.

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(4) Lender may elect to cause the Property or any part thereof to be sold pursuant to the power of sale granted herein in accordance with the laws of the state of Nevada:

(a) Lender may proceed as if all of the Property were real property, or Lender may elect to treat any of the Property which consists of a right in action as if the same were personal property, and dispose of the same in accordance with subparagraph (c) below, separate and apart from the sale of real property, the remainder of the Property being treated as real property.

(b) Lender may cause any such sale or other disposition to be conducted immediately following the expiration of any grace period, if any, herein provided (or immediately upon the expiration of any redemption period required by law) or Lender may delay any such sale or other disposition for such period of time as Lender deems to be in its best interest. Should Lender desire that more than one such sale or other disposition be conducted, Lender may, at its option, cause the same to be conducted simultaneously, or successively on the same day, or at such different days or times and in such order as Lender may deem to be in its best interest.

(c) Should Lender elect to cause any of the Property to be disposed of as personal property as permitted by subparagraph (a) above, it may dispose of any part thereof in any manner now or hereafter permitted by the applicable Uniform Commercial Code or in accordance with any other remedy provided by law. Both Borrower and Lender shall be eligible to purchase any part or all of the Property at any such disposition. Any such disposition may be either public or private as Lender may so elect, subject to the provisions of the applicable Uniform Commercial Code. Lender shall give Borrower at least ten (10) days' prior written notice of the time and place of any public or private sale or other disposition of such property and if such notice is sent to Borrower, it shall constitute reasonable notice to Borrower.

(d) Should Lender elect to sell any part of the Property which is real property or which Lender has elected to treat as real property, upon such election, Trustee shall give such notice of default and election to sell as may then be required by law. Thereafter, upon the expiration of such time and the giving of such notice of sale as may then be required by law, Trustee, at the time and place specified by the notice of sale, shall sell such Property or any portion thereof specified by Lender, at public auction to the highest bidder for cash in lawful money of the United States. Trustee may, and upon request of Lender, shall, from time to time and as permitted by law, postpone the sale by public announcement thereof at the time and place noticed therefor. If the Property consists of, or can reasonably be separated into parts, lots or parcels, Borrower may designate the order in which such parts, lots or parcels shall be offered for sale or sold. Any person, including Borrower or Lender, but not the Trustee, may purchase at the sale. Upon any sale, Trustee shall execute and deliver to the purchaser or purchasers an assignment, deed or other instrument conveying the property so sold, but without any covenant or warranty whatsoever, express or implied, whereupon such purchaser or purchasers shall be let into immediate possession. Borrower agrees to surrender possession of the Property or any part thereof to the purchaser thereof immediately after any sale, if such possession has not previously been surrendered to Borrower.

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(e) In the event of a sale or other disposition of any such property, or any part thereof, and the execution of deed or other conveyance, pursuant thereto, the recitals therein of facts, such as a default, the giving of notice of default and notice of sale, postponement of sale, terms of sale, sale, purchaser, payment of purchase money, and any other fact affecting the regularity or validity of such sale or disposition, shall be conclusive proof of such facts; and any such deed or conveyance shall be conclusive against all persons as to such facts recited therein;

(f) Trustee shall apply the proceeds of any sale or disposition hereunder to payment of the following: (1) the expenses of such sale or disposition together with Trustee's fees and reasonable attorneys' fees, and the actual cost of publishing, recording, mailing and posting notice; (2) the cost of any search and/or other evidence of title procured in connection therewith; (3) all sums expended under the terms hereof, not then repaid, with accrued interest in the amount provided herein; (4) all other sums secured hereby; (5) the remainder, if any, to the person or persons legally entitled thereto, or at Trustee's option be paid to the clerk of the court of competent jurisdiction over the Property.

C. The remedies listed herein are illustrative only and Lender shall also have any and all other rights in law or equity, whatever they may be.

D. The failure on the part of Lender to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Lender of any default shall not constitute a waiver of any other or subsequent default.

5. Sale; Transfer; Liens.

A. Borrower covenants and agrees not to sell or transfer all or any part of the legal or equitable title or ownership of the Property or any interest therein or any part thereof, or change the ownership or structure of Borrower in any manner without the prior written consent of Lender.

B. Borrower hereby covenants that Borrower will pay all sums which if not paid, may result in the acquisition or creation of a lien prior to or of equal priority with or junior to the lien of this Agreement, and, that Borrower will not grant any other lien or security interest on any part of the Property or personal property without full disclosure to and prior written consent by Lender.

6. Assignment of Benefits. The assignment of rents, issues, incomes, products, accretions, proceeds and other benefits contained in paragraph 1 (collectively, the "Benefits") shall constitute an absolute and present assignment, subject, however, to the conditional permission given herein to Borrower to collect and use such Benefits. Upon the occurrence and during the continuance of event of default, such permission shall be terminated. Such assignment, including, without limitation, the termination of such conditional permission upon the occurrence and during the continuance of an event of default, shall be fully operative without any further action on the part of any of trustor, Trustee or Lender. All parties (the "Purchasers") producing, purchasing, receiving or having in their possession any of the Benefits

are authorized and directed to treat and regard Beneficiaries as the party entitled in Borrower's place and stead to receive such Benefits; and said parties shall be fully protected in so treating and regarding Lender and shall be under no obligation to see to the application by Lender of any such Benefits received by them. Beneficiaries shall apply all of the Benefits received pursuant to this Section 6 to satisfaction of the indebtedness secured by this Agreement. Notwithstanding the foregoing, so long as a Purchaser shall not have received notice that an event of default shall have occurred and be continuing hereunder, any Purchaser shall be fully protected and may pay any such Benefit to the Trustor. Lender shall be entitled, at its option, upon the occurrence and during the continuance of an event of default hereunder, to all Benefits from the Property, whether or not Lender takes possession of the Property. Borrower hereby further grants to Lender the right, following and during the continuance of an event of default, at Lender's option, to enter upon and take possession of the Property for the purpose of collecting the Benefits. The assignment of the Benefits and such grant shall continue in effect until the indebtedness and other sums secured hereby are paid, the execution of this Agreement constituting and evidencing the irrevocable consent of Borrower to the entry upon and taking possession of the Property by Lender pursuant to such grant, whether or not foreclosure has been instituted. The exercise of any rights under this paragraph by Trustee on behalf of Lender shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative with all other rights and remedies.

7. Miscellaneous Provisions.

A. The interpretation, construction and enforcement of this Agreement shall be governed by the laws of the State of Nevada.

B. Borrower requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the address set forth above.

C. The invalidity of any one or more covenants, phrases, clauses, sentences or paragraphs of this Agreement shall not affect the remaining portions of this Agreement or any part thereof, and this Agreement shall be construed as if such invalid covenants, phrases, clauses, sentences or paragraphs, if any, had not been inserted herein.

D. Borrower warrants that the Property is and shall remain in compliance with all applicable governmental laws, statutes, ordinances, acts, rules and regulations or similar requirements to allow the proper use of the Property for its proposed purposes.

E. Lender may appoint a successor trustee at any time by filing for recording in the office of the County Recorder of each county in which the Property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee. Each substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

F. If the secured obligations identified in Section 2 are paid in full and the covenants contained herein are performed, then Trustee and Lender shall, upon the request of

Borrower, and at Borrower's cost and expense, promptly and in all events within thirty (30) days after Borrower's written request therefor, deliver to Borrower proper instruments executed by Trustee and Lender evidencing the release of this instrument.

G. All agreements or representations directly or indirectly relating to the Property and the secured obligation are merged into and incorporated in this Agreement and this Agreement can only be amended by a writing subscribed by all parties hereto.

H. This Agreement applies to, and inures to the benefit of, and binds all parties hereto, their successors and assigns. The term "Lender" shall mean the holder of the Note, whether or not named as Lender herein.

BORROWER:

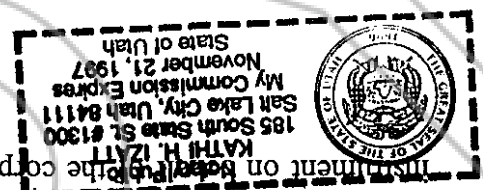
ROYAL HAL CO., a Delaware corporation

By: P. Lee Halavias
Print Name: P. LEE HALAVIAS
Title: President

STATE OF UTAH

COUNTY OF SALT LAKE

On this 30th day of November, 1995, personally appeared before me, a notary public, P. Lee Halavias, the President of ROYAL HAL CO., a Delaware corporation, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged that he executed the foregoing instrument on behalf of the corporation.



My commission expires: 11/21/97

Residing at: Salt Lake City, Utah
NOTARY PUBLIC

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EXHIBIT A

to
Deed of Trust, Assignment,
Security Agreement and Financing Statement

Description of SJ Patented Claims

The SJ patented lode mining claims, situated in Eureka County, Nevada are described as follows:

S. J. # 1, S. J. # 2, S. J. # 3, S. J. # 4, S. J. # 5, S. J. # 6, S. J. # 7, S. J. # 8, S. J. # 9, S. J. # 10, S. J. # 11, S. J. # 12, S. J. # 13, and S. J. # 14 lode mining claims designated and described as:

Mineral Survey No. 5061, within Section 24, Township 36 North, Range 49 East, and within Section 19, Township 36 North, Range 50 East, Mount Diablo Meridian, in the Lynn Mining District, Eureka County, Nevada, the said claims being more particularly described in the official field notes and depicted on the official plat; but excluding and excepting the POST No. 1, POST No. 5, lode mining claims of M.S. 5059; and the Bazza # 1, Bazza # 2, Bazza # 3, Bazza # 4, Bazza # 5, Bazza # 6, Bazza # 7, lode mining claims of M.S. 5060; and further excluding and excepting that portion of Section 19 within State Selection 2, State Selection 9 and Patent No. 1227092; and that portion of Section 24 within State Selection 2; aggregating 228.289 acres.

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF

96 JAN - 5 AM 11:42

EUREKA COUNTY NEVADA
M.N. REBAL EATL. RECORDER
FILE NO.

FEES \$36.00

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160417

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF

95 DEC - 4 PM 2:20

EUREKA COUNTY NEVADA
M.N. REBAL EATL. RECORDER
FILE NO.

FEES \$38.00

46.00

160086