160891

WHEN RECORDED RETURN TO:
Great Basin Exploration & Mining Co., Inc.
3400 Kauai Court, Suite 208
Reno, Nevada 89509

ROYALTY DEED AND AGREEMENT

THIS ROYALTY DEED AND AGREEMENT (this "Deed"), dated effective as of January 1, 1996, is from Great Basin Exploration & Mining Co., Inc., a Nevada corporation, whose address is 3400 Kauai Court, Suite 208, Reno, Nevada 89509, ("Grantor"), to Lyle F. Campbell, Sole Trustee of the Lyle F. Campbell Trust under an Agreement dated August 5, 1986 and amended on May 21, 1987, August 19, 1987, and April 29, 1991, whose address is Post Office Box 7377, Reno, Nevada 89510 ("Grantee").

Recitals

A. Grantor and Grantee are parties to that certain Afgan Mineral Lease dated effective November 8, 1993 as amended by that certain First Amendment to Mineral Lease dated effective May 19, 1994 and that certain Agreement and Second Amendment to Mineral Lease dated effective January 1, 1996 (the "Afgan Mineral Lease").

B. Grantor is party to that certain Participation Agreement dated effective May 31, 1995, to which the Afgan Mineral Lease is subject.

C. Cominco American, Inc. and Grantor are parties to that certain Joint Venture Operating Agreement dated effective January 1, 1996, to which the Afgan Mineral Lease is subject.

D. This Deed is executed and delivered pursuant to the provisions of the Afgan Mineral Lease as amended.

Grant

FOR AND IN CONSIDERATION of Ten Dollars ($10.00), the mutual promises contained in the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby conveys, grants and assigns to Grantee one percent (1%) production royalty burdening and encumbering the real property more particularly described in Schedule I attached hereto (the "Property") to be calculated and paid pursuant to and in accordance with the provisions of the "Production Royalty Administration" described in Schedule II attached hereto (hereinafter, the "Production Royalty").

TO HAVE AND TO HOLD the Production Royalty unto Grantee, its successors and assigns forever.

It is mutually understood and agreed that this Deed is granted only under such title as Grantor may now hold or hereafter acquire and that in the event that Grantor shall hereafter be divested of such title, Grantor shall not be liable for any damages sustained by Grantee; additionally, Grantor shall not be liable in damages or otherwise, on account of Grantee's possession of the interests granted herein being destroyed or interrupted. It is understood and agreed that in the event of adverse claim or claims affecting said mining claims or the land covered thereby, Grantee shall be under no obligation to defend title, nor to contribute to the defense of title thereto, and it is specifically understood in such event that Grantor shall be under no obligation to defend title. Concerning possible conflicts with unpatented mining claims of third parties, neither party is under a specific obligation of title defense; Grantor grants merely whatever title Grantor might have in such area of conflict. To the extent that Grantee desires to enter an area of conflict and endeavor to prove upon the title to Grantor's claims, Grantee does so at its own risk and expense. Grantor represents that Grantor has no knowledge of claims of third parties. Except for the royalty created by this Deed and the obligations pursuant to the Joint Venture Operating Agreement and Participation Agreement referred to in the Recitals hereinabove, Grantor represents and warrants that the Property is free and clear of all liens, encumbrances and leases of third parties claiming by, through and under Grantor and otherwise make no representations or warranties of any kind, express or implied; provided, however, that the unpatented mining claims constituting the Property are acknowledged to be subject to the paramount title of the United States. Grantee's sole and exclusive remedy for any breach or default by Grantor under this paragraph is to release its possession of the interests granted in this Deed.

Notice is hereby given that for one dollar of additional consideration, and other good and sufficient consideration, the sufficiency and receipt whereof are acknowledged by the Grantor's signature below, the Grantor has agreed that if Grantor, or Grantor's successor's and assigns, elects to abandon its interest in all or any portion of the Property which would result in termination of the rights to said Property as granted pursuant to the laws of the United States, then Grantor shall first offer to transfer such portion of the Property to Grantee by providing thirty (30) days advance written notice to Grantee identifying such portion of the Property to Grantee. Grantee shall have thirty (30) days from receipt of notice from Grantor in which to elect in writing to accept assignment of said Property, and upon timely receipt of such election Grantor shall execute and tender to Grantee a good and sufficient Quitclaim Deed in recordable form for those claims which Grantee has elected to accept. From and after delivery of such Quitclaim Deed, Grantor shall be released and relieved of all further obligations which might otherwise thereafter accrue, applicable to the claims so quitclaimed to Grantee.

The Production Royalty created by this Deed shall burden and run with the Property. Nothing contained herein shall constitute an affirmative covenant or obligation of Grantor to operate, produce from or sell the Property in a manner to generate proceeds from the Property that would be subject to the Production Royalty hereunder. Grantee shall look solely to the current owner of the Property or the successor-in-interest of the Grantor for satisfaction and discharge of the Production Royalty, and Grantor shall not be personally liable for the payment and discharge thereof. Grantor shall not be personally liable for payment of sums which become due and payable after passage of title to Grantor's successor.

The Grantee may freely transfer, sell, assign or otherwise dispose of its entire interest in the Production Royalty; provided, however, that Grantor shall have no obligation to pay proceeds of the Production Royalty to any party other than the Grantee until Grantee, its successors and assigns shall have provided Grantor with written notice of a transfer, sale or assignment of all or a portion of the Production Royalty, together with a copy of the applicable instruments of sale or conveyance.

All recording references in Schedule I are to the official real property records of Eureka County, Nevada, and the U.S. Department of the Interior, Bureau of Land Management.

This Deed shall bind and inure to the benefit of the parties and their respective successors and assigns.

EXECUTED this 3rd day of January, 1996, to be effective as of the date first above written.

GRANTOR
Great Basin Exploration & Mining Co., Inc.

By: ______________________
A.P. Taylor
Its: President

GRANTEE

By: ______________________
Lyle F. Campbell, Sole Trustee of
THE LYLE F. CAMPBELL TRUST

STATE OF NEVADA)
: ss
COUNTY OF WASHOE)

This 3rd day of January, 1996 before me personally appeared A.P. TAYLOR, to me known to be the President of GREAT BASIN EXPLORATION & MINING CO., INC., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of said corporation.

Given under my hand and official seal the day and year in this certificate first above written.

Diane K. Bryan

Notary Public in and for the State of Nevada, residing at Reno

DIANE K. BRYAN
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES JUNE 10, 1996

My Commission Expires: June 10, 1996

[SEAL]

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this 9th day of January, 1996, personally appeared before me, a Notary Public, in and for the state and county aforesaid, Lyle F. Campbell, the Sole Trustee of THE LYLE F. CAMPBELL TRUST, under an Agreement dated August 5, 1986 and amended on May 21, 1987, August 19, 1987 and April 29, 1991, personally known (or proved) to me to be the person named in and whose name is subscribed to the foregoing instrument who acknowledged that he executed the foregoing instrument on his own behalf and on behalf of THE LYLE F. CAMPBELL TRUST for purposes express therein.

Sharon Kenzer

Notary Public

My Commission Expires:

April 28, 1996

SHARON KENZER
Notary Public - State of Nevada
Appointment Recorded in Washoe County
MY APPOINTMENT EXPIRES APR. 28, 19..

[SEAL]

SCHEDULE I
PROPERTY

This Schedule I is attached to and made a part of that certain Royalty Deed and Agreement dated effective January 1, 1996, from Great Basin Exploration & Mining Co., Inc., a Nevada corporation, ("Grantor"), to Lyle F. Campbell, Sole Trustee of the Lyle F. Campbell Trust ("Grantee"). The Property referred to in the Royalty Deed and Agreement pertains to the following described contiguous group comprised of one hundred seventy one (171) unpatented lode mining claims of the KOBEH property described herein below, all under the common control or ownership of Great Basin Exploration & Mining Co., Inc., and all of said contiguous group being located in portions or all of Sections 4, 5, and 9, Townships 21 North, Range 51 East, and Sections 28, 29, 32 and 33, Township 22 North, Range 51 East, Mount Diablo Meridian, Eureka County, State of Nevada, and more particularly described below.

The name and address of the claim owner is:

Great Basin Exploration & Mining Co., Inc.
3400 Kauai Court, Suite 208
Reno, Nevada 89509

Name and Number of claim(s)	Date of Location	County Book/Page(s)	BLM Serial Nos.
Kobeh 936 - 943	9/02/94	278/440-447	708237 - 708244
Kobeh 1036 - 104	9/02/94	278/448-455	708245 - 708252
Kobeh 1136 - 1142	9/01/94	278/456-462	708253 - 708259
Kobeh 1236 - 1242	9/01/94	278/463-469	708260 - 708266
Kobeh 1326 - 1334 (R)	1/26/95	282/373-381	715418 - 715426
Kobeh 1335 - 1340	10/16/91	230/212-217	637402 - 637407
Kobeh 1426 - 1433 (R)	1/26/95	282/382-389	715427 - 715434
Kobeh 1434 - 1440	10/16/91	230/226-232	637416 - 637422
Kobeh 1526 - 1532 (R)	1/26/95	282/390-396	715435 - 715441
Kobeh 1533 - 1540	10/16/95	230/240-247	637430 - 637437
Kobeh 1623 - 1631 (R)	1/26/95	282/397-405	715442 - 715450
Kobeh 1632 - 1640	10/16/91	230/260-268	637450 - 637458
Kobeh 1723 - 1730 (R)	1/26/95	282/406-413	715451 - 715458
Kobeh 1731 - 1738	10/16/91	230/280-287	637470 - 637477
Kobeh 1823 - 1829 (R)	1/26/95	282/414-420	715459 - 715465
Kobeh 1830 - 1836	10/16/91	230/298-304	637488 - 637494
Kobeh 1923 - 1928 (R)	3/05/94	267//262-267	698070 - 698075
Kobeh 1929 - 1936	10/15/91	230/314-321	637504 - 637511
Kobeh 2020 - 2027 (R)	3/05/94	267/268-275	698076 - 698083
Kobeh 2028 - 2035	10/15/91	230/330-337	637520 - 637527
Kobeh 2120 - 2122 (R)	3/05/94	267/276-278	698084 - 698086
Kobeh 2130 - 2135	10/15/91	230/348-353	637538 - 637543
Kobeh 2220 - 2222 (R)	3/05/94	267/279-281	698087 - 698089
Kobeh 2230 - 2235	10/15/91	230/364-369	637554 - 637559

(R) denotes relocation

SCHEDULE II
PRODUCTION ROYALTY ADMINISTRATION

This Schedule II is attached to and made a part of that certain Royalty Deed and Agreement dated effective January 1, 1996, from Great Basin Exploration & Mining Co., Inc., a Nevada corporation, ("Grantor"), to Lyle F. Campbell, Sole Trustee of the Lyle F. Campbell Trust ("Grantee"). The Production Royalty referred to in the Royalty Deed and Agreement shall be calculated and paid pursuant to and in accordance with the following provisions, to wit:

1. Grantor shall pay to Grantee a royalty (hereinafter "Production Royalty") for all Mineral Substances removed, sold or otherwise disposed of from the Property. For the purposes of this Deed, "Mineral Substances" shall mean all minerals or any valuable products of any nature whatsoever in, on or under the Property including, but not limited to, ore, minerals, concentrates, doré, refined materials and any other product of any process whether or not now known and regardless of the state of milling, refining, upgrading or other processing title passes to buyer, but excluding oil, gas, hydrocarbons and geothermal resources. Grantor may stockpile Mineral Substances only after giving Grantee notice of Grantor's intention to do so, which notice shall specify the date such stockpiling is to commence and the proposed location of the stockpile. Grantor shall keep a full and complete record of the grade and quantity of all Mineral Substances so stockpiled, and shall provide such information to Grantee within thirty (30) days of determining such information. In the event any Mineral Substances are stockpiled for five (5) continuous years, such stockpiling shall be deemed a sale or disposition thereof requiring the payment of the Production Royalty thereon; in such event, the Production Royalty shall be determined upon the gross value of the Mineral Substances so stockpiled as of the fifth (5th) anniversary of the date stockpiling commenced. In determining such value, the reference price shall be the base price of the Mineral Substances as published in The Wall Street Journal, New York Commodity Exchange, on such fifth (5th) anniversary or the first trading day thereafter.

2. Grantor shall pay Grantee a Production Royalty of one percent (1%) of the gross sales price of any Mineral Substance, such Production Royalty to be computed before any deductions whatsoever from the gross sales prices of the Mineral Substances sold as shown on the buyer's settlement sheet or other document for each separate sale thereof. If milling, processing, refining or treatment costs or penalties are paid in kind, the Production Royalty, shall be computed on the amount of gold, silver, platinum palladium or other valuable product contained in the Mineral Substance before deducting any such costs or payments in kind.

3. In addition to the Production Royalties payable under paragraph 1 hereinabove, Grantor shall pay to Grantee as a Production Royalty one percent (1%) before any deductions whatsoever, of any bonus, subsidy or similar payment or allowance made for whatever reason to Grantor by any governmental agency, ore buyer or others with respect to any production, transport or sale of Mineral Substances hereunder.

Payment of Production Royalty, other than Production Royalty taken in kind by Grantee, shall be made by Grantor to Grantee on or before thirty (30) days after receipt of payment by Grantor for the Mineral Substances sold or otherwise disposed of and for which the Production

Royalty is payable, or within sixty (60) days after delivery of the Mineral Substances by Grantor to a third party, whichever is earlier.

It is mutually understood and agreed that Grantee shall have the right and option to take his Production Royalty in kind in the form in which Grantor sells such Mineral Substances. On or before October 1st of each calendar year, Grantee shall give Grantor written notice of whether Grantee elects to take his Production Royalty in kind throughout the following calendar year. If Grantee fails to give such notice for the first calendar year in which Production Royalty is due to Grantee, Grantee shall be deemed to have elected not to take his Production Royalty in kind for that calendar year. If Grantee fails to give such notice by October 1st of any subsequent year, the election then in effect will continue throughout the following calendar year. Grantee hereby agrees that each election to take or not to take his Production Royalty in kind shall remain in effect for calendar year increments and that all persons or entities constituting the Grantee shall be required to make this same election whether or not to take in kind.

If Grantor enters into an agreement for the sale of Mineral Substances from the Property, it shall not include in such agreement sale of that portion of the Mineral Substances which Grantee has the right to take in kind, without the prior written agreement of Grantee.

If Grantee elects to take his Production Royalty in kind, Mineral Substances shipped to third parties shall be shipped in the joint names of Grantor and Grantee. Grantor shall make necessary arrangements so that Grantee shall be a party to any agreements that Grantor makes with refiners for refining Mineral Substances from the Property. If Grantee elects to take his Production Royalty in kind, Grantee shall bear all risks associated with taking his Production Royalty in kind, and shall bear all additional costs incurred by Grantor as a result of Grantee's taking in kind, such as increased costs due to separate pouring, storage, insurance, security, transportation and monitoring. Grantee shall have the right to inspect procedures used by Grantor to make payment in kind, and at his option, Grantee, or his agent, shall have the right to be present to observe sampling and splitting procedures and to review all records and procedures related to division of Mineral Substances for the purpose of taking in kind.

In the even the purchases of any of the Mineral Substances produced and sold by Grantor hereunder shall be owned or controlled by Grantee, the purchase agreement(s) covering such Mineral Substances shall be commercially fair and shall provide that the price to be received by Grantor therefor shall be commercially fair and shall not be less than the price currently received by other sellers of Mineral Substances of like quality and quantity who sell to the nearest independent refinery or smelter in the market area where such Mineral Substances are ordinarily sold. For the purposes of this Deed, "owned and controlled" shall mean that Grantor holds sufficient interest in the purchaser to substantially direct its operations on a continuing basis.

Production Royalty payments to Lessor shall be accompanied by a statement, together with smelter or refinery settlement sheets, agreements, invoices, or their equivalent, showing in reasonable detail the computation and derivation of such payments.

BOOK 292 PAGE 232
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Great Basin Exploration
96 JAN 16 AM 9:37

BOOK 292 PAGE 238

160891 EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 13.00