

Royalty Deed

This Royalty Deed (this "Royalty Deed") is made as of the 20th day of December, 2002, from Windfall Venture, Nevada 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 whom 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, TIMOTHY K. WILSON, whose address is 2240 Solari Drive, Reno, NV 89509, and GREGORY A. WILSON, whose address is 1475 Summit Hills Drive, Reno, NV 89511. The foregoing ten parties 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") in the amount (the "Total Royalty") as specified below, in and on all minerals and mine products produced from those certain unpatented lode mining claims (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 Exhibits A and B hereto attached. Mining Claims shall include any amendments or relocations and other mining claims located within the peripheral

boundaries of the Mining Claims, which locations, amendments or relocations are made by Grantor or its successors and assigns. All references to recorded documents herein refer to documents recorded in the Official records in the office of the County Recorder of Eureka County, Nevada. The royalties granted hereunder which pertain to the Exhibit A claims are granted in addition to the royalties which the Grantees previously held on the Exhibit A claims, as provided in the 2001 Agreement between the parties hereto, which agreement is recorded in Book 344 at Pages 185, *et seq.*

1.2 The Total Royalty conveyed under this Royalty Deed for the Exhibit A claims totals 2%, and is hereby conveyed in the respective undivided percentages to the individual Grantees, their successors, personal representatives, heirs and assigns, as set forth in the following tabulation:

<u>Exhibit Claims</u>	<u>Royalty Percentage</u>
Suzanne K. Wilson	0.19318%
William Brent Wilson	0.19318%
Juliet Wilson	0.19318%
Hollis Wilson	0.19318%
Robert Wilson	0.13334%
Charles Monds	0.13334%
M. E. Oster	0.19395%
Robert Wilson, Trustee	0.26666%
Timothy K. Wilson	0.25000%
Gregory A. Wilson	<u>0.25000%</u>
TOTAL:	2.00000%

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

1.3 The Total Royalty conveyed under this Royalty Deed for the Exhibit B claims totals 4%, and is hereby conveyed in the respective undivided percentages to the individual Grantees, their successors, personal representatives, heirs and assigns, as set forth in the following tabulation:

Exhibit Claims

Royalty Percentage

Suzanne Wilson	0.38636%
Williament Wilson	0.38636%
Juliet R. ilson	0.38636%
Hollis C ilson	0.38636%
Robert C Wilson	0.26668%
Chan Ednds	0.26666%
M. E. Fer	0.38790%
Robert Wilson, Trustee	0.53332%
Timothy Wilson	0.50000%
Gregory Wilson	0.50000%
TOTAL:	4.00000%

Percentage, Royalty Bases, and Method of
Calculation of Royalty

2.1 Percenta of Royalty. Under and by virtue of the Royalty hereby conveyed to Grantees, Grantor shall 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 amounts of the undivided ownership each as set forth in paragraphs 1.2 and 1.3, above. The Total Royalty herein conveyed consist an overriding royalty equal to a total of two percent (2%) for the Exhibit A claims, and four pent (4%) for the Exhibit B claims, subject, however, to adjustment as provided in Section 2. below, with respect to all gold, silver, and other saleable ores metals, minerals, materials another mine or mill product (referred to, collectively, as "Production") produced from the Mng Claims in accordance with the provisions hereinafter set forth. Calculation of the Roya shall be accomplished by multiplication of the Total Royalty percentage of either two percent (2) or four percent (4%), as the case may required, subject to possible adjustments under Sect 2.2, below, by the sum of the applicable Royalty bases, for a particular

Quarter (the "Royalty Base") all in the manner and in accordance with the provisions set forth in this Article II.

2.1(a) Gold and 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 "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 mill or other extraction method and by refining to produce Bullion. The term "Bullion", as used here 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 calendar quarter ("Quarter" or "Quarterly," as the case may require) from Production shall be determined by the record pertaining thereto of the said refinery or refineries.

2.1 (a) (1) Calculation of "Gross Value". "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 Quarter by the respective average price for gold and silver Bullion for that Quarter, as follows:

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

(ii) The average Quarterly price for silver for the Quarter 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 Quarter 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 D. Jones and Company, Inc., publication.

(iv) If either the London Bullion Market Association P.M. Gold Fix or the Handy & Harman silver quotation cease to be published, all such references shall be replaced with references to prices of gold or silver 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) Precis Metals Royalty Base. The product obtained by multiplying the number of ounces of gold contained in Bullion recovered during any Quarter by the average Quarterly price for gold for such Quarter (as such average Quarterly 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 Quarter by the average Quarterly price for silver for such Quarter, (as such average Quarterly price is determined as above provided), and the sum of those amounts shall constitute the Royalty base for calculation of gold/silver Royalty applicable to this section 2.1(a) due for that Quarter.

2.1 (b) Royalty Base for Ore or Concentrate Sold to Smelter: 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 in a particular Quarter shall be the Net Smelter Returns received therefrom. 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 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, charges or other charges made or imposed by the smelter to the extent the same are paid by Grantor.

2.1(c) Royalty for Other Minerals, Substances and Ores: If Grantor should produce and sell any minerals, substances or ores from the Mining Claims, in a Quarter, 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 Quarter after deducting the cost of the transportation thereof from the Mining Claims to the point of sale.

2.2 Effect on Position of Federal Royalty; Net Proceeds of Mines Taxes: If, in the future, a royalty is imposed on, and required to be paid upon Production from the Subject Claims by the United States of America, the amount of such royalty actually paid to the United States by Operator may be deducted by Operator from the applicable Royalty Base before calculation of the Royalty payable in respect to Production from claims burdened by such United States royalty. The Royalty Holders individually 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 Agreement.

2.3 Commingling of Ores. 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 lots 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 needed to determine the accuracy of calculation made by Grantor of Royalty payable upon commingled ores, minerals or materials.

2.4 Furnishing/Marketing Information. Grantor shall supply to W.L. Wilson, agent for Grantees ("Grantees Agent"), on a Quarterly 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 Quarterly reports of mining, milling and leaching activities as sufficient information as to the amounts of the gold and silver contained in dore and Bullion or other mineral products recovered during the Quarter so that Grantees will be able to determine the amount of Production on which Royalty is due Grantees.

2.5 Payment Royalty. Payments of Royalty shall be made by check or wire transfer, at the election of Grantor Agent. Payments of Royalty attributable to the Grantees shall be made to the Depository and Agent for Receipt of Payment designated in paragraph 2.6, below. Royalty subject to Sections 2.1 (above), shall be payable Quarterly by the last day of the month following the calendar Quarter in which Bullion was recovered, and Royalty subject to any other sections hereof shall be payable Quarterly by the last day of the month following the close of the calendar Quarter in which settlement was made for Production subject to such other sections. 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 December 20th, 2002.

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 20th day of December, 2002 by W.L. Wilson as General Partner of Windfall Venture, a Nevada Partnership, on behalf of said partnership.

My Commission expires: June 29, 2005

Marilyn Kling
Notary Public

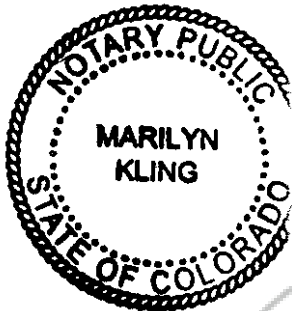


EXHIBIT A TO ROYALTY DEED

Windfallenture, whose address is P. O. Box 2183, Grand Junction CO 81502, is the owner of the below listed claims situated in Eureka County, Nevada. The claim name, book and page recording of the location certificates in the office of the Recorder of Eureka County, and the NMC numbers are as follows:

Claim Na	Eureka County Records Book	Page	BLM NMC No.
J-1	81, O. R.	312	153823
J-2	81, O. R.	313	153824
J-3	81, O. R.	314	153825
J-4	81, O. R.	315	153826
J-5	81, O. R.	316	153827
J-6	81, O. R.	317	153828
J-7	81, O. R.	318	153829
J-8	81, O. R.	319	153830
J-9	81, O. R.	320	153831
J-10	81, O. R.	321	153832
J-11	81, O. R.	322	153833
J-12	81, O. R.	323	153834
J-13	81, O. R.	324	153835
J-14	81, O. R.	325	153836
J-15	81, O. R.	326	153837
J-16	81, O. R.	327	153838
J-17	81, O. R.	328	153839
J-18	81, O. R.	329	153840
J-19	81, O. R.	330	153841
J-20	81, O. R.	331	153842
J-21	81, O. R.	332	153843
J-22	81, O. R.	333	153844
J-23	81, O. R.	334	153845
J-24	84, O. R.	361	160193
J-25	84, O. R.	362	160194
J-26	84, O. R.	363	160195
J-27	84, O. R.	364	160196
J-28	84, O. R.	365	160197
J-30	277, O. R.	309	705454
J-33	304, O. R.	422	758671
J-34	304, O. R.	423	758672
J-35	304, O. R.	424	758673
J-36	304, O. R.	425	758674
J-37	304, O. R.	426	758675
J-38	304, O. R.	427	758676
J-85	304, O. R.	428	758677
J-86	304, O. R.	429	758678

Claim No.	Eureka County Records Book	Page	BLM NMC No.
JA-1	280, O. R.	114	711217
J-52	84, O. R.	386	160218
J-53	84, O. R.	387	160219
J-54	84, O. R.	388	160220
J-87	281, O. R.	560	714831
B 187	247, O. R.	159	677969
B 189	247, O. R.	160	677970
B 191	247, O. R.	161	677971
B 193	247, O. R.	162	677972
B 195	247, O. R.	163	677973
B 197	247, O. R.	164	677974
B 199	247, O. R.	165	677975
B 201	247, O. R.	166	677976
F-61	286, O. R.	362	722354
F-63	286, O. R.	363	722355
F-65	286, O. R.	364	722356
F-67	286, O. R.	365	722357
F-69	286, O. R.	366	722358
F-71	286, O. R.	367	722359
F-73	286, O. R.	368	722360
F-75	286, O. R.	369	722361
F-77	286, O. R.	370	722362
F-79	286, O. R.	371	722363
F-81	286, O. R.	372	722364
F-83	286, O. R.	373	722365
F-85	286, O. R.	374	722366

EXHIBIT B TO ROYALTY DEED

Windfallenture, whose address is P. O. Box 2183, Grand Junction CO 81502, is the owner of the below listed claims situation in Eureka County, Nevada. The claim name, book and page recording of the location certificates in the office of the Recorder of Eureka County, and the NMC numbers are as follows:

Claim Name	Eureka County Records Book	Page	BLM NMC No.
J-31	343, O. R.	242	824800
J-39	343, O. R.	243	824801
J-40	343, O. R.	244	824802
J-41	343, O. R.	245	824803
J-42	343, O. R.	246	824804
J-43	343, O. R.	247	824805
J-44	343, O. R.	248	824806
J-49	343, O. R.	249	824807
J-50	343, O. R.	250	824808
J-71	343, O. R.	251	824809
J-72	343, O. R.	252	824810
J-73	343, O. R.	253	824811
J-74	343, O. R.	254	824812
J-75	343, O. R.	255	824813
J-76	343, O. R.	256	824814
J-81	343, O. R.	257	824815
J-82	343, O. R.	258	824816
J-83	343, O. R.	259	824817
J-84	343, O. R.	260	824818
J-88	343, O. R.	261	824819
ELW 16	344, O. R.	205	825049
ELW 17	344, O. R.	206	825050
ELW 18	344, O. R.	207	825051
ELW 19	344, O. R.	208	825052
ELW 20	344, O. R.	209	825053
ELW 21	344, O. R.	210	825054
ELW 22	344, O. R.	211	825055
ELW 23	344, O. R.	212	825056
ELW 24	344, O. R.	213	825057
ELW 25	344, O. R.	214	825058
ELW 26	344, O. R.	215	825059
ELW 27	344, O. R.	216	825060
ELW 60	344, O. R.	226	825070
ELW 62	344, O. R.	228	825072
ELW 64	344, O. R.	230	825074
ELW 66	344, O. R.	232	825076
ELW 68	344, O. R.	234	825078
ELW 70	344, O. R.	236	825080

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OFFICIAL RECORDS
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Windfall Venture
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CLARK COUNTY, NEVADA
H.W. REBALEAULT, RECORDER
FILE NO. FEES *26*⁰⁰

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