

CROSS ASSIGNMENT OF MINERAL INTERESTS

THIS CROSS-SIGNMENT OF MINERAL INTERESTS (the "Assignment") is made and entered into effective of the 16th day of October, 2002, by and between **TOM CONNOLLY** and **VOLINA CONNOLLY**, husband and wife ("**CONNOLLY**"), and **JAMES E. BAUMANN**, as Trustee of the **JEANTE L. BAUMANN TRUST** ("**BAUMANN**").

WHEREAS, effective as of the 16th day of October, 2002, **CONNOLLY** and **BAUMANN** entered into two (2) separate mining leases with **PLACER DOME U.S. INC.**, a California corporation, covering certain property commonly known as the "Horse Ranch," located in Eureka County, Nevada, more particularly described on Exhibit "A" attached hereto and made a part hereof.

WHEREAS, a certain Form of Mining Lease was recorded with respect to each such mining lease on November 6, 2002 in Book 353, Page 247, File No. 179382 and in Book 353, Page 253, File No. 179383, respectively in the office of the Recorder of Eureka County, Nevada.

WHEREAS, said mining leases contemplate, and the terms and provisions thereof provide, that each of **CONNOLLY** and **BAUMANN** own an undivided fifty percent (50%) of the subject mineral estate.

WHEREAS, certain questions and issues have arisen with respect to the specific ownership of the mineral estate subj to such mining leases.

WHEREAS, **CONNOLLY** and **BAUMANN** desire to avoid any controversy over such mineral ownership subj to said mining leases and intend hereby to evidence their mutual agreement as to all matters pertaining to their rights under said mining leases, including all payments to be made thereunder.

NOW, THEREFORE, for good and valuable consideration, including the recitals set forth above, **CONNOLLY** and **BAUMANN** agree as follows:

1. **Mineral Interest.** **CONNOLLY** and **BAUMANN** each agree that for all purposes of such mining leases, including all rights, duties and obligations provided thereunder, and specifically including the title to and receipt of payments provided thereby, each party shall be entitled to and obligated by an undivided fifty percent (50%) interest therein. The parties further hereby ratify and affirm the terms and provisions of the above-referenced mining leases.

2. **Warranty and Representations.** **CONNOLLY** and **BAUMANN**, to the extent of the mineral interest set forth hereto, each represents and warrants to the other that, to the best of each party's actual knowledge, such party owns its interest in and to said mineral interest free and clear of all liens and encumbrances or other burdens on production arising by, through or under it; that neither party has assigned or encumbered its interest in said mineral interest; that there are no actions, suits, or other proceedings pending or, to such party's knowledge, threatened against or affecting such mineral interest; and that each party has the full and unrestricted right to enter into and perform this Assignment without obtaining the consent or participation of any other party. Each

party further represents and warrants to the other that it has not entered into any presently binding contract, agreement, or commitment with respect to the mineral interest which would interfere with the rights herein granted, assigned and/or confirmed to the other.

3. **Applicable Law.** This Assignment shall be construed and governed by the laws of the State of Nevada.

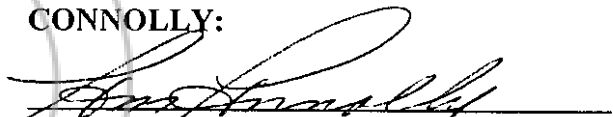
4. **Entire Agreement.** This Assignment contains all of the representations and agreements between the parties with respect to the mineral interest assigned and the subject matter hereof. No modification or waiver of the terms and conditions of this Assignment shall be binding upon either party unless in writing, dated subsequent to the effective date of this Assignment, and executed by an authorized representative of each party. No waiver by any party of a breach of any of the provisions of the Assignment shall be construed as a waiver of any subsequent breach, whether of the same or a different character.

5. **Further Instruments.** The parties hereto agree that they will execute any and all other instruments or documents that may be necessary or required to carry out and effectuate any and all of the provisions of this Assignment.

6. **Binding Effect.** This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective representatives, heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Assignment the day and year first above written.

CONNOLLY:


TOM CONNOLLY


VOLINA CONNOLLY

BAUMANN:

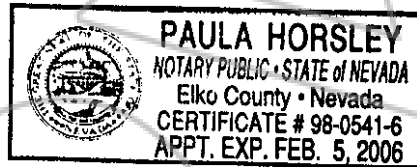
JEANETTE L. BAUMANN TRUST

By: 
JAMES E. BAUMANN, Trustee

STATE OF NEVADA)
)SS.
COUNTY OF Elko)

On April 16, 2003, personally appeared before me, a Notary Public, **TOM CONNOLLY** and **VALINA CONNOLLY**, personally known to me to be the persons whose names are subscribed to the above instrument who acknowledged that they executed said instrument.

Paula Horsley
NOTARY PUBLIC



STATE OF NEVADA)
)SS.
COUNTY OF Eureka)

On April 23, 2003, personally appeared before me, a Notary Public, **JAMES E. BAUMANN**, personally known to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed said instrument for and on behalf of said Trust.

Maryjo Castaneda
NOTARY PUBLIC

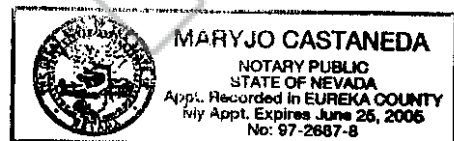


EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of EUREKA, described as follows:

PARCEL 1:

TOWNSHIP 26 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 13: L 4; SW1/4SE1/4; SW1/4NW1/4;
N2SW1/4; SE1/4SW1/4;

EXCEPTING THEREFROM all the oil and gas in and under said land, reserved by THE UNITED STATES OF AMERICA, in Patent recorded March 7, 1967, Book 18, Page 245, Official Records, Eureka County, Nevada.

PARCEL 2:

TOWNSHIP 26 NORTH, RANGE 49 EAST, M.D.B.&M.

Section 6: Lo 6, 7 and 8;
Section 7: Lo 1, 2, 3 and 4;
Section 18: Lo 1, 2, 3 and 4;
Section 19: Lo 1, 2, 3 and 4;

EXCEPTING FROM Lots 2, 3 and 4; E1/2 SW1/4, Section 18; NE1/4 NW1/4; Lot 1, Section 19, TOWNSHIP 24 NORTH, RANGE 49 EAST; all coal and other minerals in and under said land, reserved by the United States of America, in Patents recorded in Book 20, Page 400, and Book 2 Page 307, Deed Records, Eureka County, Nevada.

PARCEL 3:

TOWNSHIP 26 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 13: SW1/4NW1/4SE1/4;

TOWNSHIP 26 NORTH, RANGE 49 EAST, M.D.B.&M.

Section 30: Lot; N1/2 of Lot 6;

EXCEPTING FROM S/4 NW1/4 SE1/4, Section 13, TOWNSHIP 26 NORTH, RANGE 48 EAST; a Lot 1; N1/2 of Lot 6, Section 30, TOWNSHIP

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26 NORTH, RANGE 49 EAST, all oil and gas in and under said land, reserved by the United States of America, in Patent recorded November 7, 19, in Book 50, Page 246, Official Records, Eureka County, Nevada.

FURTHER EXCEPTS FROM Parcels 1 and 2, an undivided 50% interest in to and all mineral rights, oil or gas owned by the Seller, in and under said land, reserved by Walter E. Baumann and Joette Baumann, in Deed recorded May 5, 1977, in Book 59, Page 1, Official Records, Eureka County, Nevada.

FURTHER EXCEPTS FROM Parcels 1, 2 and 3 an undivided one-half interest in unto all of Walter E. Baumann's right, title and interest in unto all coal, oil, gas, and minerals of every kind and naturwhatsoever and geothermal rights, lying in and under said lands reserved in Deed recorded August 9, 1988, in Book 182, Page 60, Official Records, Eureka County, Nevada.

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BOOK 361 PAGE 181
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Marvel & Klump
2003 MAY -9 PM 2:09

EUREKA COUNTY NEVADA
M.H. REBALEATI, RECORDER
FILE NO. FEES 18⁰⁰

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BOOK 361 PAGE 185