

(Horse Ranch --
Southern Option)

BOOK 366 PAGE 003-006
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Cortez Gold Mines
2003 SEP 29 AM 11:22

EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEES 17⁰⁰

182537

SIGNMENT OF OPTION AGREEMENT

THIS ASSIGNMENT OF OPTION AGREEMENT ("Assignment") is effective as of September 17, 2003, between Placer Dome U.S., Inc., a California corporation, whose address is HC 66, Box 1250, Crescent Valley, Nevada 89821 (Assignor) and the Cortez Joint Venture, a Nevada joint venture comprised of Placer Cortez Inc. and Kennecott Explorations (Australia) Ltd., whose address is HC 66, Box 1250, Crescent Valley, Nevada 89821 ("Assignee").

RECITALS

A. WHEREAS, Assignor entered into that certain Option Agreement dated effective October 16, 2002 by and among Tom and Volina Connolly (husband and wife as Optionor, and Assignor, as Optionee (the "Option Agreement"), grant to Assignor the option to acquire, under the terms set forth therein, the lands in Eureka County, Nevada described in Exhibit A attached hereto and incorporated herein by reference;

B. WHEREAS, a Short Form of Option Agreement was recorded on November 6, 2002, Book 353 at Page 259 of the Official Records of Eureka County, Nevada; a

C. WHEREAS, Assignee has agreed to acquire all of Assignor's rights under the Option Agreement and Assignor has agreed to transfer such rights to Assignee.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Assignor. As of the effective date of this Assignment, Assignor hereby assigns, transfers and conveys to Assignee, its successors and assigns, all of Assignor's right title and interest in and to the Option Agreement.

2. Assignment Subject to Option Agreement. This Assignment is expressly made subject to the Option Agreement, and Assignee hereby acknowledges and agrees that, effective upon the assignment by Assignor to Assignee of all Assignor's right, title, and interest under the Option Agreement, Assignee shall be bound by all the terms, conditions and covenants of the Option Agreement as if Assignee had been an original party to the Option Agreement.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first abovewritten.

ASSIGNOR:

PLACER DOME U.S INC., a California corporation

By: 

Name: Brian G. Iverson

Title: Regional Manager, Land Affairs

ASSIGNEE:

CORTEZ JOINT VENTURE, a Nevada joint venture

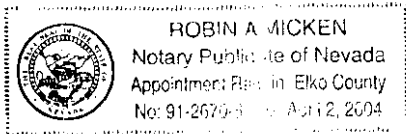
By: 

Name: J. Peter Neilans

Title: Mine General Manager

STATE OF NEVADA)
) ss.
COUNTY OF PLACER)

On this 17 day September, 2003 personally appeared before me, a Notary Public, Brian G. Larson, the Regional Manager, Land Affairs of Placer Dome U.S. Inc., a California corporation, personally known or proved to me to be the person whose name subscribed to the above instrument who acknowledged to me that he executed the above instrument on behalf of said corporation.



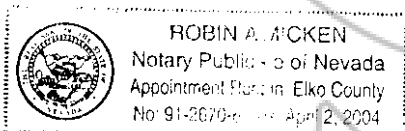
Robin A. Micken

Notary Public

My commission expires: April 2, 2004

STATE OF NEVADA)
) ss.
COUNTY OF PLACER)

On this 17 day September, 2003 personally appeared before me, a Notary Public, J. Peter Nens, the Mine General Manager of the Cortez Joint Venture, a Nevada joint venture, personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged to me that he executed the above instrument on behalf of said joint venture.



Robin A. Micken

Notary Public

My commission expires: April 2, 2004

EXHIBIT A

The entire surface state within the following fee lands located in Eureka County, Nevada:

PARCEL 1:

Township 26 North, Range 48 East, MDB&M

Secti 13: Lot 4, SW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,

PARCEL 2:

Township 26 North, Range 49 East MDB&M

Secti 18: Lots 1, 2, 3, 4

Secti 19: Lots 1, 2, 3, 4

PARCEL 4:

Township 26 North, Range 48 East, MDB&M

Secti 13: SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$

Township 26 North, Range 49 East MDB&M

Secti 30: Lot 1, N $\frac{1}{2}$ of Lot 6