

QUITCLAIM DEED

BOOK 374 PAGE 001-003  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Scoonover Exploration*  
2004 JAN 26 AM 8:53

EUREKA COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEES 16<sup>00</sup>

**184984**

STATE OF Nevada)

:ss.

COUNTY OF Elko

THIS QUITCLAIM DEED, Executed this 22<sup>nd</sup> day of January 2004, by Scoonover Exploration LLC whose address is:

P.O. Box 2021  
Elko, Nevada 89803

to McNab Creek Gold Corporation whose address is:

Suite 880, Bank of America Plaza  
50 West Liberty Street  
Reno, Nevada 89501

WITNESSETH, that the said first party, for good consideration and for the sum of \$3,500 paid by the said second party, the receipt whereof is hereby acknowledged, and a Production Royalty of two and one half percent (2.5%) of net smelter returns.

Net smelter returns shall be calculated for each calendar quarter in which net smelter returns are realized, and such royalty payments as are due Scoonover Exploration LLC hereunder shall be made within thirty (30) days following the end of the calendar quarter in which the net smelter returns were realized. A statement summarizing the computation of net smelter returns shall accompany such payments.

Quarterly royalty payments will be provisional and subject to adjustment at the end of McNab Creek Gold Corporation's accounting year. If Scoonover Exploration LLC makes no written objection to the correctness of a royalty payment or its accompanying statement within two years from the date of such payment, such statement shall be conclusively deemed to be correct and such royalty payment sufficient and complete, and no exception or claim for adjustment shall thereafter be permitted.

The term "net smelter returns" as used herein shall mean the net proceeds received by McNab Creek Gold Corporation from the sale of minerals from the Property after deductions for all of the following:

Custom smelting costs, treatment charges and penalties including, but without being limited to, metal losses, penalties for impurities and charges or deductions for refining, selling, and transportation from smelter to refinery and from refinery to market; provided, however, in the case of leaching operations, all processing and recovery costs incurred by McNab Creek Gold Corporation beyond the point at which the metal being treated is in solution shall be considered as treatment charges (it being agreed and understood, however, that such processing and recovery costs shall not include the cost of mining, crushing, dump preparation, distribution of leach solutions or other mining and preparation costs up to the point at which the metal goes into solution);

Cost of transporting mineral product from the concentrator to a smelter or other place of treatment; and

Production taxes, severance taxes and sales, privilege and other taxes measured by production or the value of production.

All payments and royalties payable hereunder may be made by McNab Creek Gold Corporation's check, and delivery thereof shall be deemed completed on the mailing thereof to Scoonover Exploration LLC.

Said first party does hereby remise, release and quitclaim unto the said second party forever, all the right, title, claim and interest (excepting 2.5% production royalty) which the said first party has in and to the described mining claims in Exhibit A located in the County of ~~Elko~~, State of Nevada.

~~Elko~~ Elko, NV

IN WITNESS WHEREOF, I have signed this Quitclaim Deed this 22<sup>nd</sup> day of January 2004.

E.L. Hunsaker III  
E.L. Hunsaker III Managing Member

\_\_\_\_\_  
Witness

Signed and sworn to before me

This 22 day of January, 2004.

Elizabeth Nunez  
Notary Public



**EXHIBIT A**

Property

Those certain unpatented lode mining claims located in:

Sections 23, 26, and 35; Township 26 North, Range 52 East, Eureka County, Nevada, more particularly described as follows:

**EUREKA COUNTY**

**CLAIM NAME**

SMH 31  
SMH 32  
SMH 33  
SMH 34  
SMH 35  
SMH 36  
SMH 37  
SMH 38  
SMH 39  
SMH 40  
SMH 41  
SMH 42  
SMH 43  
SMH 44  
SMH 45  
SMH 46  
SMH 47  
SMH 48  
SMH 49  
SMH 50

**BLM SERIAL NUMBER**

NMC856514  
NMC856515  
NMC856516  
NMC856517  
NMC856518  
NMC856519  
NMC856520  
NMC856521  
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NMC856523  
NMC856524  
NMC856525  
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