

**Official Record**Recording requested By  
RICHARD W HARRIS P CEureka County - NV  
Mike Rebaleati - Recorder

Fee: \$21.00

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RPTT

Recorded By: FES

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Recorded at the request of and return to:

Richard W. Harris, Esq.  
Harris & Thompson  
6121 Lakeside Drive, Suite 260  
Reno, Nevada 89511

The undersigned hereby affirms that this document  
does not contain a social security number.

**SPECIAL WARRANTY DEED WITH RESERVED ROYALTY**

THIS SPECIAL WARRANTY DEED WITH RESERVED ROYALTY is made this day of , 2011 by and between MOSQUITO MINING CORP. (US), a Nevada corporation (sometimes incorrectly described as "Mosquito Mining Corp." or "Mosquito Mining Corp. US") ("Grantor"); and URASTAR NEVADA INC., a Nevada corporation, whose address is Suite 804, 750 West Pender Street, Vancouver, British Columbia, Canada V6C 2T7 ("Grantee").

**WITNESSETH:**

1. Conveyance of Unpatented Mining Claims. Grantor, in consideration of the sum of TEN DOLLARS (\$10.00) and other valuable consideration paid to it by Grantee, does hereby remise, release, and convey unto Grantee all of Grantor's right, title, and interest in and to the unpatented mining claims situated in the Eureka County, Nevada, which are more particularly described on Schedule A attached hereto (the "Claims").

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TOGETHER with all minerals and all veins and lodes of mineral-bearing rock therein and all dips, spurs and angles thereof.

TO HAVE AND TO HOLD all of the right, title and interest of Grantor in and to the Claims, together with the appurtenances, unto Grantee, its successors and assigns forever.

2. Warranties and Representations. Grantor makes the following warranties and representations to Grantee with respect to this conveyance:

- (a) Grantor is the registered and beneficial owner of the Claims.
- (b) Grantor is the beneficial owner of all of the Claims free and clear of all liens, charges and claims of others, except as noted on Schedule A, and no taxes or rentals are or will be due in respect of any of the Claims.
- (c) The Claims have been duly and validly located and recorded pursuant to the laws of Nevada and the federal laws of the United States applicable therein, and except as specified in Schedule A and accepted by the Grantee, are in good standing with respect to all filings, fees, taxes, assessments, work commitments or other conditions on the date hereof.
- (d) There are not any adverse claims or challenges against or to the ownership of or title to any of the Claims, nor to the knowledge of the Grantor is there any basis therefore, and there are no outstanding agreements or options to acquire or purchase the Claims or any portion thereof, and no person other than the Grantor, pursuant to the provisions hereof, has any royalty or other interest whatsoever in production from any of the mining Claims.

3. Reserved Royalty on Production. Grantor reserves to itself a perpetual overriding royalty on production equal to two-and-one-half percent (2.5%) of net smelter returns (the "Royalty"). The term "net smelter returns" is more fully defined on Schedule B attached hereto. In addition, payment of the Royalty shall be subject to the following terms and conditions:

- (a) Installments of the Royalty payable shall be paid by the Grantee to the Grantor immediately upon the receipt by the Grantee of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates or other product from the Claims.
- (b) Within 120 days after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production occurs, the accounts of the Grantee



relating to operations on the Claims and the statement of operations, which shall include the statement of calculation of Royalty for the year last completed, shall be audited by the auditors of the Grantee at its expense. The Grantor shall have 45 days after receipt of such statements to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct and unimpeachable thereafter.

(c) If such audited financial statements disclose any overpayment of Royalty by the Grantee during the fiscal year, the amount of the overpayment shall be deducted from future installments of Royalty payable.

(d) If such audited financial statements disclose any underpayment of Royalty by the Grantee during the year, the amount thereof shall be paid to the Grantor forthwith after determination thereof.

(e) The Grantee agrees to maintain for each mining operation on the Claims, up-to-date and complete records relating to the production and sale of minerals, ore, bullion and other product from the Property, including accounts, records, statements and returns relating to treatment and smelting arrangements of such product, and the Grantor and its agents shall have the right at all reasonable times, including for a period of 12 months following the expiration or termination of this Agreement, to inspect such records, statements and returns and make copies thereof at its own expense for the purpose of verifying the amount of Royalty payments to be made by the Grantee to the Grantor pursuant hereto. The Grantor shall have the right to have such accounts audited by independent auditors at its own expense once each fiscal year.

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed with Reserved Royalty the day and year first above written.

**MOSQUITO MINING CORP. (US),**  
a Nevada corporation

By:

  
BRIAN MCCLAY, President



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PROVINCE OF BRITISH COLUMBIA     )  
   )   ss  
CITY OF VANCOUVER                     )

On the 5th day of August, 2011, before me a Notary Public within and for said Province and City, personally appeared BRIAN MCCLAY, President of MOSQUITO MINING CORP. (US), a Nevada corporation, who acknowledged that he executed the foregoing SPECIAL WARRANTY DEED WITH RESERVED ROYALTY, and to me known or proved to be the person described in and who executed the same.

  
NOTARY PUBLIC

**Bernhard Zinkhofer\***  
Barriester & Solicitor  
& Notary Public  
McMillan LLP  
1600 - 1055 West Georgia Street  
PO Box 11117  
Vancouver, BC V6E 4N7  
1 604.685.9111 1 604.685.7084  
\*Law Corporation

(w) Urastar Nevada Inc./7999  
Special Warranty Deed with Reserved Royalty 8-11



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## SCHEDULE A

### A. Mining claims, Eureka County

Claim Name	BLM Serial Number
Sarah 1	888294
Sarah 2	888295
Sarah 3	888296
Sarah 4	888297
Sarah 5	888298
Sarah 6	888299
Sarah 7	888300
Sarah 8	888301
Sarah 9	888302
Sarah 10	888303
Sarah 11	888304
Sarah 12	888305
Sarah 13	888306
Sarah 14	888307
Sarah 15	888308
Sarah 16	888309
Sarah 17	888310
Sarah 18	888311
Sarah 19	888312
Sarah 20	903228
Sarah 21	903229
Sarah 22	903230
Sarah 23	903231
Sarah 24	903232
Sarah 25	903233
Sarah 26	903234
Sarah 27	903235
Sarah 28	903236
Sarah 29	903237
Sarah 30	903238
Sarah 31	903239
Sarah 32	903240
Sarah 33	903241
Sarah 34	903242



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Sarah 35	903243
Sarah 36	903244
Sarah 37	903245
Sarah 38	903246
Sarah 39	903247
Sarah 40	903248
Sarah 41	903249
Sarah 42	903250
Sarah 43	903251
Sarah 44	903252
Sarah 45	903253
Sarah 46	903254
Sarah 47	903255

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## SCHEDULE B

### NET SMELTER RETURNS

For the purposes of this Agreement the following words and phrases shall have the following meanings, namely:

- (a) "Net Smelter Returns" shall mean the gross proceeds received by the Optionee in any year from the sale of Product from the mining operation on the Property, less successively:
  - (i) the cost of transportation of such Product to a smelter or other place of treatment, and
  - (ii) smelter and treatment charges;
- (b) "Ore" shall mean any material containing a mineral or minerals of commercial economic value mined from the Property; and
- (c) "Product" shall mean Ore mined from the Property and any concentrates or other materials or products derived therefrom, but if any such Ore, concentrates or other materials or products are further treated as part of the mining operation in respect of the Property, such Ore, concentrates or other materials or products shall not be considered to be "Product" until after they have been so treated.

2. For the purposes of calculating the amount of Royalty payable to the Optionor hereunder, if, after the Commencement of Commercial Production, the Optionee sells any Product to one of its subsidiaries or affiliates, and if the sale price of such Product is not negotiated on an arm's-length basis, the Optionee shall for the purposes of calculating Net Smelter Returns only and notwithstanding the actual amount of such sale price, add to the proceeds from the sale of such Product an amount which would be sufficient to make such sale price represent a reasonable net sale price for such Product as if negotiated at arm's length and after taking into account all pertinent circumstances including, without limitation, then current market conditions relating to Ore, concentrates or products similar to such Product.

3. The Optionee shall by notice inform the Optionor of the quantum of such reasonable net sale price and, if the Optionor does not object thereto, within 60 days after receipt of such notice, said quantum shall be final and binding for the purposes of this Agreement.

4. The Optionee may remove reasonable quantities of Ore and rock from the Property for the purpose of bulk sampling and of testing, and there shall be no Royalty payable to the Optionor with respect thereto unless revenues are derived therefrom.

The Optionee shall have the right to commingle with ores from the Property, ore produced from other properties, provided that prior to such commingling, the Optionee shall adopt and employ reasonable practices and procedures for weighing, determination of moisture content, sampling



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and assaying, as well as utilize reasonable accurate recovery factors in order to determine the amounts of products derived from, or attributable to Ore mined and produced from the Property. The Optionee shall maintain accurate records of the results of such sampling, weighing and analysis as pertaining to ore mined and produced from the Property

COPY





STATE OF NEVADA  
DECLARATION OF VALUERecording requested By  
RICHARD W HARRIS P C

## 1. Assessor Parcel Number (s)

## FOR RECORDERS OPTI

Eureka County - NV

Mike Rebaleati - Recorder

- a) \_\_\_\_\_  
 b) \_\_\_\_\_  
 c) \_\_\_\_\_  
 d) \_\_\_\_\_

Document/Instrument # \_\_\_\_\_

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## 2. Type of Property:

- a) ☐ Vacant Land  
 b) ☐ Single Family Res  
 c) ☐ Condo/Twnhse  
 d) ☐ 2-4 Plex  
 e) ☐ Apt Bldg.  
 f) ☐ Comm'l/Ind'l  
 g) ☐ Agricultural  
 h) ☐ Mobile Home  
 i) ☒ Other unpatented mining claims

## 3. Total Value/Sales Price of Property:

Deed in Lieu of Foreclosure Only (Value of Property) \$ \_\_\_\_\_  
 Transfer Tax Value: \$ \_\_\_\_\_  
 Real Property Transfer Tax Due: \$ 0

## 4. If Exemption Claimed:

- a) Transfer Tax Exemption, per NRS 375.090, Section: 8  
 b) Explain Reason for Exemption: transfers, assignments or conveyances of unpatented mines or mining claims.

Partial Interest: Percentage being transferred: \_\_\_\_\_ %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, the information provided is correct to the best of their information belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month.

Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature Richard W. Harris Agent for GrantorSignature Richard W. Harris Agent for GranteeSELLER (GRANTOR) INFORMATION  
(REQUIRED)BUYER (GRANTEE) INFORMATION  
(REQUIRED)

Print Name:	<b>Mosquito Mining Corp. (US)</b>	Print Name:	<b>Urastar Nevada Inc.</b>
Address:	Suite 100, 1616 West Third Avenue	Address:	Suite 804, 750 West Pender Street
City:	Vancouver, British Columbia	City:	Vancouver, British Columbia
Country:	Canada V6J 1K	Country:	Canada V6C 2T7

COMPANY/PERSON REQUESTING RECORDING  
(REQUIRED IF NOT THE SELLER OR BUYER)

Print Name: Richard W. Harris, Esq. Escrow # N/A  
 Address: 6121 Lakeside Drive, Suite 260  
 City: Reno State: NV Zip: 89511