

APN #: N/A (conveyance of an interest gas, oil, or minerals)

RECORDED AT THE REQUEST OF, AND
WHEN RECORDED, RETURN TO:

Barrick Gold US Inc.
Attention: Robert L. Brock C.P.L., Regional Land Manager
460 West 50 North, Suite 500
Salt Lake City, Utah 84101
Email: bbrock@barrick.com

Mail Tax Statement to: N/A

DOC# 231700

08/02/2016 11:58AM

Official Record

Requested By
STEWART TITLE ELKO

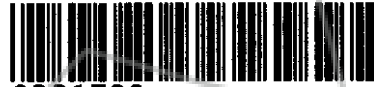
Eureka County - NV

Sara Simmons - Recorder

Page: 1 of 10 Fee: \$23.00

Recorded By LH RPTT: \$0.00

Book- 0593 Page- 0090



0231700

Space above for County Recorder's Use

Affirmation Statement: The undersigned affirms that this document does not contain any social security numbers or other personal information of any person (Per NRS 239B.030).

**HYDROCARBONS, GEOTHERMAL AND NON-METALLIFEROUS MINERALS
ROYALTY DEED**

This Hydrocarbons, Geothermal and Non-Metalliferous Minerals Royalty Deed ("Deed") is made and entered into by and between Barrick U.S. Gold Inc., a California corporation ("Barrick"), and Thomas P. Connolly and Volina L. Connolly, Co-Trustees of the Thomas and Volina Connolly Family Trust dated November 2, 2004, as Amended and Restated December 17, 2012 ("Grantee").

RECITALS

A. Barrick and Grantee are parties to that certain Agreement ("Agreement") dated October 7, 2014, concerning the sale of that certain real property, including land, fixtures, water rights, and mineral rights, located in Eureka County, Nevada, as more particularly described in Exhibits 1 and 2 attached hereto and made a part of this Deed ("Property").

B. Pursuant to the Agreement, Barrick and Grantee agreed that Barrick shall grant to Grantee a 12.5% Royalty for all Minerals extracted, mined, produced, or removed from the Property.

CONVEYANCE

For and in consideration of the parties' rights and obligations under the Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Barrick and Grantee, and of the terms and conditions of this Deed, the parties agree as described below:

1. **Definitions.** The following defined terms, wherever used in this Deed, shall have the meanings described below:

(a) **“Effective Date”** means August 2, 2016.

(b) **“Geothermal Resources”** means heat from the earth, known to exist on the Property on or after the Effective Date, used to convert water to steam for the production of electricity.

(c) **“Gross Value”** means the value, expressed in dollars of United States currency, of each of the Minerals extracted, mined, produced, or removed from the Property, as determined in accordance with Section 3.

(d) **“Hydrocarbons”** means oil, gas, coal, oil shale, and tar sands known to exist on the Property on or after the Effective Date.

(e) **“Minerals”** means Hydrocarbons, Geothermal Resources and all non-metalliferous minerals of every kind and nature.

(f) **“Royalty”** means the royalty granted to Grantee under this Deed and calculated in accordance with Section 3.

2. **Grant of Royalty.** Barrick grants to Grantee, its successors and assigns, and Barrick agrees to pay to Grantee, or to instruct Barrick’s lessee or the operator of any mine affecting the Property to pay to Grantee, its successors and assigns, the Royalty as determined pursuant to Section 3.

3. **Calculation of Royalty.** Gross Value of Geothermal Resources shall be the gross proceeds from the sale of electricity produced from Geothermal Resources. Gross Value of Hydrocarbons shall be (i) the gross proceeds from the sale of oil, oil shale, tar sands, or gas mined, extracted, produced, or removed from the Property using the market price for oil or gas at the well in the field, or for oil shale or tar sands, the market price at the point of extraction in the field, or (ii) the gross proceeds from the sale of coal and all other non-metalliferous minerals of every kind and nature, mined, extracted, produced, or removed from the Property, using the market price for such mineral at the point of extraction in the field or of first processing, as applicable. To calculate the Royalty, Barrick shall multiply the Gross Value by 12.5% in each case for the immediately preceding calendar quarter. The Royalty shall be proportionately reduced based on the Grantee’s ownership of the mineral estate with respect to the Property.

4. **Payment of Royalty.** Barrick shall remit payment to Grantee for the Royalty according to the following provisions:

(a) Payment of the Royalty shall be determined at the end of each calendar quarter after the Effective Date. The Royalty shall be determined quarterly on the basis that payments will be determined as of and payable within ninety (90) days after the last day of each calendar quarter during which Barrick mines, extracts, produces, or removes any Minerals from the Property.

(b) All payments made by Barrick shall be paid by check delivered to Grantee’s address for notice purposes. Barrick shall be obligated to deliver only a single check



or payment, and Barrick shall have no responsibility for disbursement or distribution of any payment after receipt by the Grantee.

(c) At the time of making each such payment, and within ninety (90) days after the end of each calendar quarter if no such payment is due, Barrick shall deliver to Grantee a statement showing the amount of production of Minerals mined, extracted, produced, or removed from the Property, and the amount of Royalty due, if any, and the manner in which it was determined. Barrick shall submit to Grantee information reasonably necessary to enable Grantee to verify the determination.

(d) Grantee or its authorized agent shall have a right to audit and inspect Barrick's accounts and records used in calculating Royalty payments, which right may be exercised once per calendar year for the payments in the preceding year. If no such audit was requested and performed during such period, such accounts, records and payments shall be conclusively deemed to be true, accurate and correct absent fraud or mistake.

(e) Barrick shall keep accurate records of the mining, extraction, production, or removal of Minerals from the Property, and these records shall be available for inspection by Grantee at all reasonable times.

(f) Each party shall be responsible for their respective taxes or levies imposed by the State of Nevada or other regulatory authorities or entities subject to then existing applicable law.

5. **No Implied Covenants, Obligation to Mine, Extract, Produce, Remove, or Explore.** Nothing in this Deed shall, nor shall this Deed be interpreted to, impose any obligation on Barrick, or its successors or assigns, to mine, extract, produce, remove, or explore for any Minerals. Barrick shall have the sole and exclusive control of all operations on or for the benefit of the Property, and may carry out such operations on the Property as it may, in its sole discretion, determine to be warranted. The timing, nature, manner and extent of any exploration, development, mining or processing operations carried out or in connection with the Property shall be within the sole discretion of Barrick and there shall be no implied covenant to begin or continue any such operations. Barrick shall not be required to mine or market in its mining operations any Minerals, ores, leachates, precipitates, concentrates or other products that cannot be mined or shipped at a reasonable profit to Barrick.

6. **Notices.**

(a) All notices and other required communications (herein "Notices") to the parties shall be in writing, and shall be addressed respectively as follows:



If to Barrick:

Barrick Gold U.S. Inc.
Regional Land Manager
460 West 50 North, Suite 500
Salt Lake City, Utah 84101

If to Grantee:

Thomas and Volina Connolly
HC 66, Box 60
Crescent Valley, NV 89821

(b) All Notices shall be given (i) by personal delivery, or (ii) by electronic communication, with a confirmation sent by express courier return receipt requested, or (iii) by express courier return receipt requested or by express courier. All Notices shall be effective and shall be deemed delivered (i) if by personal delivery, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours, on the next business day following delivery, (ii) if by electronic communication, on the next business day following actual receipt of the electronic communication, and (iii) if solely by express courier, on the next business day after actual receipt. A Party may change its address by Notice to the other Party.

7. **Governing Law.** This Deed shall be construed and enforced in accordance with the laws of the State of Nevada, without regard to any conflict of laws provisions.

8. **Inurement.** The terms and provisions of this Deed shall be binding upon and inure to the benefit of the parties hereto, their successors, and permitted assigns.

9. **Real Property Interest.** It is the intent of the Parties that the Royalty shall, to the extent allowed by applicable law, be a real property interest that runs with the Property and shall be applicable to Barrick and its successors and assigns of the Property. Grantee shall have a security interest in as-extracted collateral (as defined in Section 104.9102(1)(f) of the Nevada Revised Statutes, as amended from time to time) with respect to the Minerals, but only to the extent of the Royalty. This Deed constitutes a financing statement filed as a fixture filing pursuant to 104.9502(3)(b) of the Nevada Revised Statutes, as amended time to time, covering the as-extracted collateral relating to the Minerals and Property, but only to the extent of the Royalty.

[SIGNATURE PAGES FOLLOW]



IN WITNESS WHEREOF, Barrick has executed Deed and the same has been accepted by Grantee on August 2, 2016.

BARRICK:

BARRICK GOLD U.S. INC., a California corporation

By: *Paul D. Judd*

Name: **Paul D. Judd**

CFO & Tax Director

Title: _____

STATE OF Utah)

ss.

COUNTY OF Salt Lake)

The foregoing instrument was acknowledged before me this 29th day of July, 2016, by Paul D. Judd, the CFO & Tax Director of BARRICK GOLD U.S. INC., a California corporation.



LeAnn Singleton-Wood
Notary Public



GRANTEE:

THE THOMAS AND VOLINA CONNOLLY FAMILY TRUST dated November 2, 2004, as Amended and Restated December 17, 2012

Thomas P. Connolly
Thomas P. Connolly, Co-Trustee

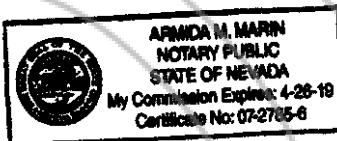
Volina L. Connolly
Volina L. Connolly, Co-Trustee

State of Nevada)
County of Elko) :SS

The foregoing instrument was acknowledged before me this 15th day of July, 2016, by Thomas P. Connolly, Co-Trustee of the Thomas and Volina Connolly Family Trust dated November 2, 2004, as Amended and Restated December 17, 2012.

My Commission Expires: 4-26-19 Notary Public Armanda M. Marin
Residing At: Elko, NV

State of Nevada)
County of Elko) :SS



The foregoing instrument was acknowledged before me this 15th day of July, 2016, by Volina L. Connolly, Co-Trustee of the Thomas and Volina Connolly Family Trust dated November 2, 2004, as Amended and Restated December 17, 2012.

My Commission Expires: 4-26-19 Notary Public Armanda Marin
Residing At: Elko, NV

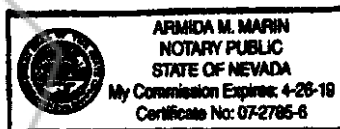


EXHIBIT "1"
LEGAL DESCRIPTION

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

PARCEL 1:

TOWNSHIP 24 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 13: W1/2SW1/4; SE1/4SW1/4;
Section 14: NE1/4SE1/4;
Section 15: N1/2NW1/4; SE1/4NW1/4; SW1/4NE1/4;

TOWNSHIP 25 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 24: SE1/4; E1/2SW1/4;

TOWNSHIP 24 NORTH, RANGE 48 1/2 EAST, M.D.B.&M.

Section 13: SE1/4NW1/4; S1/2NE1/4; SE1/4;
Section 24: N1/2NE1/4;

TOWNSHIP 25 NORTH, RANGE 48 1/2 EAST, M.D.B.&M.

Section 25: E1/2SW1/4; SE1/4; Lots 3 and 4;
Section 36: N1/2NE1/4;

TOWNSHIP 24 NORTH, RANGE 49 EAST, M.D.B.&M.

Section 18: Lots 2, 3, 4; E1/2SW1/4;
Section 19: NE1/4NW1/4; Lot 1;

PARCEL 2:

TOWNSHIP 24 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 10: W1/2NE1/4;

PARCEL 3:

TOWNSHIP 24 NORTH, RANGE 48 EAST, M.D.B.&M.

Section 13: S1/2SW1/4SE1/4;
Section 24: N1/2NW1/4NE1/4;

EXCEPTING FROM S1/2SW1/4SE1/4 of Section 13 and N1/2NW1/4NE1/4 of Section 24, Township 24 North, Range 48 East, M.D.B.&M., all the geothermal steam and associated



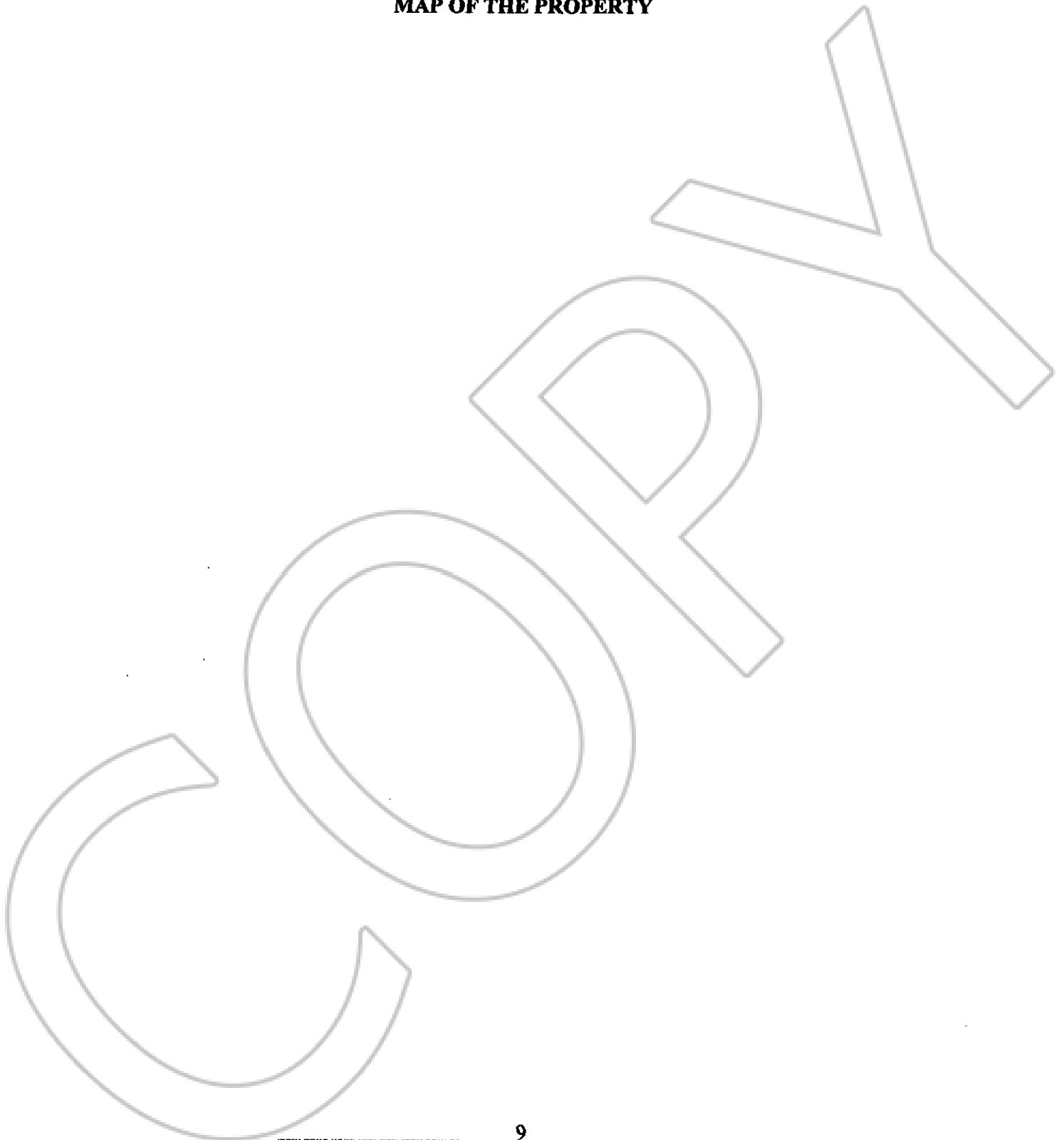
resources in and under said land, reserved by the United States of America, in patent recorded November 7, 1974, in Book 50, Page 246, Official Records of Eureka County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2, an undivided 50% interest into any and all mineral rights, oil or gas owned by the seller, in and under said land reserved by Walter E. Baumann and Jeanette Baumann, in deed recorded May 5, 1977, in Book 59, Page 60, Official Records of Eureka County, Nevada.

FURTHER EXCEPTING FROM Parcels 1, 2 and 3, an undivided one-half interest in and to all coal, oil, gas and minerals of every kind and nature whatsoever and geothermal rights, lying in and under said land as reserved in deed recorded August 9, 1988, in Book 182, Page 150, Official Records of Eureka County, Nevada



EXHIBIT 2
MAP OF THE PROPERTY



**STATE OF NEVADA
DECLARATION OF VALUE**

DOC# DV-231700

FOI 08/02/2016 11:58AM
Official Record

Requested By
Docu STEWART TITLE ELKO
Book Eureka County - NV
Date Sara Simmons - Recorder
Notes: Page: 1 of 1 Fee: \$23.00
Recorded By LH PRTT: \$0.00

1. Assessor Parcel Number(s)
a) N/A
b) _____
c) _____
d) _____

2. Type of Property
a) Vacant Land
b) Single Family Res.
c) Condo/Townhouse
d) 2-4 Plex
e) Apartment Bldg.
f) Commercial/Industrial
g) Agricultural
h) Mobile Home
i) Other: Royalty Deed ONLY

3. a. Total Value/Sales Price of Property \$0.00
b. Deed in Lieu of Foreclosure Only (Value of Property) _____
c. Transfer Tax Value \$0.00
d. REAL PROPERTY TRANSFER TAX DUE: \$0.00

4. If Exemption Claimed:
a. Transfer Tax Exemption, per NRS 375.090, Section: _____
b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110 that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that 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: [Signature] Capacity: Grantor

Barrick Gold U.S. Inc.

Signature: [Signature] Capacity: Grantee

Thomas P. Connolly, Co-Trustee of The Thomas and Volina Connolly Family Trust dated November 2, 2004, as Amended and Restated December 17, 2012

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Barrick Gold U.S. Inc.
Address: 460 West 50 North, Suite 500
City/ST/Zip Salt Lake City, UT 84101

Print Name: Thomas P. Connolly, Co-Trustee et ux
Address: HC 66, Box 60
City/ST/Zip Crescent Valley, NV 89821

COMPANY/PERSON REQUESTING RECORDING (required if not Seller or Buyer)

Company Name: Stewart Title Company
Address: 810 Idaho Street
City: Elko

Escrow No.: 01415-13452

State: NV

Zip: 89801

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED)