

APN: N/A (unpatented mining claims)

**Recorded at the request
of and return to:**

Neil. E. Whitmer
U.S. Gold Corporation
1910 E. Idaho St.
Suite 102, Box 604
Elko, NV 89801

DOC # 0233310

06/30/2017

11:43 AM

Official Record

Recording requested By
NEIL WHITMER

Eureka County - NV

Lisa Hoehne - Recorder

Fee: \$20.00

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RPTT:

Recorded By: LH

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0233310

The undersigned hereby affirms that this document, including any exhibits, does not contain the personal information of any person.

ROYALTY DEED

THIS ROYALTY DEED is made and entered into this 30th day of June, 2017, ("Effective Date") by and between U.S. GOLD ACQUISITION CORPORATION, a Nevada corporation ("Grantor"); and NEVADA GOLD VENTURES, LLC, a Nevada limited liability company ("Grantee").

WITNESSETH:

That the said Grantor, for good and valuable consideration given by the Grantee, the receipt of which is hereby acknowledged, does by the presents, grant, bargain, and sell unto Grantee, and to Grantee's successors and assigns, a production royalty ("Production Royalty") of three and one-half percent (3.5%) of the Net Revenues from any and all ores, metals, minerals and materials ("Valuable Minerals"), including by-products and co-products thereof, produced and sold from those unpatented mining claims listed on Exhibit "A" attached hereto and incorporated herein. Net Revenues are defined and the Production Royalty shall be calculated and paid, as set forth in Exhibit "B" attached hereto and incorporated herein.

(Signatures to Follow on Next Page)

IN WITNESS WHEREOF, the said Grantor has executed this Deed as of the day and year first hereinabove written.

GRANTOR:

U.S. GOLD ACQUISITION CORPORATION, a
Nevada corporation

BY:



EDWARD KARR

ITS: PRESIDENT

STATE OF NEVADA

}
}
} SS
}

COUNTY OF ELKO



CHRISTAN BETANCOURT
Notary Public
State of Nevada
Appt. No. 15-2743-6
My Appt. Expires Sep. 1, 2019

On June 30, 2017, personally appeared before me, a Notary Public, EDWARD KARR, personally known to me, or proven to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the above Royalty Deed who acknowledged that he executed said instrument on behalf of U.S. GOLD ACQUISITION CORPORATION, a Nevada corporation


NOTARY PUBLIC

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EXHIBIT "A"

Production Royalty of Three and One-Half Percent (3.5%) Net Smelter Return Royalty ("Net Revenues") to Nevada Gold Ventures, LLC, a Nevada limited liability company, as follows:

49 unpatented lode mining claims situated in Eureka County, Nevada, in Sections 29, 30, 31, and 32, Township 23 North, Range 49 East, and Sections 5 and 6, Township 22 North, Range 49 East, Mount Diablo Base Line and Meridian.

Claim Name/Number	BLM NMC No.
GBN 1	NMC849278
GBN 2	NMC849279
GBN 3	NMC849280
GBN 4	NMC849281
GBN 5	NMC849282
GBN 6	NMC849283
GBN 7	NMC849284
GBN 8	NMC849285
GBN 9	NMC849286
GBN 10	NMC849287
GBN 11	NMC849288
GBN 12	NMC849289
GBN 13	NMC849290
GBN 14	NMC849291
GBN 15	NMC849292
GBN 16	NMC849293
GBN 17	NMC1120435
GBN 18	NMC1120436
GBN 19	NMC1120437
GBN 20	NMC1120438
GBN 21	NMC1120439
GBN 22	NMC1120440
GBN 23	NMC1120441
GBN 24	NMC1120442
GBN 25	NMC864727
GBN 26	NMC864728
GBN 27	NMC1120443
GBN 28	NMC864729
GBN 29	NMC1120444
GBN 30	NMC1120445
GBN 31	NMC1120446
GBN 32	NMC1120447



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GBN 33	NMC1120448
GBN 34	NMC1120449
GBN 35	NMC1120450
GBN 36	NMC1120451
GBN 37	NMC1120452
GBN 38	NMC1120453
GBN 39	NMC1120454
GBN 40	NMC1120455
GBN 41	NMC1120456
GBN 42	NMC1120457
GBN 43	NMC1120458
GBN 44	NMC1120459
GBN 45	NMC1120460
GBN 46	NMC1120461
GBN 47	NMC1120462
GBN 48	NMC1120463
GBN 49	NMC1120464

Total Claims	49
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EXHIBIT "B"

1. **"Net Revenues"** means the gross revenues received by Grantor from the sale of Valuable Minerals from a smelter, refinery or other ore purchaser, after the deduction of smelter and/or refining charges, ore or bullion treatment charges and any penalties, less (a) all costs to Grantor of weighing, sampling, determining moisture content and packaging such Valuable Minerals, and loading and transporting those Valuable Minerals from the mine mouth or the pit to processing facilities and to the point of sale, including insurance and in-transit security costs, (b) marketing costs and commissions, and (c) ad valorem taxes, net proceeds taxes, severance taxes, and any other taxes, charges or assessments (including, without limitation, royalties that may become payable to the federal government). For purposes of calculating net revenues in the event Grantor elects not to sell any portion of any gold and/or silver extracted and produced from the Claims, but instead elects to have the final product of any such gold and/or silver credited to or held for its account with any smelter, refiner or broker, such gold and/or silver shall be deemed to have been sold at the quoted price on the day such gold and/or silver is actually credited to or placed in Grantor's account. The quoted price shall be the price per ounce of gold and/or silver (as the case may be) as quoted on the London Metals Exchange at the London P.M. fix on the day such gold and/or silver is actually credited to or placed in Grantor's account.

2. **Hedging.** Grantor shall have the exclusive right to market and sell all Valuable Materials produced from the Claims in any manner Grantor desires, including without limitation the forward sale of Valuable Minerals on the commodity market and the repayment of gold loans. Grantee shall have absolutely no right to participate or obligation to share whatsoever in any price protections or hedging activities of Grantor, including any sales of Valuable Minerals derived from the Claims by Grantor on the commodity market or otherwise, or in any profits received or losses suffered by Grantor as a result of such marketing or hedging activities.

3. **Manner of Payment.** Grantor shall pay royalty payments to Grantee on an annual basis on or before the sixtieth (60th) day following each anniversary of the Closing Date for each prior year in which production occurs and Royalties are generated. Royalties shall accrue to Grantee's account upon final settlement and final payment by the smelter, refinery or other ore purchaser to Grantor for the Valuable Minerals sold and for which the Production royalty is payable. All Production Royalty payments shall be accompanied by a statement and settlement sheet showing the quantities and grades of Valuable Minerals mined and sold from the Claims, proceeds of sale, costs, assays and analyses, and other pertinent information in sufficient detail to explain the calculation of the Production Royalty payment. All payments hereunder shall be sent by registered or certified mail, return receipt requested, to Grantee (c/o David Mathewson, P.O. Box 2092, Elko, NV 89803), unless otherwise agreed, or by wire transfer to an account designated by and in accordance with written instructions from Grantee. The date of placing such payment in the United States mail by Grantor, or the date the wire transfer process is initiated, shall be the date of such payment. Payments by Grantor in accordance herewith shall fully discharge Grantor's obligation with respect to such payment, and Grantor shall have no duty to apportion or allocate any payment due to grantee, its successors or assigns.

4. **Audits; Objections to Payments.** Grantee, at Grantee's sole election and expense, shall have the right to procure, not more frequently than once annually following the close of each calendar year, an audit of Grantor's accounts relating to payment of the Production Royalty

hereunder, by any authorized representative of Grantee. Any such inspection shall be for a reasonable length of time, during regular business hours, at a mutually convenient time, and upon reasonable advance written notice to Grantor. All Production Royalty payments made in any calendar year shall be considered final and in full satisfaction of all obligations of Grantor with respect thereto, unless Grantee gives written notice describing and setting forth a specific objection to the calculation thereof within one (1) year following the close of that calendar year. Grantor shall account for any agreed upon deficit or excess in the payment made to Grantee by adjusting the next annual statement following completion of such audit to account for such deficit or excess.

5. **Commingling of ores.** Grantor shall have the right of mixing or commingling, either underground, at the surface, or at processing plants or other treatment facilities, any material containing Valuable Minerals mined or extracted from the Claims with any similar substances derived from other lands or properties; provided, however, that before commingling, Grantor shall calculate from representative samples the average grade of the ore from the Claims and shall either weigh or volumetrically calculate the number of tons of ore from the Claims to be commingled. As products are produced from the commingled ores, Grantor shall calculate from representative samples the average percentage recovery of products produced from the commingled ores during each month. In obtaining representative samples, calculating the average grade of commingled ores and average percentage of recovery, Grantor shall be entitled to use any procedures acceptable in the mining and metallurgical industry which Grantor believes to be accurate and cost-effective for the type of mining and processing activity being conducted. In addition, comparable procedures may be used by Grantor to apportion among the commingled ores any penalty charges imposed by the smelter or refiner on commingled ores or concentrates. The records relating to commingled ores shall be available for inspection by Grantee, at its sole expense, at all reasonable times, and shall be retained by Grantor for a period of one (1) year.

6. **Ore Processing.** All determinations with respect to: (a) whether ore from the Claims shall be beneficiated, processed or milled by Grantor or sold in a raw state; (b) the methods of transporting, beneficiating, process or milling any such ore; (c) the constituents to be recovered therefrom; and (d) the purchasers to whom any ore, minerals or mineral substances derived from the Claims may be sold, may be made by Grantor in its sole and absolute discretion.

7. **Ore Samples.** The mineral content of all ore mined and removed from the Claims (excluding ore leached in place) and the quantities of constituents recovered by Grantor shall be determined by Grantor, or with respect to such ore which is sold, by the mill or smelter to which the ore is sold, in accordance with standard sampling and analysis procedures.

8. **Waste Rock, Spoil and Tailings.** Any ore, mine waters, leachates, pregnant liquors, pregnant slurries, and other products or compounds or metals or minerals mined from the Claims shall be the property of Grantor, subject to payment of the Production royalty. The Production Royalty shall be payable only on metals, ores, or minerals recovered prior to the time waste rock, spoil, tailings, or other mine waste and residue are first disposed of as such, and such waste and residue shall be the sole property of Grantor. Grantor shall have the sole right to dump, deposit, sell, dispose of, or reprocess such waste rock, spoil, tailings, or other mine wastes and residues, and Grantee shall have no claim or interest therein other than for payment of the Production Royalty to the extent any gold or silver metals are produced and sold therefrom.



9. **No Covenants.** The parties agree that in no event shall grantor have a duty or obligation, express or implied, to explore for, develop, mine or produce ores, minerals or mineral substances from the Claims, and the timing, manner, method and amounts of such exploration, development, mining or production, if any, shall be in the sole discretion of Grantor.

10. **Nature of Grantee's Interest.** Grantee shall have only a royalty interest in the Claims and rights and incidents of ownership of a non-executive, non-participating royalty interest owner. Grantee shall not have any fee simple estate or possessory interest in the Claims nor any of the incidents of such estate or interest. By way of example but not by way of limitation, Grantee shall not have (a) a right to participate in the execution of applications for authorities, permits or licenses, mining leases, option, farm-outs or other conveyances, (b) the right to share in bonus payments or rental payments received as the consideration for the execution of such leases, options, farmouts, or other conveyances, or (c) the right to enter upon the Claims and prospect for, mine, drill for, or remove ores, minerals or mineral products therefrom.

11. **Proportionate Reduction.** Immediately prior to the recording of this Royalty Deed, Grantee has, by separate Warranty Deed, conveyed and recorded the Claims to Grantor. In the event such conveyance to Grantor is less than the entire undivided mineral and working interest in the Claims, then the Production Royalty granted to Grantee from the Claims shall be paid to Grantee only in the proportion that the interest of Grantee has in such Valuable Minerals bears to the entire undivided mineral or working interest therein.

12. **Royalty Buy Down.** Grantor shall have the option, in Grantor's sole discretion, to buy down the Royalty, as follows:

a. Grantor may buy down one percent (1%) of the Production Royalty at any time through the fifth (5th) anniversary of the Effective Date for the sum of FOUR HUNDRED THOUSAND DOLLARS (\$400,000).

b. Grantor may buy down an additional one percent (1%) of the Production Royalty anytime through the eighth (8th) anniversary of the Effective Date for the sum of ONE MILLION DOLLARS (\$1,000,000).

c. Grantor's buy-down of Grantee's interest in the Production Royalty shall be accomplished by conveyance documents and agreements as determined by Grantor with respect to the form, substance, manner and nature to which Grantee will convey to Grantor the requisite portion of Grantee's Production Royalty, free and clear of all liens, claims, encumbrances and defects.



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STATE OF NEVADA
DECLARATION OF VALUE FORM

DOC # DV-233310

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Recording requested By
NEIL WHITMER

Eureka County - NV

Lisa Hoehne - Recorder

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Date of Recording:

Notes:

1. Assessor Parcel Number(s)

- a) N/A - unpatented mining claims
b) _____
c) _____
d) _____

2. Type of Property:

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

3. Total Value/Sales Price of Property

\$ 0

Deed in Lieu of Foreclosure Only (value of property)

(0)

Transfer Tax Value:

\$ 0

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: unpatented mining claims

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

Capacity President & CEO

Signature

Capacity Manager & Owner

SELLER (GRANTOR) INFORMATION

(REQUIRED)

Print Name: Nevada Gold Ventures
Address: 1910 E. Idaho St. Suite 102, Box 604
City: Elko
State: NV Zip: 89801

BUYER (GRANTEE) INFORMATION

(REQUIRED)

Print Name: US Gold Acquisition Corp.
Address: 1910 E. Idaho St. Suite 102 Box 604
City: Elko
State: NV Zip: 89801

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)

Print Name: _____

Escrow #: _____

Address: _____

City: _____

State: _____

Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED