

APN: Unpatented mining claims
Recorded at the request of and
when recorded return to:
Nevada Select Royalty, Inc
c/o Parsons Behle Latimer
Attn. Rew Goodenow
50 Liberty Street, Suite 750
Reno, Nevada 89501

EUREKA COUNTY, NV

2017-233880

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PARSONS BEHLE & LATIMER

LISA HOEHNE, RECORDER

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

Assignment and Assumption
Maggie Creek Claims Royalty – Eureka County

This Assignment and Assumption, Maggie Creek Claims Royalty (this “**Assignment**”) is made and entered into effective as of September 14, 2017 (the “**Effective Date**”), by and between Timberline Resources Corporation, a Delaware corporation (“**Timberline**”) and its wholly owned subsidiary Wolfpack Gold (Nevada) Corp., a Nevada corporation (“**Wolfpack**”), and Nevada Select Royalty, Inc., a Nevada corporation (“**Nevada Select**”).

A. Wolfpack and Nevada Select are parties to the binding Term Sheet dated August 24, 2017 (the “**Term Sheet**”), pursuant to which the parties agreed, among other things, that Wolfpack would convey title to certain mineral properties to Nevada Select, and would assign to Nevada Select all of Wolfpack’s right, title and interest in and to agreements concerning the certain properties to which Wolfpack and Timberline are parties, including the Royalty, granted to Timberline by the Royalty in Exchange for Quitclaim-Maggie Creek, dated August 20, 2015 (the “**Royalty Agreement**”) attached as Schedule A. A Memorandum of Royalty in Exchange for Quitclaim Agreement was recorded in Eureka County on October 14, 2015 as Document No. 229985

B. Timberline, as corporate parent to Wolfpack, is the Payee to the Royalty Agreement.

C. Nevada Select has performed its obligations under the Term Sheet and, in accordance with the Term Sheet, Wolfpack is obligated to assign to Nevada Select all of Wolfpack’s right, title and interest in, to and under the Royalty Agreement.

D. Wolfpack and Timberline wish to assign and delegate, and Nevada Select wishes to acquire and assume all of Wolfpack and Timberline’s rights and obligations under the Royalty Agreement.

Now therefore, for and in consideration of the mutual promises and terms and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree to the following:

1. **Transfer and Assignment.** Wolfpack and Timberline assign, convey, and transfer to Nevada Select, and Nevada Select accepts the assignment, conveyance, and transfer, of all of Wolfpack and Timberline's right, title and interest in and to the Royalty Agreement.
2. **Assumption.** Nevada Select assumes and agrees to be bound by all of the terms and conditions of the Royalty Agreement to the same extent as Wolfpack and Timberline and shall undertake all of Wolfpack and Timberline's liabilities and obligations of any kind related to the Royalty Agreement accruing from and after the date of this Assignment.
3. **Notices.** For the purposes of the Term Sheet and this Assignment, any and all notices or other communications required or permitted to be sent to the parties shall be sent to the address stated below:

If to Timberline or Wolfpack:

Timberline Resources Corporation
101 E. Lakeside Ave.
Coeur d'Alene, ID 83814
Attention: Steve Osterberg, President
Email Address: osterberg@timberlineresources.com
Telephone No.: 208-664-4859

If to Nevada Select:

Nevada Select Royalty, Inc.
PO Box 18127
Reno, NV 89511
Attention: Gerald Baughman, President
Email: jbaughman@elygoldinc.com
Telephone No.: 775-853-1913

4. **No Third-Party Beneficiaries.** Nothing in this Assignment shall confer any rights upon any person or entity other than the parties and each party's respective successors and assigns.
5. **Successors and Assigns.** The terms of this Assignment shall be binding upon, and shall inure to the benefit of the parties and their respective successors and assigns.
6. **Amendments and Waivers.** No amendment, modification or discharge of this Assignment and no waiver hereunder shall be valid or binding unless it is stated in writing and duly executed by the party against whom enforcement of the amendment, modification,

waiver or discharge is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect to at any other time.

7. **Governing Law.** This Assignment shall be governed by and construed in accordance with the laws of the State of Nevada, other than its rules as to conflicts of law.

8. **Headings.** The headings contained in this Assignment are for purposes of convenience only and shall not affect the meaning or interpretation of this Assignment.

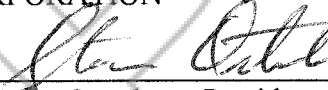
9. **Counterparts.** This Assignment may be executed in one or more counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one of the same instrument.

The parties have caused this Assignment to be duly executed by their authorized representatives as of the Effective Date.


WOLFPACK GOLD (NEVADA) CORP.

TIMBERLINE RESOURCES CORPORATION

By: 
Steve Osterberg, President

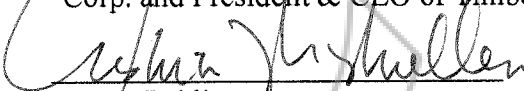
By: 
Steve Osterberg, President & CEO

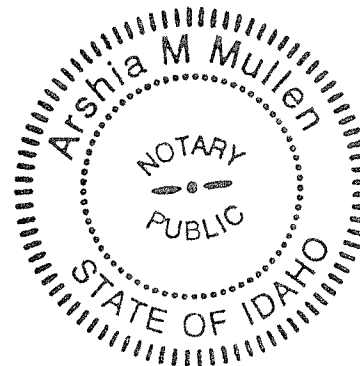
NEVADA SELECT ROYALTY, INC

By: 
Gerald W. Baughman, President

STATE OF IDAHO)
)ss.
COUNTY OF KOOTENAI)

This Assignment and Assumption Agreement was acknowledged before me on September 14th, 2017, by Steven Osterberg, as President of Wolfpack Gold (Nevada) Corp. and President & CEO of Timberline Resources Corporation.


Notary Public



May 29, 2019

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This Assignment and Assumption Agreement was acknowledged before me on September 5th 2017, by Gerald W. Baughman, as President of Nevada Select Royalty, Inc.

Tracy L. Brown
Notary Public



COPIES

SCHEDULE A

Royalty in Exchange for Quitclaim-Maggie Creek

THIS AGREEMENT is dated effective as of the 20th day of August, 2015 (the "Effective Date")

BETWEEN:

RENAISSANCE EXPLORATION INC., a corporation incorporated under the laws of Nevada and having an office at 4750 Longley Lane Reno, NV 89502 USA ("RenEx")

AND:

TIMBERLINE RESOURCES CORPORATION, a corporation incorporated under the laws of Delaware and having an office at 101 E. Lakeside Avenue, Cocur d' Alene, ID 83814 USA ("Timberline")

AND

WOLFPACK GOLD (NEVADA) CORPORATION, a corporation incorporated under the laws of Nevada and having an office at 101 E. Lakeside Avenue, Cocur d' Alene, ID 83814 USA ("Wolfpack")

RECITALS:

A. Timberline is a gold and silver exploration companies focused on the discovery of valuable mineral deposits. Wolfpack is a wholly-owned subsidiary of Timberline and currently controls the mineral rights to the property known as Maggie Creek as defined in Exhibit B. Timberline and Wolfpack desire to Quit Claim the Maggie Creek Property to RenEx in exchange for a royalty defined in Exhibit A. For clarity, RenEx agrees to pay all claims fees, lease payments, royalties, or governmental fees that are due to be paid in relation to the Property subsequent to the Effective Date in order to keep all of the claims in good standing, subject to abandonment of any of the Property per Section 5 of this agreement.

B. RenEx is a gold and silver exploration company that desires to accept the Quit Claim deed to the Maggie Creek property in order to explore and define potentially economic mineralization that might lead to royalty payments.

The parties agree as follows:

1 Definitions and Interpretation

1.1 For the purposes of this Agreement:

"Agreement" means this Royalty in Exchange for the Quit-claim agreement.

RD SKO

“Property” means the Maggie Creek property as defined in Exhibit B and any property in the Area of Interest in which RenEx acquires an interest during the term of this Agreement:

“Area of Interest” Maggie Creek and the surrounding area as defined in Exhibit B;

“Business Day” means any day, other than a Saturday or Sunday, on which banks in Reno Nevada USA are open for commercial banking business during normal banking hours;

“Confidential Information” means all information and documents (whether in tangible or electronic form) provided on the Property including without limitation, documents recording or evidencing expenditures made on the Property, correspondence with government authorities or third parties relating to an Property, all maps, assays, surveys, mosaics, aerial photographs, electromagnetic tapes, sketches, drawings, memoranda, drill cores, drill logs, drilling and assay reports, production reports, samples, metallurgical, geological, geophysical, geochemical and engineering data in respect of the Property;

“Effective Date” means the date first noted above;

“NSR Royalty” means a net smelter returns royalty on the terms contained in Exhibit A;

“Royalty” has the meaning defined in Section 3.1;

“Term” has the meaning defined in Section 4.1;

1.1.1 The words “herein” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision of this Agreement;

1.1.2 The word “including”, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set out immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;

1.1.3 Any reference to a statute includes and, unless otherwise specified in this Agreement, is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or superseding such statute or such regulation;

1.1.4 The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement;

1.1.5 Words importing the masculine gender include the feminine or neuter gender and words in the singular include the plural, and vice versa; and

1.1.6 all references to currency refer to US dollars, unless otherwise noted.

1.2 The following are the Schedules to this Agreement and are incorporated into this Agreement by reference:

RB S.A.D

Exhibit A: Form of Royalty Agreement
Exhibit B: Area of Interest

2 No Partnership Created

2.1 Nothing herein will be construed as creating a partnership of any kind or as imposing upon a party any partnership duty, obligation or liability to any other party.

2.2 Except as expressly provided in this Agreement, each party will have the right independently to engage in and receive full benefits from their respective business activities. Without limiting the generality of the foregoing, the provisions of this Agreement shall not apply to any other activity, venture or operation of a party with respect to any opportunity to acquire assets outside of the Area of Interest at any time, or within the Area of Interest after the termination of this Agreement except as otherwise expressly provided herein.

3 Royalties

3.1 As consideration for the quitclaim deed on the Property to RenEx, RenEx agrees to grant and Wolfpack and Timberline agree that Timberline is hereby granted a 1.0% NSR Royalty on the Property ("NSR Royalty"). ~~RenEx has the right to buy down the entire 1% NSR Royalty for US\$1.5 million or fractions thereof at the pro-rata cost (the fraction of the NSR Royalty purchased multiplied by \$1.5 million) at any time during the Term of this Agreement.~~ Therefore, a buy down of one-half (0.5) percent of the NSR Royalty would cost US\$750,000.

3.2 RenEx acknowledges and agrees to the 2% NSR Royalty payable to Golden Predator US Holding Corp. (the "GPUS Royalty") as described in the Deed of Royalties between Wolfpack Gold (Nevada) Corp. and Gold Standard Royalty Inc. ("Deed of Royalties"), and the Amended Deed of Royalty between Wolfpack Gold (Nevada) Corp. and Golden Predator US Holding Corp. ("Amended Deed of Royalties"). The Deed of Royalties defines the Net Smelter Return Royalties covering wholly owned unpatented mining claims purchased by Wolfpack that do not have underlying lease holders. The end result of the Deed of Royalties and the Amended Deed of Royalties is that Golden Predator US Holding Corp. is the current holder and owner of the GPUS Royalty. The Deed of Royalties is recorded in the Office of the Eureka County Recorder on August 15, 2012, Document 220917, and the Amended Deed of Royalties is recorded in the Office of the Eureka County Recorder on July 6, 2015, Document 229611.

3.3 This agreement shall be an exhibit attached to any agreement that is made by RenEx on the property, and a full version of the Deed of Royalties and Amended Deed of Royalties will be made available to third parties upon request.

3.4 Timberline, Wolfpack, and Golden Predator US Holding Corp. will receive copies of any agreements that RenEx executes in relation to the Property, including those that could lead to the result of an NSR royalty.

4 Term

4.1 This Agreement has a term (the "Term") for so long as RenEx or successors and assigns has any retained interest in the property. Any Royalty granted to Timberline with respect to the Property will remain in full force and effect for as long as any of the mining concessions comprising the Property is validly subsisting in accordance with law and in accordance with the terms of the applicable Royalty agreement.

5 Abandoned Properties

5.1 In the event that RenEx determines to abandon any interest in the Property, it shall, no later than 30 days before any claims fees, lease payments, royalties, or governmental fees are due to be paid, first give written notice to Timberline, Wolfpack, and Golden Predator US Holding Corp. of such intent to abandon. If such notification is not timely given in writing, then RenEx agrees to pay any and all obligations related to the Property that are due within 30 days of the written notification.

6 Notices

6.1 All notices and other required communications and deliveries to the parties will be in writing given by personal delivery or by electronic means addressed as follows (or to such other address as the parties may specify in writing from time to time):

To:

Timberline

Timberline Resources Corporation
Attention: Steven A. Osterberg, VP Exploration
101 E. Lakeside Avenue
Coeur d'Alene, ID 83814

Fax: 208-664-4860

Email: Osterberg@timberline-resources.com and info@timberline-resources.com

Wolfpack

Wolfpack Gold (Nevada) Corp.
Attention: Steven A. Osterberg, VP Exploration
101 E. Lakeside Avenue
Coeur d'Alene, ID 83814

Fax: 208-664-4860

Email: Osterberg@timberline-resources.com and info@timberline-resources.com

Renaissance Exploration

Renaissance Exploration Inc.
Attention: Richard Bedell, President & CEO
4750 Longley Lane, Suite 106
Reno, NV 89502

RB SAO

Fax: (775) 337-1542
Email: rbedell@rengold.com

Golden Predator


Golden Predator US Holding Corp.
c/o Till Capital
Attention: William M. Sheriff
11521 North Warren St.
Hayden, ID 83835

Fax: (208) 635-5465
Email: wms@tillcap.com

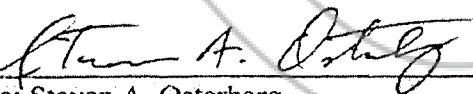
Any notices and other required communications and deliveries given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic means, on the day of transmittal thereof if given during the normal business hours of the recipient and on the next day if not given during such normal business hours on any day.

IN WITNESS WHEREOF, the parties have executed this Royalty effective as of the date first set forth above.

Renaissance Exploration, Inc.
a Nevada corporation

By: 
Name: Richard L. Bedell
Title: President & CEO

Timberline Resources Corp.
a Delaware corporation

By: 
Name: Steven A. Osterberg
Title: VP Exploration

Wolfpack Gold (Nevada) Corp.
a Nevada corporation

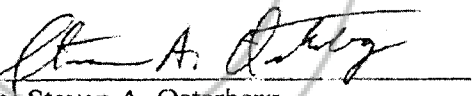
By: 
Name: Steven A. Osterberg
Title: VP Exploration

Exhibit A

NET SMELTER RETURNS

1. Calculation for Timberline Resources Corp 1.0% NSR Royalty.

(a) As used herein, "Payor" means the Party obligated to pay the Production Royalty (and its successors and assigns), and "Payee" means the Party entitled to receive the Production Royalty (and its successors and assigns).

(b) As used herein, "Net Smelter Returns" means the Gross Returns from any and all ores, metals, minerals and materials of every kind and character found in, on, or under the Claims ("Valuable Minerals"), extracted, produced and sold or deemed to have been sold from the Claims, less all Allowable Deductions.

(c) As used herein, "Gross Returns" has the following meanings for the following categories of Valuable Minerals:

(i) If Payor causes refined gold that meets or exceeds the generally accepted commercial standards for refined gold to be produced by an independent third-party refinery from ores mined from the Claims, for purposes of determining the Production Royalty, the refined gold shall be deemed to have been sold in the calendar month in which it was produced at the refinery at the Monthly Average Gold Price for that month. The Gross Returns from such deemed sales shall be determined by multiplying Gold Production during the month by the Monthly Average Gold Price. As used herein, "Gold Production" means the quantity of refined gold that is returned to Payor's account by the refinery during the calendar month on either a provisional or final settlement basis. If outturn of refined gold is made by the refinery on a provisional basis, the Gross Returns shall be based upon the amount of such provisional settlement, but shall be adjusted in subsequent statements to account for the amount of refined metal established by final settlement by the refinery. As used herein, "Monthly Average Gold Price" means the average London Bullion Market Association P.M. Gold Fix, calculated by dividing the sum of all such prices reported for the month by the number of days for which such prices were reported. If the London Bullion Market Association P.M. Gold Fix ceases to be published, the Monthly Average Gold Price shall be determined by reference to prices for refined gold for immediate delivery in the most nearly comparable established market selected by Payor as such prices are published in "Metals Week" or a similar publication.

(ii) If Payor causes refined silver that meets or exceeds the generally accepted commercial standards for refined silver to be produced by an independent third-party refinery from ore mined from the Claims, for purposes of determining the Production Royalty, the refined silver shall be deemed to have been sold in the calendar month in which it was produced at the Monthly Average Silver Price for that month. The Gross Returns from such deemed sales shall be determined by multiplying Silver Production during the calendar month by the Monthly Average Silver Price. As used herein, "Silver Production" shall mean the quantity of refined silver that is returned to Payor's account by the refinery during the calendar month on either a provisional or final settlement basis. If outturn of refined silver is made by the refinery on a provisional basis, the Gross Returns shall be based upon the amount of such provisional settlement, but shall be adjusted in subsequent statements to account for the amount of refined metal established by final settlement by the refinery. As used herein, "Monthly Average Silver

Price shall mean the average New York Silver Price as published daily by Handy & Harman, calculated by dividing the sum of all such prices reported for the calendar month by the number of days for which such prices were reported. If the Handy & Harman quotation ceases to be published, the Monthly Average Silver Price shall be determined by reference to prices for refined silver for immediate delivery in the most nearly comparable established market selected by Payor as published in "Metals Week" or a similar publication.

(iii) If Payor sells refined metals (other than refined gold and refined silver), doré or concentrates produced from Valuable Minerals from the Claims, the Gross Returns for such refined metals shall be the proceeds actually received by Payor from their sale. If such sales are to an Affiliate, the refined metals, doré, or concentrates shall be deemed, solely for the purpose of computing Gross Returns, to have been sold at prices and on terms no less favorable to Payor than those which would have been received under similar circumstances from an unaffiliated third party. As used herein, "Affiliate" means any person, partnership, limited liability company, joint venture, corporation, or other form of enterprise which Controls, is Controlled by, or is under common Control with NewCo, and "Control" means the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity through (A) the legal or beneficial ownership of voting securities or membership interests; (B) the right to appoint managers, directors or corporate management; (C) contract; (D) operating agreement; (E) voting trust; or (F) otherwise.

(d) As used herein, "Allowable Deductions" means the following costs, charges, and expenses incurred or accrued by Payor:

(i) If Payor sells or is deemed to have sold refined gold or refined silver:

(A) all costs, charges and expenses for smelting and refining doré or concentrates to produce the refined gold or refined silver (including handling, processing, and provisional settlement fees, sampling, assaying and representation costs, penalties, and other processor deductions);

(B) all costs, charges, and expenses for weighing, sampling, determining moisture content and packaging Valuable Minerals and for loading and transportation of ores, minerals, doré or concentrates from the Claims to the refinery or smelter and then to the place of sale (including freight, insurance, security, transaction taxes, handling, port, demurrage, delay, and forwarding expenses incurred by reason of or in the course of such transportation); and

(C) actual sales and brokerage costs incurred by Payor.

(ii) If Payor sells refined metals (other than refined gold or refined silver), doré, concentrate or ores:

(A) all costs, charges, and expenses for (I) beneficiation, processing or treatment of such materials at any plant or facility not owned by Payor and (II) smelting or refining to produce a refined metal (including handling, processing, and provisional settlement fees, sampling, assaying and representation costs, penalties, and other processor deductions);

(B) all costs, charges, and expenses for weighing, sampling, determining moisture content and packaging Valuable Minerals and for loading and

transportation of ores, minerals, doré, concentrates or other products from the Claims (I) to the place of sale, or (II) if such ores or other materials are beneficiated, processed, treated, smelted or refined at any plant or facility more than five (5) miles from the exterior boundary of the Claims, to such plant or facility and then to the place of sale (including freight, insurance, security, transaction taxes, handling, port, demurrage, delay, and forwarding expenses incurred by reason of or in the course of such transportation); and

(C) actual sales and brokerage costs.

(iii) All royalties payable to any governmental agency and all sales, use, severance, Nevada net proceeds of mines and ad valorem taxes and any other tax or governmental levy or fee on or measured by mineral production from the Claims (other than taxes based on income).

(c) Payor shall have the right to market and sell or refrain from selling refined gold, refined silver and other mineral products from the Claims in any manner it may elect, including the right to engage in forward sales, future trading or commodity options trading, and other price hedging, price protection, and speculative arrangements ("Trading Activities") which may involve the possible delivery of gold, silver or other mineral products from the Claims. With respect to Production Royalty payable on refined gold and refined silver and any other Valuable Minerals, Payee shall not be entitled to participate in the proceeds or be obligated to share in any losses generated by Payor's actual marketing or sales practices or by its Trading Activities and no such profits or losses shall be included in Gross Returns.

2. Manner of Payment. Production Royalty payments shall be paid by Payor to Payee (or notice of a credit against Production Royalties as provided above shall be given to Payee) on or before thirty (30) days following the calendar quarter during which Payor shall have received payment for Valuable Minerals sold by Payor or during which Valuable Minerals are deemed sold as provided above. Production Royalties shall accrue to Payee's account upon such final payment or upon being credited to the account of Payor by the smelter, refinery or other ore buyer to Payor for the Valuable Minerals sold and for which the Production Royalty is payable. All Production Royalty payments shall be made at Payor's election by Payor's check or by wire transfer. 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, the proceeds of sales, cost, assays and analyses, and other pertinent information in reasonably sufficient detail to explain the calculation of the Production Royalty payment.

3. Payments: Where Made. All payments hereunder shall be sent by certified U.S. mail to Payee at its address as set forth above, or by wire transfer to an account designated by and in accordance with written instructions from Payee. The date of placing such payment in the United States mail by Payor, or the date the wire transfer process is initiated, shall be the date of such payment. Payments by Payor in accordance herewith shall fully discharge Payor's obligation with respect to such payment, and Payor shall have no duty to otherwise apportion or allocate any payment due to Payee or its successors or assigns.

4. Audits: Objections to Payments. Payee, at its sole election and expense, shall have the right to perform, not more frequently than once annually following the close of each calendar year, an audit of Payor's accounts relating to payment of the Production Royalty hereunder by any authorized representative of Payee. Any such inspection shall be for a reasonable length of time during regular business hours, at a mutually convenient time, upon at least five (5) business days prior written notice by Payee. All royalty payments made in any calendar year shall be considered final and in full accord and satisfaction of all obligations of Payor with respect thereto, unless Payee gives written notice describing

and setting forth a specific objection to the calculation thereof within six (6) months following the close of the annual audit for that calendar year. Payor shall account for any agreed upon deficit or excess in Production Royalty payments made to Payee by adjusting the next quarterly statement and payment following completion of such audit to account for such excess.

5. Conduct of Operations. Payor shall have the sole and exclusive control of all operations on or for the benefit of the Claims, and of any and all equipment, supplies, machinery, and other assets purchased or otherwise acquired or under its control in connection with such operations. Payor may carry out such operations on the Claims as it may, in its sole discretion, determine to be warranted, so long as such operations are conducted in accordance with procedures acceptable in the mining and metallurgical industry. The timing, nature, manner and extent of any exploration, development, mining or processing operations carried out or in connection with the Claims shall be within the sole discretion of Payor, and there shall be no implied covenant whatsoever to begin or continue any such operations. If Payor at any time, and from time to time after commencing operations, desires to shut down, suspend or cease operations for any reason, it shall have the right to do so. Payor may use and employ such methods of mining as it may desire or find most profitable. Payor shall not be required to mine, preserve, or protect in its mining operations any ores, leachates, precipitates, concentrates or other products containing Valuable Minerals which cannot be mined or shipped at a reasonable profit to Payor. Any decision as to the time, manner and form, if any, in which ores or other products containing Valuable Minerals are to be sold shall be made by Payor in its sole discretion.

6. Ore Processing. All determinations with respect to: (a) whether ore from the Claims will be beneficiated, processed or milled by Payor or sold in a raw state; (b) the methods of beneficiating, processing 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, shall be made by Payor in its sole and absolute discretion.

7. Ore Samples. The mineral content of all ore mined and removed from the Claims (but excluding ore leached in place) and the quantities of constituents recovered by Payor shall be determined by Payor, 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, and shall be weighted average based on the total amount of ore from the Claims crushed and sampled, or the constituents recovered, during an entire calendar quarter. Upon reasonable advance written notice to Payor, Payee shall have the right to have representatives present at the time samples are taken for the purpose of confirming that the sampling and analysis procedure is standard and acceptable according to accepted industry practices.

8. Commingling of Ores. Payor shall have the right to mix or commingle, 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 ores or material derived from other lands or properties owned, leased or controlled by Payor; provided, however, that before commingling, Payor 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, Payor 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, Payor may use any procedures acceptable in the mining and metallurgical industry which Payor believes to be accurate and cost-effective for the type of mining and processing activity being conducted, and Payor's choice of such procedures shall be final and binding upon Payee. In addition, comparable procedures may be used by Payor 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 Payee, at Payee's sole expense, at all reasonable times, and shall be retained by Payor for a period of two (2) years.

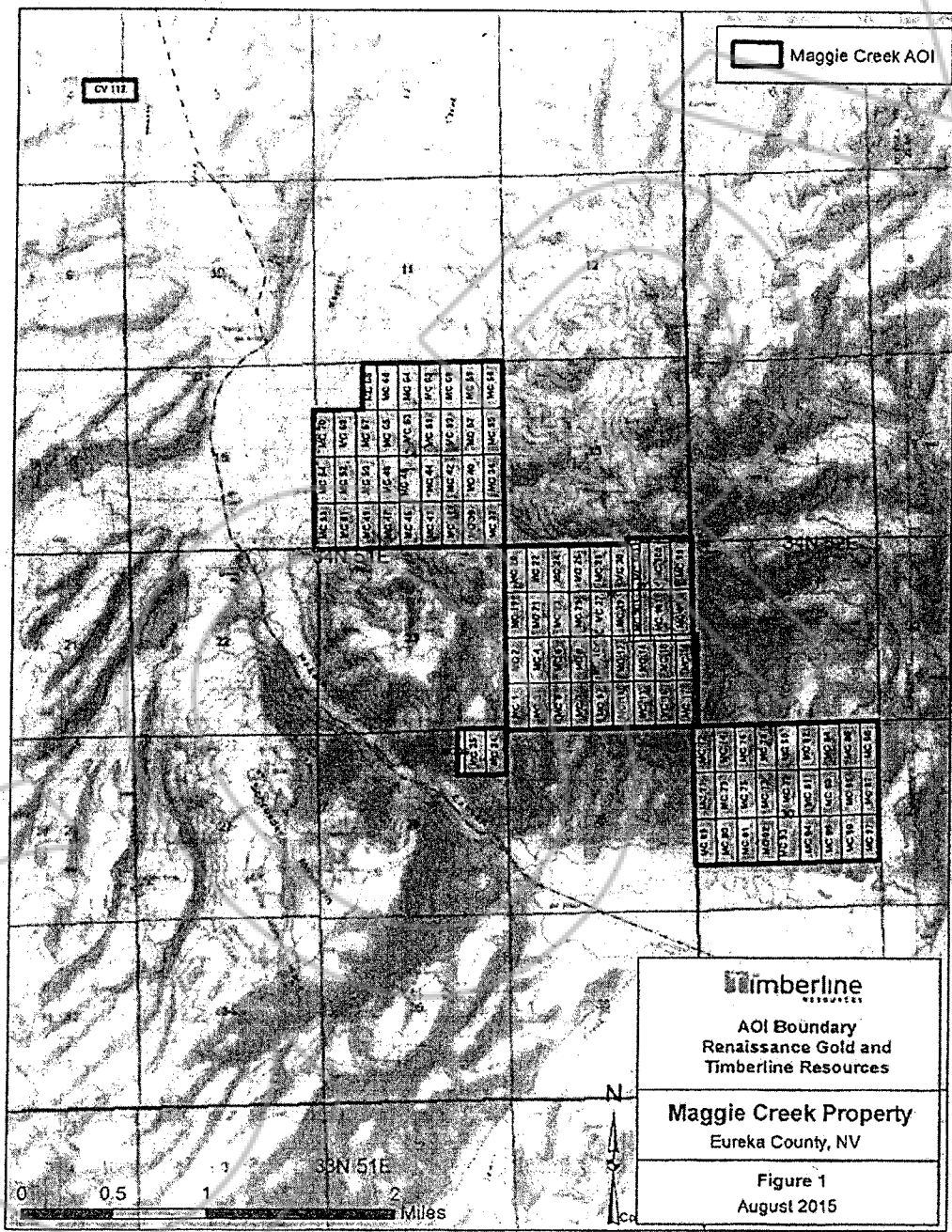
9. Waste Rock, Spoil and Tailings. Any ore, mine waters, leachates, pregnant liquors, pregnant slurries, and other products or compounds or metals or minerals mined from the Claims shall be the property of Payor, subject to the Production Royalty as provided for in Section 1. The Production Royalty shall 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 Payor shall be free to use or dispose of such waste and residue in whatever manner it sees fit in its sole discretion. Payor 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 Payee shall have no claim or interest therein other than for the payment of the Production Royalty to the extent any Valuable Minerals are produced and sold therefrom.

10. No Covenants. The parties agree that in no event shall Payor have any 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 Payor. Payee acknowledges that the expenditures made by Payor to advance activities on the Claims and the right to the Production Royalty are sufficient consideration for the conversion of its Participating Interest. None of the provisions of this Section 10 or any other provision of this Exhibit D shall be deemed to limit or restrict Payor's ability to sell or otherwise convey or transfer to any third party all or any portion of Payor's interest in the Claims.

11. Nature of Payee's Interest. Payee shall have only a royalty interest in the Claims and any real property interest within the Area of Interest acquired during the term of the joint venture agreement or LLC operating agreement (but no other properties adjacent to or in the vicinity of the Claims or within the Area of Interest) and rights and incidents of ownership of a non-executive royalty owner. Payee shall not have any possessory or working interest in the Claims nor any of the incidents of such interest. By way of example but not by way of limitation, Payee shall not have (a) the right to participate in the execution of applications for authorities, permits or licenses, mining leases, options, 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, farm-outs, 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.

Exhibit B Area of Interest

An area of interest shall encompass only the exterior bounds of the Maggie Creek Claim group as specified in Figure 1 and as listed in Table 1 hereto attached.



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Maggic Creek Unpatented Mining Claims

The project consists of 103 unpatented lode mining claims situated in Eureka County, Nevada in Sections 3, 4, 14, 24 and 26, Township 34 North, Range 51 East and Section 30, Township 34 North, Range 52 East, Mount Diablo Base Line and Meridian

Mount Diablo Base Line and Meridian

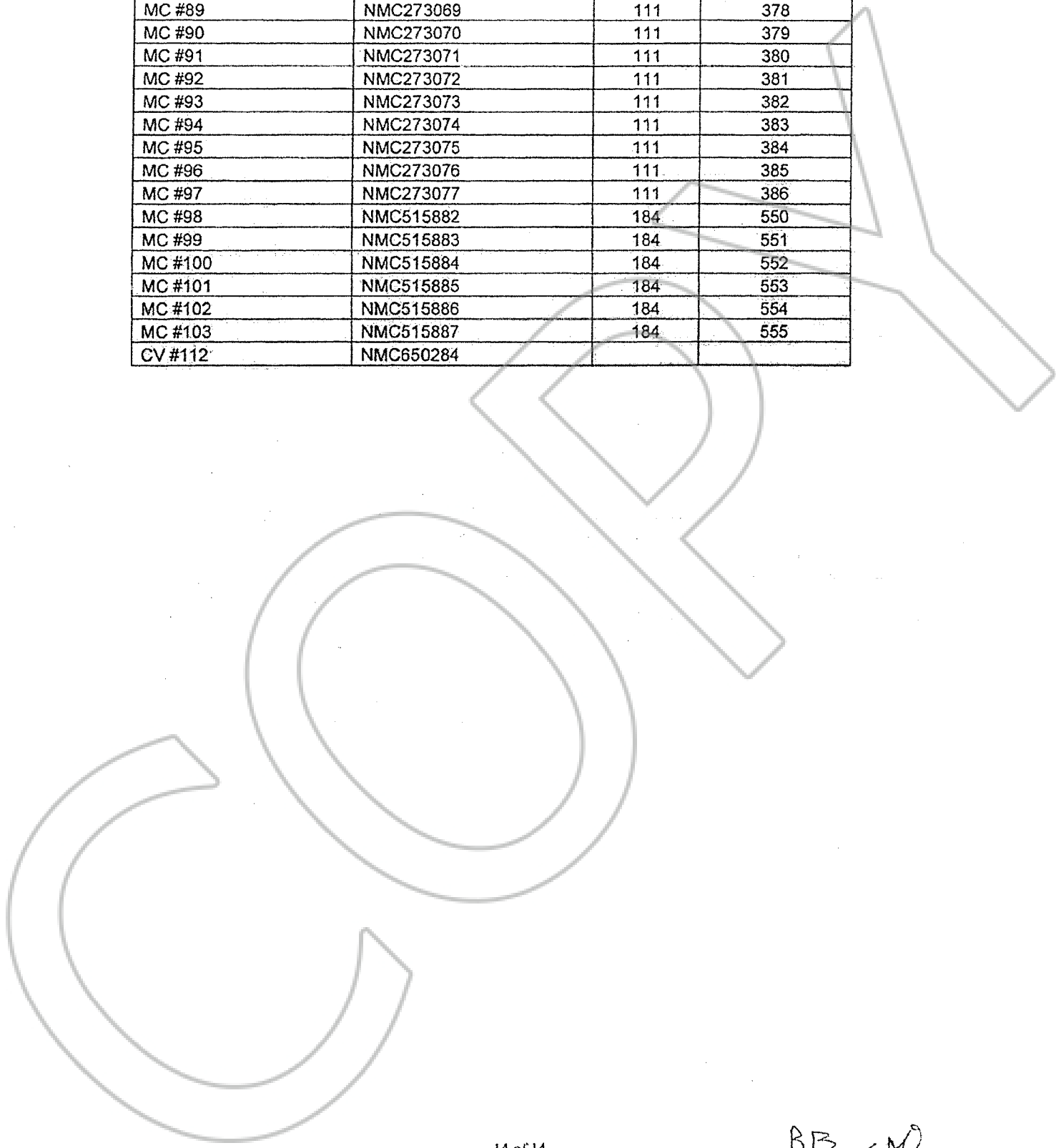
ClaimName	BLM Serial #	Book #	Page #
MC #1	NMC100670	50	439
MC #2	NMC100671	50	440
MC #3	NMC100672	50	441
MC #4	NMC100673	50	442
MC #5	NMC100674	50	443
MC #6	NMC100675	50	444
MC #7	NMC100676	50	445
MC #8	NMC100677	50	446
MC #9	NMC100678	50	447
MC #10	NMC100679	50	448
MC #11	NMC100680	50	449
MC #12	NMC100681	50	450
MC #13	NMC100682	50	451
MC #14	NMC100683	50	452
MC #15	NMC100684	50	453
MC #16	NMC100685	50	454
MC #17	NMC100686	50	455
MC #18	NMC100687	50	456
MC #19	NMC100688	50	457
MC #20	NMC100689	50	458
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MC #31	NMC100700	50	469
MC #32	NMC100701	50	470
MC #34	NMC100702	50	471
MC #35	NMC100703	50	472
MC #36	NMC100704	50	473
MC #37	NMC100705	50	474
MC #38	NMC100706	50	475
MC #39	NMC100707	50	476

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MC #40	NMC100708	50	477
MC #41	NMC100709	50	478
MC #42	NMC100710	50	479
MC #43	NMC100711	50	480
MC #44	NMC100712	50	481
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MC #100	NMC515884	184	552
MC #101	NMC515885	184	553
MC #102	NMC515886	184	554
MC #103	NMC515887	184	555
CV #112	NMC650284		



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