

When recorded, return to:
H. Deworth Williams
4190 South Highland Drive
Suite 230
Salt Lake City, UT 84124

EUREKA COUNTY, NV **2018-234847**
Rec:\$35.00
\$35.00 Pgs=10 03/15/2018 08:31 AM
KINROSS GOLD USA
LISA HOEHNE, RECORDER

This document contains no personal information as defined in NRS 603A.040.

ROYALTY DEED

This Royalty Deed (hereafter, this "Deed"), dated as of the 22nd day of February, 2018, is by and between and KINROSS GOLD USA, INC., a Nevada corporation, the address of which is 5075 South Syracuse Street, Suite 800, Denver, CO 80237 ("Grantor"), and H. Deworth Williams, an individual, the address of which is 4190 South Highland Drive, Suite 230, Salt Lake City, UT 84124 ("Grantee").

Whereas, pursuant to that Purchase Agreement, dated February 22, 2018, between Grantor, Grantee and Blue Cap. Development Corp., and that Grant, Bargain and Sale Deed of even date herewith between Grantor, Grantee and Blue Cap. Development Corp. (respectively, the "Purchase Agreement" and the "Grant, Bargain and Sale Deed"), Grantee and Blue Cap. Development Corp. have conveyed to Grantor all of their interest in the Property (defined below), including all appurtenances and water rights incident to the Property.

Now, therefore, Grantor, for and in consideration of the sum of \$10.00 lawful money of the United States of America, together with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has remised, released, sold, transferred, conveyed and quitclaimed, and by these presents does remise, release, sell, transfer, convey and forever quitclaim unto Grantee, a production royalty (the "Royalty") on the sale of Minerals produced from the Property, as defined herein. For purposes of this Deed, the term "Mineral(s)" shall mean any and all metals, ore and minerals that are locatable under the United States General Mining Law, 30 U.S.C. §21, *et seq.* and which were conveyed by Grantee to Grantor pursuant to the Grant, Bargain and Sale Deed.

1. Property Subject to Production Royalty. The Production Royalty shall be a royalty interest in and a burden upon (i) the property described in Exhibit A to this Deed; and (ii) any other property interest that Grantor acquires within the exterior boundaries of the property described in Exhibit A within 90 years after the effective date of this Deed (collectively, the "Property"). The Royalty shall attach to any amendments, relocations or conversions of any mining claims comprising the Property.

2. Production Royalty.

(a) Grantor shall pay to Grantee a perpetual Royalty in an amount equal to three and one-half percent (3.5%) of Net Smelter Returns (defined below) from the sale or other disposition of all Minerals produced from the Property, determined in accordance with the provisions set forth in this Royalty Deed. At any time, Grantor may elect to buy down the royalty rate by one and one-half percent (1.5%) so that the total royalty that is thereafter payable under this Deed is two percent (2.0%) of Net Smelter Returns, by paying to Grantee One Million Dollars (US\$1,000,000.00) in cash.

(b) If the interest in Minerals conveyed by Grantee to Grantor under the Grant Bargain and Sale Deed is less than an undivided one hundred percent interest in the Minerals, on, in or under the Property, or that interest is subject to a superior adverse interest, all Royalty payments to be made to Grantee hereunder shall be reduced to the same proportion thereof as Grantee's undivided conveyed interest in Minerals, on in, or under the Property bears to an undivided one hundred percent Mineral estate in the Property.

3. Net Smelter Returns. Net Smelter Returns shall be determined as follows:

(a) For Precious Metals. Net Smelter Returns, in the case of gold, silver and platinum group metals ("Precious Metals"), shall be determined by multiplying (i) the gross number of troy ounces of Precious Metals recovered from the production from the Property ("Monthly Production") delivered to the smelter, refiner, processor, purchaser or other recipient of such production (collectively, "Payor") during the preceding calendar month, by (ii) for gold, the average of the London Bullion Market Association, Afternoon Fix, spot prices reported for the preceding calendar month, and for all other Precious Metals, the average of the COMEX division of the New York Mercantile Exchange final spot prices for the preceding calendar month expressed in United States dollars for the particular Mineral for which the price is being determined, and subtracting from the product of (i) and (ii) only the following if actually incurred:

(i) charges imposed by the Payor for refining bullion from doré or concentrates of Precious Metals ("Beneficiated Precious Metals") produced by Grantor's final mill or other final processing plant; however, charges imposed by the Payor for smelting or refining of raw or crushed ore containing Precious Metals or other preliminarily processed Precious Metals shall not be subtracted in determining Net Smelter Returns;

(ii) penalty substance, assaying, and sampling charges imposed by the Payor for refining Beneficiated Precious Metals contained in such production;

(iii) charges and costs, if any, for transportation and insurance of Beneficiated Precious Metals from Grantor's final mill or other final processing plant to places where such Beneficiated Precious Metals are smelted, refined and/or sold or otherwise disposed of; and

(iv) all taxes paid on production of precious metals, except income tax, including but not limited to, production, severance, sales and privilege taxes and all local, state and federal royalties that are based on the production of Precious Metals.

(b) For Other Minerals. Net Smelter Returns, in the case of Minerals other than Precious Metals ("Other Minerals"), shall be determined by multiplying (i) the gross amount of the particular Other Mineral contained in the Monthly Production delivered to the Payor during the preceding calendar month by (ii) the average of the New York Mercantile Exchange final daily spot prices for the preceding calendar month of the appropriate Other Mineral, and subtracting from the product of (i) and (ii) only the following if actually incurred:

(i) charges imposed by the Payor for smelting, refining or processing Other Minerals contained in such production, but excluding any and all charges and costs related to Grantor's mills or other processing plants constructed for the purpose of milling or processing Other Minerals, in whole or in part;

(ii) penalty substance, assaying, and sampling charges imposed by the Payor for smelting, refining, or processing Other Minerals contained in such production, but excluding any and all charges and costs of or related to Grantor's mills or other processing plants constructed for the purpose of milling or processing Other Minerals, in whole or in part;

(iii) charges and costs, if any, for transportation and insurance of Other Minerals and the beneficiated products thereof from Grantor's final mill or other final processing plant to places where such Beneficiated Precious Metals are smelted, refined and/or sold or otherwise disposed of; and

(iv) all taxes paid on production of precious metals, except income tax, including but not limited to, production, severance, sales and privilege taxes and all local, state and federal royalties that are based on the production of Other Minerals.

(c) If for any reason the London Bullion Market Association or the New York Mercantile Exchange does not report spot pricing for a particular Mineral, then the Parties shall mutually agree, acting reasonably, upon an appropriate pricing entity or mechanism that accurately reflects the market value of any such Mineral.

(d) In the event smelting, refining, or processing of Minerals are carried out in custom toll facilities owned or controlled, in whole or in part, by Grantor, which facilities were not constructed for the purpose of milling or processing Minerals, then charges, costs and penalties for such smelting, refining or processing shall mean the amount Grantor would have incurred if such smelting, refining or processing were carried out at facilities not owned or controlled by Grantor then offering comparable services for comparable products on prevailing terms, but in no event greater than actual costs incurred by Grantor with respect to such smelting and refining.

(e) In the event Grantor receives insurance proceeds for loss of Minerals production, Grantor shall pay to Grantee the Royalty percentage of any such insurance proceeds that are received by Grantor for such loss of production.

4. Other Procedures for Calculating and Paying Production Royalty.

(a) Payments of Royalty. Royalty payments shall be payable on or before the twenty-fifth (25th) day of the month following the calendar month in which Grantor receives

payment from Payor for Minerals that were shipped or delivered to Payor. Grantor shall make each Royalty payment to be paid in cash by delivery of a check or draft payable to Grantee and delivering the check to Grantee at its address listed in Section 9(i). All Royalty payments or credits shall be accompanied by a detailed statement explaining the calculation thereof together with any available settlement sheets from the Payor.

(b) Monthly Reconciliation.

(i) The parties recognize that a period of time will elapse between the production of ore, the production of doré or concentrates from ore, the production of refined or finished product from doré or concentrates, and the receipt of Payor's statements for refined or finished product. As a result, the Royalty payment made in any month may not coincide exactly with the Royalty amount that is actually due for that month. Grantor will provide final reconciliation promptly after settlement is reached with the Payor for all lots sold or subject to other disposition in any particular month.

(ii) In the event that Grantee has been underpaid for any provisional payment, Grantor shall pay the difference in cash by check with such payment being made at the time of the final reconciliation. If Grantee has been overpaid in the previous calendar quarter, Grantee shall make a payment to Grantor of the difference by check. Reconciliation payments shall be made on the same basis as used for the payment in cash pursuant to Section 4(a).

(c) Hedging Transactions. All profits and losses resulting from Grantor's sales of Minerals, or Grantor's engaging in any commodity futures trading, option trading, or metals trading, or any combination thereof, and any other hedging transactions including trading transactions designed to avoid losses and obtain possible gains due to metal price fluctuations (collectively, "hedging transactions") are specifically excluded from Royalty calculations pursuant to this Deed. All hedging transactions by Grantor and all profits or losses associated therewith, if any, shall be solely for Grantor's account. The Royalty payable on Minerals subject to hedging transactions by Grantor shall be determined in the same manner as provided in Sections 2 and 3, with the understanding that the average monthly spot price shall be for the calendar month preceding the calendar month during which Minerals subject to hedging transactions are shipped by Grantor to the Payor.

(d) Commingling. Grantor shall have the right to commingle Minerals from the Property with minerals from other properties. Before any Minerals produced from the Property are commingled with minerals from other properties, the Minerals produced from the Property shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal, commercial minerals and other appropriate content. Representative samples of the Minerals shall be retained by Grantor and assays (including moisture and penalty substances) and other appropriate analyses of these samples shall be made before commingling to determine gross metal or mineral content of the Minerals. Grantor shall retain such analyses for a reasonable amount of time, but not less than twenty-four (24) months, after receipt by Grantee of the Royalty paid with respect to such commingled Minerals from the Property.

(e) **No Obligation to Mine.** Grantor shall have sole discretion to determine the extent of its mining of the Property and the time or the times for beginning, continuing or resuming mining operations with respect thereto. Grantor shall have no obligation to Grantee or otherwise to mine any of the Property.

5. **Annual Report and Audit.**

(a) Not later than February 28 following the end of each calendar year during which any mining of Minerals occurs on the Property, Grantor shall provide Grantee with an annual report of activities and operations conducted with respect to the Property during the preceding calendar year. Such annual report shall include details of: (i) the preceding year's mineral exploration and mining activities with respect to the Property; (ii) ore reserve data for the calendar year just ended; and (iii) estimates of anticipated production and estimated remaining ore reserves with respect to proposed activities for the Property for the current calendar year. In addition, Grantee shall have the right, upon reasonable Notice to Grantor, to inspect and copy all books, records, technical data, information and materials (the "Data") pertaining to Grantor's activities with respect to the Property; provided that such inspections shall not unreasonably interfere with Grantor's activities with respect to the Property. Grantor makes no representations or warranties to Grantee concerning any of the Data or any information contained in the annual reports, and Grantee agrees that if it elects to rely on any such Data or information, it does so at its sole risk.

(b) Grantee shall have the right to audit the books and records pertaining to production from the Property and contest payments of Royalty for 24 months after receipt by Grantee of the payments to which such books and records pertain. Such payments shall be deemed conclusively correct unless Grantee objects to them in writing within 24 months after receipt thereof. Grantor's records of mining and milling operations on the Property, and its records with respect to commingling of production from the Property, shall be available for Grantee's or its authorized agents' inspection and/or audit upon reasonable advance Notice and during normal business hours. If any such audit or inspection reveals that Royalty payments for any calendar year are underpaid by more than five percent, Grantor shall reimburse Grantee for its reasonable costs incurred in such audit or inspection.

6. **Inspection.** Grantee shall be entitled to enter the mine workings and structures on the Property at reasonable times upon reasonable advance Notice for inspection thereof, but Grantee shall so enter at its own risk and shall indemnify and hold Grantor and its affiliates harmless against and from any and all loss, costs, damage, liability and expense (including but not limited to reasonable attorneys' fees and costs) by reason of injury to Grantee or its agents or representatives or damage to or destruction of any property of Grantee or its agents or representatives while on the Property on or in such mine workings and structures, unless such injury, damage, or destruction is a result, in whole or in part, of the negligence of Grantor. Grantee shall comply with all rules established by Grantor to protect the health and safety of workers and visitors.

7. **Stockpiling and Tailings.** All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively "Materials") resulting from Grantor's operations and activities with respect to the Property shall be the sole property of Grantor, but shall remain

subject to the Royalty (calculated and paid in accordance with the terms of this Deed) should the Materials be processed or reprocessed, as the case may be, in the future and result in the production, sale or other disposition of Precious Metals or Other Minerals. Notwithstanding the foregoing, Grantor shall have the right to dispose of any or all such Materials and to commingle the same with other minerals from other properties. In the event Materials from the Property are processed or reprocessed, as the case may be, and regardless of where such processing or reprocessing occurs, the Royalty payable thereon under this Deed shall be determined on a pro rata basis as determined by using the best engineering and technical practices then available.

8. Real Property Interest and Relinquishment of Property. The Royalty created hereby shall be perpetual, it being the intent of the Parties hereto that, to the extent allowed by law, the Royalty shall constitute a vested interest in and a covenant running with the land affecting the Property and all successions thereof whether created privately or through governmental action and shall inure to the benefit of and be binding upon the Parties and their respective, successors and assigns so long as Grantor or any successor or assign of Grantor holds any rights or interests in the Property. The Parties do not intend that there be any violation of the rule of perpetuities. Accordingly, any right that is subject to such rules shall be exercised within the maximum time periods permitted under applicable law. At any time, Grantor may abandon or otherwise relinquish its interest in all or any part of the Property. If Grantor or any Affiliate or successor or assign of Grantor surrenders, allows to lapse or otherwise relinquishes or terminates its interest in Property and within a period of one (1) year after the effective date of relinquishment or abandonment reacquires a direct or indirect interest in land or minerals covered by any of the former Property, then from and after the date of such reacquisition such reacquired properties shall be included in the Property and the Royalty shall apply to such interest so acquired.

9. General Provisions.

(a) The parties promptly shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the purposes of this Deed.

(b) All covenants, conditions and terms of this Deed shall be of benefit to the parties and run as a covenant with the Property and shall bind and inure to the benefit of the parties hereto and their respective assigns and successors.

(c) This Deed shall not be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, or other partnership relationship between Grantor and Grantee.

(d) This Deed may not be modified orally, but only by written agreement executed by Grantor and Grantee.

(e) Time is of the essence in this Deed.

(f) This Deed is to be governed by and construed under the laws of the State of Nevada.

(g) As used in this Deed, the term "Grantee" shall include all of Grantee's successors-in-interest, including without limitation assignees, partners, joint venture partners, lessees, and when applicable mortgagees and affiliated companies having or claiming an interest in the Property. As used in this Deed, the term "Grantor" shall include all of Grantor's successors-in-interest, including without limitation assignees, partners, joint venture partners, lessees, and when applicable mortgagees and affiliated companies having or claiming an interest in the Property. As used in this Deed, the term "Party" or "Parties" shall mean one or both, as the case may be, of Grantor and Grantee.

(h) Assignment of Property. Grantor may convey, transfer, assign, abandon or encumber all or any portion of its interest in the Property, provided that (i) in the event of any such conveyance, transfer or assignment, it shall require the party or parties acquiring such interest to assume the obligations of this Deed in respect of such interest, and thereupon Grantor shall be relieved of all liability under this Deed as to such interest in the Property, except for liabilities existing as of the date of such conveyance, transfer, or assignment; and (ii) in the event of the granting of any mortgage, charge, security interests, lien or other encumbrance (in each case a "Lien") in any Property, the holder of such encumbrance (a "Lien Holder") acknowledges in writing that its rights in the Property are subject to the rights of Grantee under this Deed. A Lien Holder shall be free to convey, transfer and assign all or any portion of the Property subject to its Lien, provided that it shall require the party or parties acquiring such interest to assume in writing the obligations of this Deed in respect of such interest from and after the date of transfer and thereupon it shall be relieved of all liability under this Deed as to such interest in the Property. No such conveyance, transfer or assignment by a Lien Holder shall release the Grantor of any liabilities existing on the date of such conveyance, transfer or assignment.

(i) Any notice or other correspondence required or permitted hereunder ("Notice") shall be deemed to have been properly given or delivered when made in writing and hand delivered to the Party to whom directed or when sent by United States certified mail, with all necessary postage or charges fully prepaid, return receipt requested (or in the case of a facsimile or telegram, confirmation of delivery), and addressed to the Party to whom directed at the following address:

Grantor:

Kinross Gold USA, Inc.
Attn: Land Department
5075 South Syracuse Street, Suite 800
Denver, CO 80237

Grantee:

H. Deworth Williams
4190 South Highlands Drive, Suite 206
Salt Lake City, UT 84124


Either Party hereto may change its address for the purpose of Notices or communications hereunder by furnishing Notice thereof to the other Party in compliance with this Section.

(j) All references to dollars herein shall mean United States dollars.

Wherefore, this Deed is executed and delivered effective on the day and year above written.

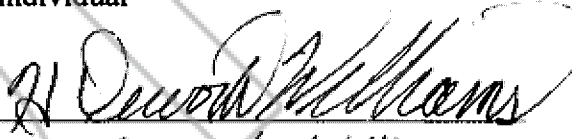
GRANTOR:

KINROSS GOLD USA, INC.
A Nevada corporation

By: 
Name: Yanhua Pan
Title: Treasurer

GRANTEE:

H. Deworth Williams
An individual

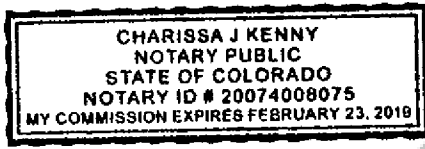
By: 
Name: H. Deworth Williams
Title: President

STATE OF Colorado)
) ss.
COUNTY OF Denver)

This instrument was acknowledged before me on this 21st day of February, 2018, by
[Name] Yanhua Pan, as [Title] Treasurer of
KINROSS GOLD USA, INC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the
day and year first above written.

[S E A L]



Charissa J. Kenny
Notary Public
My commission expires: 02/23/19

STATE OF Utah)
) ss.
COUNTY OF Salt Lake)

This instrument was acknowledged before me on this 8 day of March, 2018,
by H. DEWORTH WILLIAMS, in his individual capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the
day and year first above written.

[S E A L]



[Signature]
Notary Public
My commission expires: Jan 25, 2020

**EXHIBIT A
TO
ROYALTY DEED**

The Property

The following six unpatented mining claims situated in Eureka County, Nevada:

Claim Name	BLM Serial No. (NMC)	County Rec Doc #
GP 131	883986	194056
GP 132	883987	194057
GP 135	883990	194058
GP 136	883988	194059
GP 137	883989	194060
GP 138	883991	194061