

When recorded, return to:
Newmont
6900 E. Layton Ave., Suite 700
Denver, CO 80237
Attention: Land Department

EUREKA COUNTY, NV
RPTT:\$161.85 Rec:\$37.00
\$198.85 Pgs=14
MARVEL & MARVEL, LTD
KATHERINE J. BOWLING, CLERK RECORDER

2022-248761

09/16/2022 11:07 AM

APN: 410-000-13
Location: South Wales No. 1 (USMS #314,
patent # 20070), T19N R53E, SEC 26

*Pursuant to NRS 239B.030, the undersigned hereby
affirms that this document does not contain Personal
Information, as defined by NRS 603A.040, of any person.*

Mail tax statements to:
Timberline Resources Corporation
101 E. Lakeside, Coeur d'Alene, ID 83814

QUITCLAIM DEED

THIS QUITCLAIM DEED is made this 17th day of August, 2022 by NEWMONT CAPITAL LIMITED, a Nevada Corporation, whose address is c/o Newmont Corporation, Attention: Land Department, 6900 E. Layton Avenue, Suite 700, Denver, CO. 80237 ("**Grantor**"), to TIMBERLINE RESOURCES CORPORATION, whose address is 101 E. Lakeside, Coeur d'Alene, ID 83814 ("**Grantee**").

WITNESSETH:

WITNESSETH, that Grantor, for Ten and No/100 Dollars (\$10.00) and other valuable consideration, to Grantor in hand paid by Grantee, the receipt of which is hereby confessed and acknowledged, has remised, released, sold, conveyed, and quitclaimed, and by these presents does remise, release, sell, convey, and quitclaim, without any covenants of warranty whatsoever and without recourse to Grantor, its successors and assigns, to Grantee, its successors and assigns, forever, all of its right, title, and interest, if any, in and to that certain real property located in Eureka County, Nevada, more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes (the "**Property**").

Reserving unto Grantor, its successors and assigns forever, a perpetual royalty of one and five-tenths percent (1.5%) of Net Smelter Returns, as more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of Grantor, either in law or at equity, to the only proper use, benefit and behalf of Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, Grantor has caused this Quitclaim Deed to be signed by its authorized representative effective the date set forth above.

Newmont Capital Limited, a Nevada Corporation

By: *Nancy Lipson*
Name: *Nancy Lipson*
Title: *Vice President*

STATE OF Colorado)

COUNTY OF Denver)

This instrument was acknowledge before me this 7th day of September, 2020
by Nancy Lipson, the Vice President of
Newmont Capital Limited, a Nevada Corporation, on behalf of that corporation.

Kim Jaramillo
Notary Public

My commission expires: March 17, 2024

**KIM JARAMILLO
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164010943
My Commission Expires March 17, 2024**

EXHIBIT "A"

The Property

All of Grantor's rights, titles, and interests in and to the following, situated in Eureka County, Nevada:

South Wales No. 1 (USMS #314, patent # 20070) located in Section 26, Township 19 North, Range 53 East of the Mount Diablo Base and Meridian, APN 410-000-13.

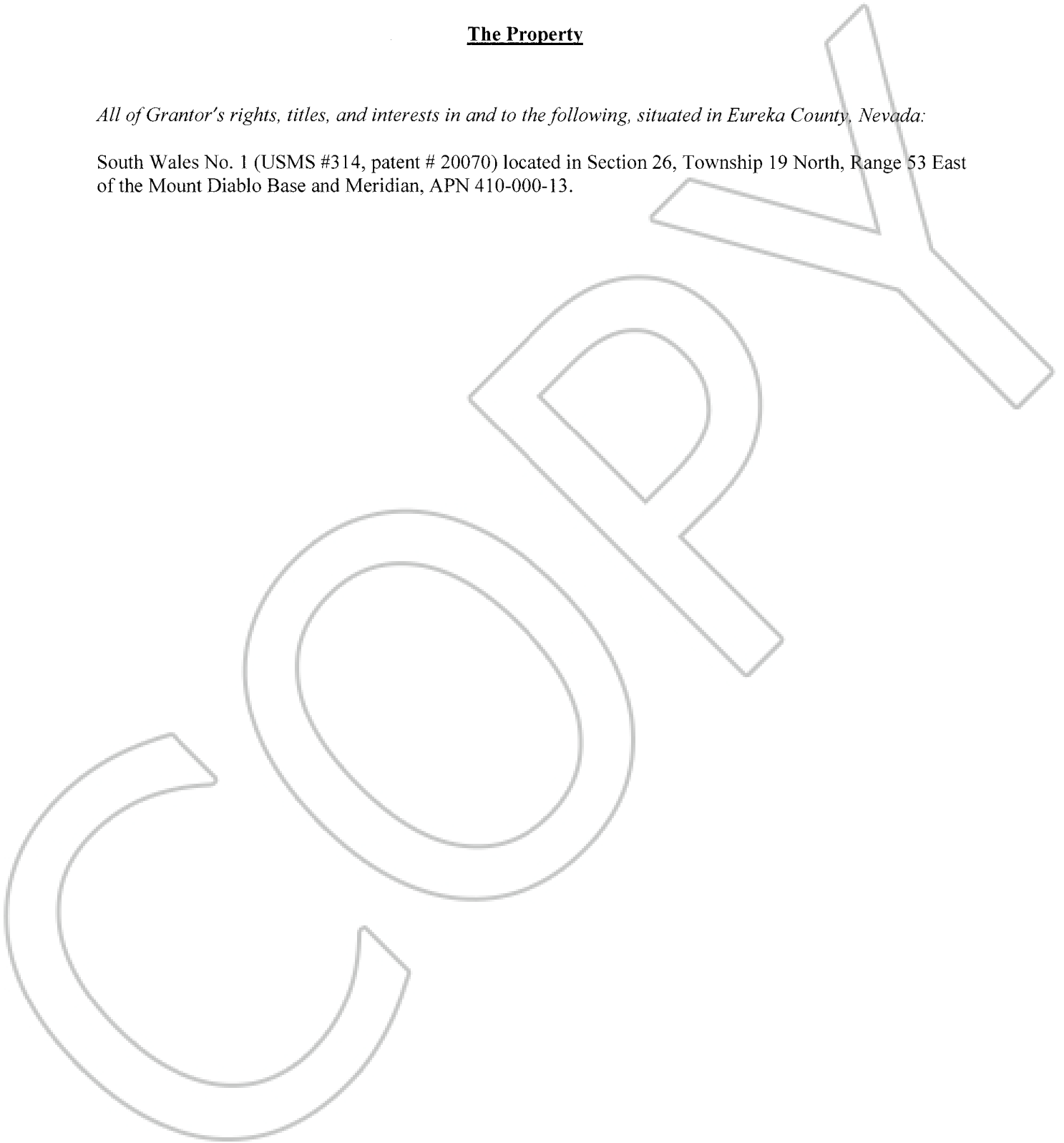


EXHIBIT "B"
of Quitclaim Deed

COPY

EXHIBIT "B"

of Quitclaim Deed

1. Definitions. As used in this Exhibit "B", the following terms, whether used in singular or plural forms, shall have the following meanings:

"Affiliate" with respect to a Party, means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Party. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of fifty percent (50%) of the voting securities, by contract, or otherwise.

"Allowable Deductions" means the following costs, charges and expenses paid, incurred, or deemed incurred by Grantee or any of its Affiliates for, or with respect to, Products:

(i) charges for offsite treatment in the smelting, refining, solution extraction, electrowinning and other beneficiation processes (including handling, provisional settlement fees, weighing, sampling, assaying, umpire and representation costs, any penalties including penalties for impurities contained in the Product which inhibit smelting, refining or minting, and other processor deductions), but excluding costs of mining, milling, leaching, concentrating and other similar processing except as provided in (ii) below;

(ii) if Minerals are beneficiated by heap leaching, all processing and beneficiation costs incurred by Grantee beyond the point at which leaching reagents are applied to the ore being treated, including the costs of such reagents;

(iii) actual costs of transportation (including loading, freight, insurance, security, surveyor fees, transaction taxes, handling, port fees, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of Products from the Property to the place of treatment and then to the place of Sale, and for greater certainty this excludes trucking ore within the Property;

(iv) costs or charges for or in connection with insurance, storage, or representation at a smelter or refinery for Products or refined metals;

(v) actual marketing, selling and brokerage costs;

(vi) sales, use, severance, excise and net proceeds of mine taxes or duties, and any taxes or duties measured by the value of Products, but not including (A) income taxes of Grantee, (B) business and franchise taxes of Grantee and (C) other taxes for which Grantee is entitled to an input tax credit or refund; provided, that when Products are processed on or off the Property in a facility wholly or partially owned by Grantee or an Affiliate of Grantee, Allowable Deductions will not include any costs that are in excess of those that would be incurred on an arm's length basis at market terms, or which would not be Allowable Deductions if those Products were processed by an independent third Person.

"Business Day" means any calendar day other than a Saturday or Sunday or any statutory holiday or civic holiday in Denver, Colorado or Carson City, Nevada.

"Governmental Authority" means any national, provincial, state, regional, municipal or local government, governmental department, commission, board, bureau, agency, authority or instrumentality,

or any Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, including all tribunals, commissions, boards, bureaus, arbitrators and arbitration panels, and any authority or other Person controlled by any of the foregoing.

“Grantee” means Timberline Resources Corporation and its successors and permitted assigns.

“Grantor” means Newmont Capital Limited and its successors and permitted assigns.

“Gross Proceeds” means, for each Quarter:

(i) if Products are Sold in the form of raw ore, doré, precipitates or other intermediate products or concentrates, the Gross Proceeds in respect of such raw ore, doré, precipitates or other intermediate products or concentrates shall be equal to the amount of gross proceeds on contained Payable Metal before Allowable Deductions received by Grantee or its Affiliates during such Quarter from the Sale of such raw ore, doré, precipitates or other intermediate products or concentrates; provided, however, if the Sale of such raw ore, doré, precipitates or other intermediate products or concentrates occurs in connection with Trading Activities then the Gross Proceeds will be based on the value of such Products ex-headframe or mine site loading facility in the case of ores or ex-mill or other treatment facility in the case of other such Products in both cases with reference to the average monthly applicable metal prices, during the month, without regard to the proceeds received by Grantee or its Affiliates; and

(ii) if any Products are Sold in a manner not described in clause (i) above, the Gross Proceeds of such Products shall be the amount of proceeds actually received by Grantee or its Affiliates in such Quarter for the Sale of such Products.

If there is a Loss of Products, Gross Proceeds shall be equal to the sum of the insurance proceeds received by Grantee in such Quarter in respect of such Loss.

“Law” means all applicable Governmental Authorities’ laws (statutory or common), rules, ordinances, regulations, grants, concessions, franchises, licenses, orders, directives, judgments, decrees, rulings and other governmental requirements or restrictions, including permits and other similar requirements, whether legislative, administrative, or judicial in nature, including Environmental Laws.

“Loss” means an insured loss of or damage to Products, whether or not occurring on or off the Property and whether the Products are in the possession of Grantee or its Affiliates or otherwise.

“Materials” is defined in Section 3.5.

“Minerals” means any and all metals, minerals and mineral rights of whatever kind and nature in, under or upon the surface or subsurface of the Property or that may otherwise be developed as part of the Property (including, without limitation metals, precious metals, base metals, industrial minerals, gems, diamonds, commercially valuable rock, aggregate, clays and diatomaceous earth, hydrocarbons, and oil and gas, and other minerals).

“Net Smelter Returns” means, for calculation of the Royalty payable for any Quarter in respect of any particular Product, (i) Gross Proceeds of such Product in such Quarter, minus (ii) Allowable Deductions.

“Notice” is defined in Section 8.1.

“Other Mineral Products” is defined in Section 3.2.

“Party” means each of Grantee and Grantor, and “Parties” means both.

“Payable Metal” means, with respect to raw ore, doré, precipitates, or other intermediate products or concentrates, the quantity of contained metal that is payable to Grantee or its Affiliates under the applicable smelting agreement.

“Payor” means the smelter, refiner, processor, purchaser, bullion bank or other recipient of any Minerals.

“Person” means a natural person, corporation, joint venture, partnership, limited liability partnership, limited liability company, limited liability partnership, limited liability company, trust, estate, business trust, association, Governmental Authority or other entity.

“Precious Metals” means gold, silver, and the platinum group Minerals.

“Products” means all Minerals and all ores, doré, precipitates or other intermediate products, and by-products of Minerals.

“Quarter” or “Quarterly” mean the period commencing on the date of the Quitclaim Deed and expiring on the day preceding the next occurring 1st day of January, April, July, or October and thereafter each successive period of three (3) calendar months.

“Quarterly Payment” is defined in Section 2.2(a).

“Quarterly Payment Date” is defined in Section 2.2(a).

“Quarterly Payment Statement” is defined in Section 2.2(b).

“Quarterly Reconciliation” is defined in Section 2.2(c).

“Quitclaim Deed” means the quitclaim deed dated August 17, 2022 whereby Grantor quitclaims unto Grantee all of its rights, titles, and interests (if any) in and to the Property.

“Royalty” is defined in Section 2.1.

“Property” is described in Exhibit “A” of the Quitclaim Deed.

“Sale” or “Sold” means, with respect to any Products, the transfer of title to such Products from Grantee or its Affiliates to a buyer, and includes a deemed transfer of title to Products transported off the Property that Grantee or its Affiliate elects to have credited to or held for its account by a smelter, refiner or broker.

“Transfer” means, with respect to the Property or Royalty, (i) any sale, transfer, assignment, conveyance, gift, exchange, spin-off, or other disposition of an interest in such Property or Royalty, whether the disposition is voluntary, involuntary, or by merger, exchange, consolidation, bankruptcy, or other operation of Law; or (ii) any transaction or series of related transactions that results in a change in control of the Party holding such Property or Royalty.

2. Royalty.

2.1. Reservation of Royalty. Grantor hereby reserves unto itself, its successors and assigns forever, a perpetual calculated as follows following (the "Royalty"):

(a) One and five-tenths percent (1.5%) of Net Smelter Returns from the Sale of all Products produced or extracted from the Property.

2.2. Payment of Royalty. All payments of the Royalty with respect to any Net Smelter Returns from the Sale of any Products shall be payable in cash, without demand, notice, set-off, or reduction, via the transfer of immediately available funds to such bank account as Grantor may nominate in writing to Grantee from time to time, as follows:

(a) Quarterly Payments. Grantee shall pay to Grantor an amount equal to Grantee's determination of the Royalty payable for the Net Smelter Returns in each Quarter (the "Quarterly Payment"), on or before the date (the "Quarterly Payment Date") that is the thirtieth (30th) day following the end of such Quarter. Grantee shall make each Quarterly Payment by wire transfer of immediately available funds to a bank account designated by Grantor. If Grantee fails to make all or any portion of any Quarterly Payment by the Quarterly Payment Date and such failure has not been cured within ten (10) days following Notice of non-payment given by Grantor to Grantee, the unpaid portion of such Quarterly Payment shall bear interest at the rate of five percent (5%) per annum, compounding annually, from the Quarterly Payment Date until paid.

(b) Detailed Quarterly Payment Statement. At the time of each Quarterly Payment, Grantee shall provide to Grantor a detailed statement explaining the calculation thereof and including any available settlement sheets from Payors (the "Quarterly Payment Statement"). The Quarterly Payment Statement shall include the following information:

(i) the quantity, type, and grade of Products extracted or produced from the Property during the Quarter to which such Quarterly Statement relates;

(ii) the quantity, type, and grade of Products extracted or produced from the Property that were processed during such Quarter and the location of the relevant facilities;

(iii) the quantity, type, and grade of all Products extracted or produced from the Property that were Sold during such Quarter;

(iv) the quantity and type of Products extracted or produced from the Property that were held or unsold during such Quarter;

(v) the Quarterly Payment for that Quarter and details of the Gross Proceeds (including details on the average monthly price determined as herein provided for refined metals and proceeds of Sale for other Products) and Allowable Deductions underlying the calculation of the Quarterly Payment; and

(vi) the cumulative total of Quarterly Payments paid to the Grantor under this Exhibit "B".

(c) Reconciliation of Quarterly Payments. The Parties recognize that time will elapse between the delivery of doré, concentrates or other Products to Payors, the receipt by Grantee and final settlement of payment by Payors, or receipt of refined or finished Product, and the final calculation of Allowable Deductions, and acknowledge that, as a result, the Quarterly Payment for any Products Sold may not coincide exactly with the actual Royalty amount owed with respect to such Products. Accordingly,

Grantee shall provide to Grantor a final reconciliation of the Royalty payable with respect to all Gross Proceeds in any Quarter (a "Quarterly Reconciliation") within ten (10) days after the applicable Payor and Grantee reach final settlement with respect to such Gross Proceeds and all Allowable Deductions are finally determined (including any recovery of taxes or duties included in the initial calculation of Allowable Deductions). If any Quarterly Reconciliation shows that the Quarterly Payment for Gross Proceeds in any Quarter is less than the full Royalty owed on such Gross Proceeds, Grantee shall pay to Grantor the difference in cash substantially concurrently with its delivery to Grantor of such Quarterly Reconciliation, by wire transfer of immediately available funds to an account designated by Grantor. Conversely, if any Quarterly Reconciliation shows that the Quarterly Payment for any Gross Proceeds was greater than the full Royalty on such Gross Proceeds, Grantee shall pay the difference to Grantor in cash, within ten (10) days following its receipt of such Quarterly Reconciliation; provided, however, that Grantee in its discretion may elect, by Notice to Grantor included in the Quarterly Reconciliation, to deduct the amount of such difference from any subsequent Quarterly Payment, in which case such deduction shall be reflected in the Quarterly Payment Statement for such subsequent Quarterly Payment.

2.3. Trading Activities. No profits and losses resulting from Grantee's Sales of refined metals or Products, or Grantee'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, "Trading Activities"), shall be included in the calculation of the Royalty. All Trading Activities by Grantee and all profits or losses associated therewith, if any, shall be solely for Grantee's account.

2.4. Sale to or Processing by Affiliates. The Grantee shall be permitted to sell any form of Products to an Affiliate of the Grantee; provided, that such Sales will be deemed, for the purposes of this Exhibit "B", to have been Sold at prices and on terms no less favorable to the Grantee than those that would be extended by an unaffiliated third Person in an arm's length transaction under similar circumstances and, where applicable, shall be determined based on the value of the Products as set out under the definition of "Gross Proceeds" herein. If the Grantee proposes to sell any form of Products to an Affiliate of the Grantee, the Grantee shall provide advance Notice of the Sale to the Grantor. The Grantee will be permitted to contract with an Affiliate of the Grantee or an unaffiliated third Person for the smelting or other processing of Products; provided, that such contract is on an arm's length basis at market terms.

3. No Obligation to Mine, Commingling, Stockpiling, Samples and Tailings.

3.1. No Obligation to Mine. Grantee shall have sole discretion to determine the extent of its mining, if any, of the Property and the time or the times for beginning, continuing, or resuming mining operations with respect thereto. Grantee shall not have any obligation to Grantor or otherwise to mine any of the Property. Grantee shall notify Grantor in writing if it is considering or intends to take any of the foregoing actions.

3.2. Commingling. Products from the Property may be commingled with other ores, doré, concentrates, precipitates, or other intermediate products, metals, minerals, or mineral by-products produced elsewhere ("Other Mineral Products"); provided, that:

(a) reasonable and customary procedures are established for weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Products and Other Mineral Products;

(b) representative samples of the Products shall be retained by Grantee and assays (including moisture and penalty substances) and other appropriate analyses of these samples must be made before commingling to determine gross metal content of the Products and that Grantee shall retain such

analyses for a reasonable amount of time, but not less than twenty-four (24) months, after receipt by Grantor of the Royalty paid with respect to such commingled Products from the Property; and

(c) the amount of valuable metals contained in such Products and Other Mineral Products is capable of being accurately verified by audit under Section 5.2.

3.3. Stockpiling. Grantee may stockpile any Products from the Property at such place or places as Grantee may elect.

3.4. Samples. Grantee may, without being liable to pay a Royalty under this Exhibit "B", mine, remove and supply small amounts of minerals reasonably necessary for sampling, assaying, metallurgical testing and evaluating the mineral potential of the Property.

3.5. Tailings. All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively "Materials") resulting from Grantee's operations and activities on the Property shall be the sole property of Grantee, but shall remain subject to the Royalty. 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 shall be determined on a pro rata basis as determined by using the best engineering and technical practices then available.

4. Real Property Interest; Recording or Registration.

(a) 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 legal representatives, successors and assigns. No Transfer of any Property shall invalidate Grantor's rights under this Exhibit "B" against any assignee of such Property.

(b) The Royalty shall attach to any amendments, relocations or conversions of any mining right, license, or lease, concession, permit, patent, or other tenure comprising the Property, or to any renewals or extensions thereof. If Grantee or any Affiliate or successor or assignee of Grantee surrenders, allows to lapse or otherwise relinquishes or terminates its interest in any of the Property and thereafter reacquires a direct or indirect interest in any mining claim, license, or lease, concession, permit, patent or other tenure covered by 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. Grantee shall give Notice to Grantor within ten (10) days of any reacquisition of any Property.

5. Reporting; Information and Access to Records, Site Inspections, Audits, Confidentiality, Press Releases.

5.1. Reporting. Grantee shall provide to Grantor a quarterly payment statement when the Property is producing.

5.2. Information and Access to Records, Site Inspections and Audits. Grantor shall have the right, during normal business hours and following reasonable (and in any event at least five (5) days') Notice to Grantee, and at Grantor's sole risk and expense, to have access, and of Grantor's auditors to have access, to Grantee to inspect and audit all books, records, technical data, information and materials pertaining to Grantee's calculation of any Quarterly Payments and the preparation of the Quarterly Payment Statement ("Data") and to inspect and audit any operations carried on within and adjacent to the Property; provided, that such inspections are conducted following reasonable advance Notice during normal business hours and do not unreasonably interfere with Grantee's activities, and Grantee shall make available to

Grantor and Grantor's auditors such of its personnel as are reasonably required by Grantor or Grantor's auditors for the purposes of conducting such an inspection or audit.

5.3. New Mineral Resources and Mineral Reserves. If Grantee establishes a mineral resource or mineral reserve within any of the Property, Grantee shall provide to Grantee the amount of such mineral resource or mineral reserve, as soon as practicable after Grantee or any of its Affiliates makes a public declaration with respect to the establishment thereof, together with the assumptions used in the determination of such mineral resources and mineral reserves including grade tonnage curves, cut-off grades, extraction ratios and dilution factors and processing recoveries.

6. Dispute Resolution and Disputes with Respect to Royalty Payments.

6.1. Dispute Resolution. Except as otherwise provided in Section 6.2, all disputes arising under or in connection with this Exhibit "B", or the construction or enforcement of this Exhibit "B" shall be resolved by arbitration accordance with this Section 6.1. In the event of any such dispute, a Party may provide a Notice to any other Party summarizing the grounds for the Dispute ("Dispute Notice"). The Parties shall endeavor to resolve any dispute amicably by negotiation between a member of senior management of each Party who has authority to settle the dispute, each of whom is at a higher level of management than the Persons with direct responsibility for administration or performance of this Exhibit "B". Any dispute that is not resolved by such negotiation shall be finally determined by arbitration administered by the International Centre for Dispute Resolution ("ICDR") in accordance with its International Arbitration Rules (the "Rules"). Any Party may initiate such arbitration following thirty (30) days after the delivery of a Dispute Notice. The place of arbitration shall be Denver, Colorado, U.S.A. The arbitration shall be conducted in the English language. Either Party reserves the right to apply to any court of competent jurisdiction for provisional and/or interim relief including pre-arbitral attachments or injunctions and any such request shall not be deemed incompatible with the agreement to arbitrate or a waiver of the right to arbitrate; provided, however, that after the arbitral tribunal is constituted the tribunal shall have sole jurisdiction to consider applications for provisional and/or interim relief and any such measures ordered by the arbitration tribunal may be specifically enforced by any court of competent jurisdiction. For disputes involving amounts of US\$5,000,000 or less, the Parties shall attempt to agree upon a sole arbitrator within thirty (30) days from the date of the initiating Party's commencement of the arbitration. If the disputing Parties cannot agree upon a sole arbitrator within such thirty (30) day period, the ICDR shall make the appointment in accordance with the Rules. In the case of disputes involving amounts of more than US\$5,000,000, the arbitration shall be conducted by a panel of three arbitrators with one arbitrator being selected by the initiating Party at the time it commences the arbitration, one arbitrator being selected by the responding Party within thirty (30) days of the commencement of the arbitration and the third arbitrator, who shall act as the presiding arbitrator, being selected by mutual agreement of the arbitrator selected by the initiating Party and the arbitrator selected by the responding Party. If such two arbitrators cannot agree within thirty (30) days of commencement of the arbitration upon the appointment of the third arbitrator, the third arbitrator shall be appointed by the ICDR in accordance with the Rules. Moreover, if a disputing Party fails to appoint an arbitrator within the specified time period, such arbitrator and the third arbitrator shall be appointed by the ICDR in accordance with the Rules. Notwithstanding the foregoing, the arbitrator or arbitrators, as the case may be, shall be lawyers with at least ten years' experience with international commercial transactions. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Any award of the arbitral tribunal shall be final and binding on the Parties. The Parties undertake to comply fully and promptly with any award without delay and shall be deemed to have waived their right to any form of recourse insofar as such waiver can validly be made.

6.2. Disputes with Respect to Royalty Payments. If Grantor disagrees with the amount of any Quarterly Payment, after giving effect to the Quarterly Reconciliation for that Quarterly Payment, Grantor

may give Grantee Notice of such disagreement (an "Objection") within thirty (30) days after the receipt of such Quarterly Reconciliation. If Grantor fails to deliver an Objection within such thirty (30) day period, it shall have no right to object to such Quarterly Payment, as adjusted by such Quarterly Reconciliation. The Parties shall attempt in good faith to resolve the disagreement set forth in any Objection within thirty (30) days after receipt of such Objection by Grantee. If Grantor and Grantee are unable to resolve the disagreement within such thirty (30) day period, the Parties shall submit the disagreement to any of PriceWaterhouseCoopers, Ernst & Young, Deloitte Touche Tohmatsu, or KPMG, provided such firm must be independent and not representing either Party at the time of referral (the "Independent Auditor"). Grantor and Grantee shall instruct the Independent Auditor to render its written decision as promptly as practicable, but in no event later than sixty (60) days after such submission. The Parties shall cooperate with the Independent Auditor and provide to the Independent Auditor information, including all Data, requested by to the Independent Auditor. The written decision by the Independent Auditor shall be final and binding. Each Party shall make the appropriate payment required in adjustment in accordance with the determination of the Independent Auditor within ten (10) Business Days after receiving such determination. The fees and expenses of the Independent Auditor shall be borne by Grantor, subject to the last sentence of this Section 6.2. If any audit or inspection establishes (including by a written decision by the Independent Auditor) that the subject Quarterly Payment is underpaid by more than five percent (5%), Grantee shall reimburse Grantor for its costs incurred in such audit (including its share of the fees and expenses of the Independent Auditor).

7. Transfers of Interests.

7.1. Transfer by Grantee. If Grantee at any time Transfers an interest in any of the Property, it may, without the approval of Grantor, Transfer its rights, interests and obligations under this Exhibit "B" relating to such Property to any Person to which such interest in such Property is Transferred; provided, however, that any such Transfer by Grantee shall not result in a release of Grantee's obligations under this Exhibit "B" unless the assignee or transferee executes a written agreement with Grantor by which it assumes the obligations of Grantee under this Exhibit "B", upon which Grantee shall be released from, and have no liability or obligation to Grantor for, such assumed obligations, but shall remain liable for the performance of all other obligations of Grantee under this Exhibit "B".

7.2. Transfer by Grantor. Grantor may at any time Transfer all or part of its rights, titles, and interests in and to the Royalty and this Exhibit "B" to any Person, without the approval of Grantee. Any such Transfer shall be effective upon written Notice thereof to the Grantee.

7.3. Effect of Transfer Not in Compliance. Any Transfer by Grantee or Grantor of any of its rights, titles, or interests under this Exhibit "B" shall be null and void unless done in compliance with the requirements of this Section 7.

8. Reserved.

9. General Provisions.

9.1. Notices. Any notice, demand, or other communication under this Exhibit "B" (a "Notice") required or permitted to be given or made under this Exhibit "B" shall be in writing and shall be given to a Party at the address below (i) by courier or recognized overnight delivery service, (ii) by registered or certified mail, return receipt requested, or (iii) by electronic mail. All Notices shall be effective and shall be deemed delivered (A) if by courier or recognized overnight delivery service on the date of delivery, (B) if by electronic mail on the date of receipt of the electronic mail or the next Business Day if the date of receipt is not a Business Day, and (C) if solely by mail on the day delivered as shown on the actual receipt. A Party may change its address for purposes of Notices from time-to-time by Notice to the other Party.

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| <p>If to Grantee:</p> <p>Newmont Corporation 6900 East Layton Ave, Suite 700 Denver, CO 80237 Attn: Land Department Email: Land@newmont.com and Legal Notices@newmont.com</p> <p>with a copy to:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Attn: _____</p> <p>Email: _____</p> |
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|---|
| <p>If to Grantor:</p> <p>Timberline Resources Corp. 101 E. Lakeside Ave. Coeur d'Alene, ID 83814 Attn: Patrick Highsmith Email: highsmith@timberline-resources.com</p> <p>with a copy to:</p> <p>John E. Marvel Marvel & Marvel, Ltd 275 Hill Street, #250 Reno, NV 89501 Email : _____ : johnmarvel@marvellawoffice.com</p> |
|---|

9.2. Amendment. This Exhibit "B" may be amended, modified, or supplemented only by a written agreement signed by both Parties.

9.3. Waiver of Rights. Any waiver of, or consent to depart from, the requirements of any provision of this Exhibit "B" shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Exhibit "B" shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

9.4. Other Matters of Interpretation. In this Exhibit "B":

- (a) the singular includes the plural and vice versa;
- (b) the masculine includes the feminine and vice versa;
- (c) the term "includes" or "including" means "including without limiting the generality of the foregoing";
- (d) references to "Section" and "Schedule" are to sections and schedules of this Exhibit "B", respectively;

(e) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter notwithstanding the absence of the words “covenants” or “agrees” or “promises”;

(f) all provisions requiring a Party to do something will be interpreted as including the covenant of that Party to cause that thing to be done when the Party cannot directly perform the covenant but can indirectly cause that covenant to be performed, whether by an Affiliate under its control or otherwise; and

(g) the words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions when used in this Exhibit “B” refer to the whole of this Exhibit “B” and not to any particular Section, Schedule, or portion thereof.

9.5. Governing Law. This Exhibit “B” shall be construed and governed by the Laws of the State of Nevada without giving effect to any choice or conflict of Laws provision or rule that would cause the application of the domestic substantive Laws of any other jurisdiction.

9.6. Currency. Unless specified otherwise in this Exhibit “B”, all statements of or references to dollar amounts in this Exhibit “B” are to lawful money of the United States of America.

9.7. No Joint Venture, Mining Partnership, Commercial Partnership. This Exhibit “B” is not intended to, and will not be deemed to, create any partnership between or among the Parties including, without limitation, a mining partnership or commercial partnership. The obligations and liabilities of the Parties will be several and not joint and no Party will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of any other Party. Nothing herein contained will be deemed to constitute a Party the partner, agent or legal representative of the other Parties or to create any fiduciary relationship between the Parties.

9.8. Rule Against Perpetuities. The Parties do not intend that there be any violation of the rule against perpetuities, the rule against unreasonable restraints or the alienation of property, or any similar rule. Accordingly, if any right or option to acquire any interest in the Property, the Royalty, or in any real property under this Exhibit “B”, such right or option must be exercised, if at all, so as to vest such interest within time periods permitted by applicable rules. If, however, such violation should inadvertently occur, the Parties hereby agree that such right, power or interest shall terminate at the expiration of twenty (20) years after the death of the last survivor of all the lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the date of the Quitclaim Deed.

**STATE OF NEVADA
DECLARATION OF VALUE**

1. Assessor Parcel Number(s)
 a) 410-000-13
 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
 i) Other _____

| FOR RECORDERS OPTIONAL USE | |
|----------------------------|-------------|
| Book _____ | Page: _____ |
| Date of Recording: _____ | |
| Notes: _____ | |

3. a) Total Value/Sales Price of Property: \$41,310.00
 b) Deed in Lieu of Foreclosure Only (value of property) (\$ _____)
 c) Transfer Tax Value: \$41,310.00
 d) Real Property Transfer Tax Due \$ 161.11

4. **If Exemption Claimed:**
 a. Transfer Tax Exemption, per 375.090, Section: NA
 b. Explain reason for exemption: NA

5. Partial Interest: Percentage being transferred: NA: 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 (Seller): _____ Capacity: Senior Director, Land
 Signature (Seller): _____ Capacity: _____
 Signature (Buyer): [Signature] Capacity: Attorney

SELLER (GRANTOR) INFORMATION
(REQUIRED)
 Print Name: Newmont Capital Limited
 Address: 6900 E. Layton Ave., Suite 700
 City: Denver
 State: CO Zip: 80237

BUYER (GRANTEE) INFORMATION
(REQUIRED)
 Print Name: Timberline Resources Corporation
 Address: 101 E. Lakeside
 City: Coeur d'Alene
 State: ID Zip: 83814

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)
 Print Name: _____ File Number: _____
 Address: _____
 City: _____ State: _____ Zip: _____

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