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7 **IN THE UNITED STATES BANKRUPTCY COURT FOR**
8 **THE DISTRICT OF ARIZONA**
9

10 In re:	Chapter: 15
11 ELEVATION GOLD MINING	Jointly Administered
12 CORPORATION	Case No. 2:24-bk-06359-EPB
13 Debtor in a Foreign Proceeding.	
14 In re:	Case No. 2:24-bk-06364-DPC
15 Golden Vertex Corp.,	
16 Debtor in a Foreign Proceeding.	
17 In re:	Case No. 2:24-bk-06367-BKM
18 Golden Vertex (Idaho) Corp.,	
19 Debtor in a Foreign Proceeding.	
20 In re:	Case No. 2:24-bk-06368-MCW
21 Eclipse Gold Mining Corporation,	
22 Debtor in a Foreign Proceeding.	
23 In re:	Case No. 2:24-bk-06370-EPB
24 Alcmene Mining Inc.,	
25 Debtor in a Foreign Proceeding.	
26 In re:	Case No. 2:24-bk-06371-DPC
27 Hercules Gold USA LLC,	
28 Debtor in a Foreign Proceeding.	

1 **RESPONSE TO MOTION TO DETERMINE THE NATURE**
2 **OF THE FINDER’S FEE AGREEMENT**

3 Hartmut W. Baitis, Robert B. Hawkins, and Larry L. Lackey (hereafter “BHL”)
4 hereby respond to the Elevation Gold Mining Corporation and subsidiaries’ (the
5 “Group”) Motion to Determine the Nature of a Finder’s Fee Agreement and whether it
6 constitutes an interest in real property.
7

8 This Response is supported by the following Memorandum of Points and
9 Authorities, the papers and pleading on file herein, and any other record on file with the
10 clerk of the above-captioned Court concerning this matter, as well as the main proceeding
11 in the Canadian Court.

12 **MEMORANDUM OF POINTS AND AUTHORITIES**

13 **FACTUAL BACKGROUND**

14 On March 2, 2011, Idaho State Gold Company, LLC, an Idaho limited liability
15 company (“ISGC”) and Patriot Gold Corp., a Nevada corporation (“Patriot”) entered into
16 an agreement entitled “Exploration and Option to Enter Joint Venture Agreement Moss
17 Mine Project” (the “Patriot Agreement”). Under the Patriot Agreement, Patriot granted
18 to ISGC 70% rights in the minerals and patented and unpatented mining claims situated
19 on certain property in Mohave County, Arizona (the “Moss Mine”) and the right to form
20 a joint venture limited liability company with Patriot. (BHL Ex. 1, ¶ 4 and Ex. A, ¶¶ 4,
21 8.2 and 8.3) A Memorandum summarizing the Patriot Agreement was recorded in
22 Mohave County. (BHL Ex. 1, ¶ 5 and Ex. B)
23

24 Even though the Patriot Agreement was executed by Patriot and ISGC, ISGC was
25 unable to produce the required \$500,000 initial payment required by the Patriot
26 Agreement. (BHL Ex. 1, ¶ 6 and Ex. A, ¶ 7) Northern Vertex Capital, Inc., a British
27 Columbia corporation (“NVC”), stepped in and agreed to pay the \$500,000 in exchange
28

1 for an assignment of ISGC's rights in the Patriot Agreement from ISGC to NVC. (BHL
2 Ex. 1, ¶ 7 and Ex. C, ¶ B) This Assignment was followed on March 4, 2011 by an
3 assignment of NVC's rights in the Patriot Agreement to NVC's newly-formed, wholly-
4 owned subsidiary, Golden Vertex Corp., an Arizona corporation ("GVC"). (BHL Ex. 1,
5 ¶ 8 and Ex. C, ¶ 2) An Assignment and Assumption between ISGC and Golden Vertex
6 was executed on March 7, 2011 and recorded in Mohave County, Arizona on January 11,
7 2012, at Fee No. 2012001399. (BHL Ex. 1, ¶ 9, Ex. D)

8
9 The Finder's Fee Agreement (attached as Exhibit A to the Group's Motion (Doc.
10 54)) was also signed on March 4, 2011, between BHL and NVC. (BHL Ex. 1, ¶ 10)
11 BHL and NVC knew when negotiating the Finders' Fee Agreement that NVC would be
12 assigned ISGC's rights under the Patriot Agreement. (BHL Ex. 1, ¶ 11) After NVC's
13 assignment of its rights in the Patriot Agreement to GVC, BHL, NVC and GVC all
14 treated the Finders' Fee Agreement as an agreement between BHL and GVC. (BHL Ex.
15 1, ¶ 12) The assignment of the Finders' Fee Agreement from NVC to GVC was
16 acknowledged in the Memorandum of Agreement recorded on January 11, 2012 at Fee
17 No. 2012001400 in Mohave County, Arizona and further acknowledged by GVC in the
18 November 29, 2018 First Amendment to Finder's Agreement. (BHL Ex. 1, ¶¶ 13-14 and
19 Ex. E, and Ex. F, Recital C and ¶1)

20
21 Attached as Exhibit A to the Group's Motion ("Group Mot.," Doc. 54), the
22 Finder's Fee Agreement clearly identifies the subject property as the property to which
23 GVC (through NVC) acquired an interest via the Patriot Agreement. Section 1 of the
24 Agreement reads as follows:

25
26 **1. Property.** The Property subject to this Agreement consists of
27 the fee lands, patented mining claims and unpatented mining claims
28 described in Exhibit A. This Agreement also applies to any mineral rights
or property interest which NVC acquires in the area of interest described
in the Patriot Agreement (the "Area of Interest").

1 The Finder's Fee Agreement pays BHL "for each troy ounce of gold produced from the
2 Moss Mine, as described in the Patriot Agreement," as well as silver produced from the
3 Moss Mine. (Group Mot., Ex. A, § 3(a)).

4 The Finder's Fee Agreement expressly provides that the Finder's Fee Agreement
5 continue to pay royalties no matter who becomes the owner of the Moss Mine. Section 4
6 of the Agreement states that "[t]he term of this Agreement . . . shall continue so long as
7 NVC controls, holds or owns any interest, direct or indirect, in the Property." (Group
8 Mot., Ex. A, § 4) Section 9 of the Finder's Fee Agreement causes the Finder's Fee
9 Agreement to apply even after the sale of the Moss Mine. It states in part:

11 **9. Binding Effect of Obligations.** This Agreement shall be
12 binding upon and inure to the benefit of the respective parties and their
13 successors and assigns. NVC covenants that NVC shall cause the terms of
14 any agreement or instrument between NVC and any third party for the
15 assignment, conveyance, sale or other transfer of the Patriot Agreement and
16 the Property to provide expressly that the transferee is obligated to
17 compensate Finder in accordance with this Agreement and that he [sic]
18 shall pay Finder's compensation directly to Finder.

19 (Group Mot., Ex. A, § 9)

20 The continuation of the royalty regardless of the Property's owner was expressly
21 negotiated by BHL. (BHL Ex. 1, ¶ 15) An e-mail exchange on February 25, 2011
22 between BHL members and Ken Berry (CEO and President of Northern Vertex and
23 Golden Vertex) and James McDonald (a Northern Vertex Geologist), demonstrates that
24 BHL demanded that "[t]he "Finders Fee" would be binding on a new operator, should the
25 property be sold." (BHL Ex. 1, ¶¶ 16-17 and Ex. G) James McDonald's response of the
26 same day did not indicate any disagreement to that proposal. (*Id.*) During final
27 negotiations about the Finder's Fee Agreement, which took place in a hotel in Reno,
28 Nevada, on March 4, 2011, at a meeting attended by Ken Berry, James McDonald, and
BHL, Northern Vertex did not object to Section 9's language stating that the Finder's Fee

1 Agreement would be binding on subsequent purchasers of the Moss Mine. (BHL Ex. 1, ¶
2 17)

3 In addition, the Finder's Fee Agreement provides that "[t]he parties shall execute
4 and deliver to one another a memorandum of this Agreement in format acceptable for
5 recording under the laws of the State of Arizona." (Group Mot., Ex. A, § 14) The
6 referenced memorandum was, in fact, drafted and recorded in Mohave County, Arizona,
7 on January 11, 2012. (BHL Ex. 1, ¶¶ 13, 18 and Ex. E)

8 **ARGUMENT**

9
10 The Finder's Fee Agreement grants BHL an interest in real property. Arizona law
11 states that "[t]he right to unaccrued royalties can be an interest in real property when the
12 parties so intend." *Paloma Inv. Ltd. P'ship v. Jenkins*, 978 P.2d 110, 115 (Ariz. Ct. App.
13 1998).¹ In *Paloma*, the Arizona Court of Appeals affirmed the Superior Court's finding
14 that a royalty interest in water rights was a "real property interest" binding the successor
15 owner of the land. *Id.* Multiple other courts in other jurisdictions have also held that
16 unaccrued natural resources rights are an interest in real property. *See, e.g., Luckel v.*
17 *White*, 819 S.W.2d 459, 463 (Tex. 1991) (holding a royalty deed effective to convey an
18 interest in future leases, stating "A royalty interest is an interest in land that is a part of
19 the total mineral estate."); *Luecke v. Wallace*, 951 S.W.2d 267, 273 (Tex. App. 1997)
20 (holding that royalty holder retained royalty interest after property sold without reserving
21 any interest, stating "Royalty interests are regarded as incorporeal interests in real
22 property."); *Slawson Exploration Company, Inc. v. Nine Point Energy, LLC*, 966 F.3d
23 775, 780 (8th Cir. 2020) (stating that under North Dakota law, royalty interests under oil
24 and gas leases are interests in real property); *La Laguna Ranch Co. v. Dodge*, 114 P.2d
25 351, 353 (Cal. 1941) (stating that holders of royalty interests in oil and gas "acquires an
26
27

28 ¹ BHL is not claiming a real property interest in accrued royalties.

1 interest in real property, an incorporeal hereditament analogous to the right to receive
2 future rents of real property.”)

3 The intention of the parties to the Finders’ Fee Agreement was clearly to provide
4 royalties to BHL for as long as the Moss Mine produced gold or silver, regardless of
5 ownership of the Mine. Section 4 of the Agreement provided that the Agreement would
6 remain in place for the entirety of NVC’s control of the property. Section 9 of the
7 Agreement expressly provided that the Agreement would stay in place regardless of who
8 purchased the property. Furthermore, to make the ongoing obligations under the
9 Agreement clear to any future buyer of the Moss Mine, the parties drafted and recorded
10 the Memorandum of Agreement and recorded it in Mohave County, Arizona. *See e.g.*,
11 A.R.S. §§ 33-411 and 33-412 (providing that instruments affecting real property be
12 recorded). In sum, all of the available evidence indicates that the parties intended that the
13 Finders’ Fee Agreement conveys an interest in real property.
14

15 The cases cited by the Group in support of its motion are easily distinguishable.
16 For example, in *Hydrocarbon Horizons, Inc. v. Pecos Development Corp.*, there was no
17 existing oil and gas lease at the time of the royalty agreement. In fact, the court expressly
18 distinguished the *Hydrocarbon* facts from another Texas case in which an agreement to
19 pay royalties under an existing oil and gas lease were held to constitute a conveyance of
20 an interest in real property. *Hydrocarbon Horizons*, 797 S.W.2d 265, 267 (Texas App.
21 1990), distinguishing *Stovall v. Poole*, 382 S.W.2d 783, 784 (Texas App. 1964) (holding
22 that plaintiff could not recover to enforce an oral royalty agreement). In *Stovall*, the
23 defendant owned the land on which the oil and gas was located and orally agreed to give
24 the plaintiff a royalty based on oil and gas production from the land. Stating that
25 “[r]oyalties form future production under oil and gas leases . . . constitute an interest in
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1 land,” the court applied the statute of frauds to deny Plaintiff’s recovery of his promised
2 royalties.

3 In the case at hand, like the parties in *Stovall*, NVC (and, by assignment, GVC)
4 possessed an interest in land by virtue of being a party to the Patriot Agreement, under
5 which Patriot granted to ISGC (assigned to Northern Vertex and then Golden Vertex)
6 70% rights in the minerals and mining claims. NVC granted to BHL a royalty interest in
7 those claims, which royalty interest was duly recorded in Mojave County. The ongoing
8 nature of the royalty interest was also, unlike the interest in *Hydrocarbon Horizons*,
9 expressly described in a written agreement between the parties (the Finders’ Fee
10 Agreement) to apply to successor owners of the mine.
11

12 The other case cited by the Group, *Waco-Tex Materials Co. v. Lee*, 210 S.W.2d
13 886, 889 (Tex. App. 1948), also involved an oral contract signed before a lease had even
14 been signed, for royalties that were to be paid “if and when defendants had leased and
15 severed and removed the sand and gravel from the tract.” The *Waco-Tex* situation, as
16 with *Hydrocarbon Horizons*, is clearly distinguishable from the case at hand, in which
17 BHL’s recorded royalty interest was granted by NVC, a party with a recorded interest in
18 the real property stemming from the 70% rights to the mining claims and minerals
19 granted under the Patriot Agreement.
20

21 Finally, the Group cites *Paloma* for the principle that the Finders’ Fee Agreement
22 does not expressly state “that BHL’s rights are an interest in land or that such rights
23 expressly ‘run with the land.’” (Group Mot., pp. 6:28-7:1) *Paloma* supports the
24 argument that the Finders’ Fee Agreement, and mineral royalty rights in general,
25 constitute an interest in real property. As explained in *Paloma* with respect to a water
26 rights agreement, covenants “do not exhaust the categories of interests in land.” *Paloma*,
27 978 P.2d at 115. The *Paloma* court identified water rights as an interest in real property
28

1 and noted that the transfer of such rights to be a “conveyance, not a covenant.” *Id.* The
2 Court noted that a “royalty interest” was “a common type of interest in natural resources,
3 such as coal, oil, gas, timber, and minerals. The right to unaccrued royalties can be an
4 interest in real property when the parties so intend.” *Id.* The Court concluded that the
5 defendant’s royalty interest in the proceeds from the sale of the water was an interest in
6 real property and bound the plaintiff as the successor owner of the land. *Id.*

7 Similarly, in the case at hand, the Finders’ Fee Agreement represented a
8 conveyance to BHL of a royalty interest in the minerals produced by the Moss Mine by
9 the holder of a real property interest in the Moss Mine. The conveyance was made
10 through the 70% real property interest in the mining claims and minerals in the Moss
11 Mine first held by ISGC through the Patriot Agreement, then assigned to NVC and then
12 further assigned to GVC. Consequently, the royalty interest granted in the Finder’s Fee
13 Agreement is an interest in real property.
14

15 For the foregoing reasons, the Group’s Motion should be denied and the Court
16 should enter an order declaring that the nature of BHL’s interest is an interest in real
17 property.
18

19 DATED this 28th day of October, 2024.

20
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**IN THE UNITED STATES BANKRUPTCY COURT FOR
THE DISTRICT OF ARIZONA**

In re: ELEVATION GOLD MINING CORPORATION Debtor in a Foreign Proceeding.	Chapter: 15 Jointly Administered Case No. 2:24-bk-06359-EPB
In re: Golden Vertex Corp., Debtor in a Foreign Proceeding.	Case No. 2:24-bk-06364-DPC
In re: Golden Vertex (Idaho) Corp., Debtor in a Foreign Proceeding.	Case No. 2:24-bk-06367-BKM
In re: Eclipse Gold Mining Corporation, Debtor in a Foreign Proceeding.	Case No. 2:24-bk-06368-MCW
In re: Alcmene Mining Inc., Debtor in a Foreign Proceeding.	Case No. 2:24-bk-06370-EPB
In re: Hercules Gold USA LLC, Debtor in a Foreign Proceeding.	Case No. 2:24-bk-06371-DPC

1 **DECLARATION OF LARRY LACKEY IN SUPPORT OF RESPONSE TO**
2 **MOTION TO DETERMINE THE NATURE**
3 **OF THE FINDER'S FEE AGREEMENT**

4 My name is Larry L. Lackey, and I made this declaration of my own personal
5 knowledge.

6 1. I am a geologist by trade.

7 2. My colleagues, Hartmut W. Baitis and Robert B. Hawkins, and I had
8 performed significant geological services for Idaho State Gold Company, LLC ("ISGC")
9 before March, 2011.

10 3. On March 2, 2011, ISGC and Patriot Gold Corp., a Nevada corporation
11 ("Patriot") agreed to enter into an agreement entitled "Exploration and Option to Enter
12 Joint Venture Agreement Moss Mine Project" (the "Patriot Agreement").

13 4. Under the Patriot Agreement, Patriot granted to ISGC 70% rights in the
14 minerals and patented and unpatented mining claims situated on certain property in
15 Mohave County, Arizona (the "Moss Mine") and the right to form a joint venture limited
16 liability company with Patriot. A true and correct copy of that agreement is attached
17 hereto as Exhibit A.

18 5. A Memorandum summarizing the Patriot Agreement was recorded in
19 Mohave County. A true and correct copy of that Memorandum is attached hereto as
20 Exhibit B.

21 6. Even though the Patriot Agreement was executed by Patriot and ISGC,
22 ISGC was unable to produce the required \$500,000 initial payment required by the
23 Patriot Agreement.
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1 7. Northern Vertex Capital, Inc., a British Columbia corporation (“NVC”)
2 stepped in and agreed to pay the \$500,000 in exchange for an assignment of ISGC’s
3 rights in the Patriot Agreement from ISGC to NVC.

4 8. This Assignment was followed on March 4, 2011 by an assignment of
5 NVC’s rights in the Patriot Agreement to NVC’s newly-formed, wholly-owned
6 subsidiary, Golden Vertex Corp., an Arizona corporation (“GVC”). A true and correct
7 copy of the First Addendum to Assignment Agreement assigning ISGC’s rights under the
8 Patriot Agreement to GVC is attached hereto as Exhibit C. This copy, obtained from my
9 personal files, is only partially executed, but I am informed and believe that it was
10 executed by all parties.

11 9. The Assignment of the Patriot Agreement to Golden Vertex, dated March
12 7, 2011, was recorded in Mohave County, Arizona on January 11, 2012, at Fee No.
13 2012001399. Attached hereto as Exhibit D is a true and correct copy of that Assignment
14 and Assumption document.

15 10. The Finder’s Fee Agreement was also signed on March 4, 2011, between
16 BHL and NVC.

17 11. BHL and NVC knew when negotiating the Finders’ Fee Agreement that
18 NVC would be assigned ISGC’s rights under the Patriot Agreement.

19 12. After NVC’s assignment of its rights in the Patriot Agreement to GVC,
20 BHL, NVC and GVC all treated the Finders’ Fee Agreement as an agreement between
21 BHL and GVC.

22 13. The assignment of the Finders’ Fee Agreement from NVC to GVC was
23 acknowledged in the Memorandum of Agreement recorded on January 11, 2012 at Fee
24 No. 2012001400 in Mohave County, Arizona. A true and correct copy of the recorded
25 Memorandum of Agreement is attached hereto as Exhibit E.
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14. The assignment of the Finders' Fee Agreement from NVC to GVC was further acknowledged by GVC in the November 29, 2018 First Amendment to Finder's Agreement. A true and correct copy of this First Amendment is attached hereto as Exhibit F.

15. The continuation of the royalty regardless of the Property's owner was expressly negotiated by BHL.

16. Attached as Exhibit G is a true and correct copy of an e-mail exchange on February 25, 2011 between BHL members and Ken Berry (CEO and President of Northern Vertex and Golden Vertex) and James McDonald (a Northern Vertex Geologist).

17. In the e-mail exchange BHL members demanded that the Finders' Fee Agreement be binding on any subsequent purchaser of the Moss Mine. Northern Vertex did not object to the BHL demand. On the day the Finders' Fee Agreement was signed, March 4, 2011, Ken Berry, James McDonald, and BHL were all gathered at a hotel in Reno, Nevada making final changes and finalizing the document, and during that time Northern Vertex did not object to Section 9's language stating that the Finder's Fee Agreement would be binding on subsequent purchasers of the Moss Mine.

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18. In addition, the Finder's Fee Agreement provides that "[t]he parties shall execute and deliver to one another a memorandum of this Agreement in format acceptable for recording under the laws of the State of Arizona."

I declare, under penalty of perjury, that the foregoing statements are true and correct.

DATED this 28th day of October, 2024.

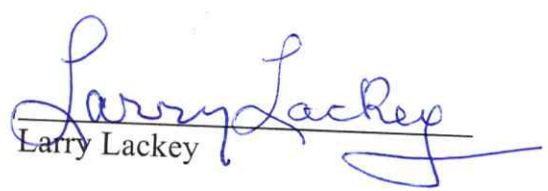

Larry Lackey

EXHIBIT A

**Exploration and Option to Enter
Joint Venture Agreement
Moss Mine Project**

This Exploration and Option to Enter Joint Venture Agreement Moss Mine Project (“Agreement”) is made effective as of February 28, 2011 (the “Effective Date”), by and between Idaho State Gold Company, LLC, an Idaho limited liability company (“ISGC”), and Patriot Gold Corp., a Nevada corporation (“Patriot”).

Recitals

A. Patriot owns the patented mining claims and unpatented mining claims located in Mohave County, Arizona, which are more particularly described in Exhibit A attached to and by this reference incorporated in this Agreement.

B. Patriot and ISGC desire to provide for the exploration for and possible development and mining of minerals on the properties subject to this Agreement and to grant to ISGC the option and right to earn an interest in the mining claims on the terms and conditions stated in this Agreement.

Now, therefore, in consideration of their covenants and promises in this Agreement, Patriot and ISGC agree:

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

1.1 “Area of Interest” means the lands within the exterior boundaries of the mining claims which constitute the Property as of the Effective Date and all mining claims acquired or located by the parties and all mineral rights or other property interests and rights acquired by the parties within one (1) mile of the exterior boundaries of the mining claims which constitute the Property on the Effective Date. Any additional mining claims located by either Patriot or ISGC within the Area of Interest will be the subject of this Agreement. The parties will execute and deliver a supplement to the memorandum of Agreement prepared in accordance with Section 21 to include the additional mining claims.

1.2 “Bankable Feasibility Study” means an industry accepted report that can be submitted to a bank or other funding group which defines the scope, magnitude, capital costs, production schedule, rate of return and any and all other items needed to evaluate the viability of a mining operation within the confines of the Property and the surrounding Area of Interest.

1.3 “Commercial Production” means: (a) if a mill or other metal recovery facility is located on the Property, the last day of a period of sixty (60) consecutive days in which, for not less than forty-five (45) days, the mill or other metal recovery facility constructed by ISGC in conformance with the bankable feasibility study processes ore from the Property at sixty percent (60%) of its rated concentrating capacity or during which the revenues from the sale of mineral products from the Property exceed ISGC’s operating costs during such period; or (b) if in conformance with the bankable feasibility study a mill or other metal recovery facility is not



located on the Property, the last day of a period of sixty (60) consecutive days during which ore has been shipped from the Property on a reasonably regular basis for the purpose of earning revenues. Any period of time during which ore or concentrate is shipped from the Property for testing purposes or during which milling or other metal recovery operations are undertaken as initial tune-up, shall not be taken into account in determining the date of commencement of Commercial Production.

1.4 "Expenditures" means all costs reasonably incurred on or for the benefit of the Property for Exploration and Development Work pursuant to this Agreement, including but not limited to: (a) wages and travel and living expenses for ISGC's employees and/or agents employed directly on or for the benefit of the Property; (b) costs and expenses of equipment, machinery, materials and supplies; (c) all payments to contractors for work on or for the benefit of the Property; (d) costs of sampling, assays, metallurgical testing and analyses and other costs incurred to determine the quantity and quality of minerals on the Property; (e) costs incurred to apply for and obtain approvals, consents, licenses, permits and rights-of-way and other similar rights in connection with activities on the Property; (f) expenses and payments of rentals, bonuses, minimum advance royalties and other payments pursuant to the Underlying Agreements; (g) costs and expenses of performance of annual assessment work and the filing and recording of proof of performance of annual assessment work, if required to be performed; (h) costs and expenses of payment of the federal annual mining claim maintenance fees and the filing and recording of proof of payment of such fees and notice of intent to hold the Property in accordance with the laws of the State of Arizona; (i) all costs and expenses of performance of all obligations under the Underlying Agreements; (j) all taxes and assessments levied against the Property; (k) costs incurred in the examination of and curative actions taken concerning title to the Property; and (l) costs incurred to acquire new Property in the area governed by this Agreement.

1.5 "Exploration and Development Work" means all activities and the direct Expenditures for such activities applied to ascertaining the existence, location, quantity, quality, or commercial value of and the development of deposits of minerals and a mine on the Property.

1.6 "ISGC" means Idaho State Gold Company, LLC, an Idaho limited liability company, and its successors and assigns.

1.7 "Patriot" means Patriot Gold Corp., a Nevada corporation, and its successors and assigns.

1.8 "Property" means the minerals, the patented mining claims, the unpatented mining claims and interests (including all appurtenances) described in Exhibit A, or on any exhibit or schedule which is part of Exhibit A, including all interests acquired in and under any Underlying Agreement, and all other easements, licenses, mineral interests, mineral royalty interests, rights-of-way, surface use rights and interests in real property which are acquired and held subject to this Agreement, including any of the same acquired in the Area of Interest in accordance with Section 1.1.

1.9 "Royalty" means the nonexecutive, nonparticipating and nonworking mineral production royalty based on the net smelter returns, as defined in Exhibit B, from the production

of minerals from the Property.

1.10 "Underlying Agreement" means singularly each of and "Underlying Agreements" means collectively any agreements, conveyances and instruments of mining claims, mineral rights or other property interests and rights entered into or acquired by the parties in accordance with or subject to the terms of this Agreement, including, specifically (but not limited to), the Agreement between Patriot and MinQuest, Inc. (the "MinQuest Agreement") in the Purchase and Sale Agreement among Patriot and various parties in respect of the California Moss patented mining claim (the "Greenwood Agreement") described in Exhibit A.

2. Patriot's Representations and Warranties. Patriot makes the following representations and, where stated, warranties:

2.1 Patriot represents that it is in possession of the Property, and Patriot has delivered to ISGC all information concerning title to the Property in Patriot's possession or control.

2.2 With respect to the unpatented mining claims included in the Property which were located by Patriot, except as subject to the paramount title of the United States, Patriot represents and warrants as follows: (a) the mining claims were properly laid out and monumented, but were not surveyed by a licensed land surveyor; (b) the certificates of location for the mining claims were properly recorded and filed with appropriate governmental agencies; (c) the affidavits of annual assessment labor and other filings required to maintain the claims in good standing have been properly and timely recorded or filed with appropriate federal and state agencies; (d) the mining claims are free and clear of claims, defects, encumbrances, liens and royalties, except the royalties payable in accordance with the Greenwood Agreement and the MinQuest Agreement; (e) the federal annual mining claim maintenance fees necessary to assure the uninterrupted and continued validity of the mining claims until September 1, 2011, have been paid timely to the United States Bureau of Land Management; (f) the notices of intent recordings required by the laws of the State of Arizona have been timely and properly paid or made to hold the mining claims through September 1, 2011; and (g) Patriot has no knowledge of conflicting mining claims. Nothing in this Section 2.2, however, shall be deemed to be a representation or a warranty that any of the mining claims contains a discovery of minerals. With respect to those mining claims that were not located by Patriot or an affiliate of Patriot, but which are described in Exhibit A and which are included within the Property, Patriot makes the representations and warranties in (a) and (c) (with the foregoing exceptions) to the best of its knowledge and belief.

2.3 With respect to the patented mining claims included in the Property, Patriot represents and warrants as follows: (a) Patriot owns the patented mining claims free and clear of any claims, defects, encumbrances, liens or royalties, except the royalties payable in accordance with the Greenwood Agreement and the MinQuest Agreement; (b) the patented mining claims were properly laid out and surveyed by a land surveyor in accordance with federal laws and regulations governing the application for and issuance of mineral patents; (c) the Arizona real property taxes have been paid for each of the patented mining claims; and (d) Patriot is aware that certain patented mining claims within the boundaries of the Property, but not on or within the patented mining claims owned by Patriot, are owned by third parties. Patriot shall obtain from Gregory Gintoff and Moss Investments Inc. a conveyance of all of their right, title and interest in and to the California Moss patented mining claim, Mineral Survey No. 796, consisting

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of approximately 15.495 acres.

2.4 Except as described in Exhibit A, Patriot represents that with respect to the Property there are no pending or, to its knowledge, threatened actions, administrative investigations, suits, claims or proceedings.

2.5 Patriot has made available for inspection by ISGC all geological, engineering and other data in its possession pertaining to the Property. Patriot makes no representation concerning the accuracy of any such information or with respect to the nature, quality, extent or any other characteristic of the mineral resources, if any, located on the Property.

2.6 Patriot represents and warrants that it is a corporation duly incorporated and in good standing in its jurisdiction of incorporation and that it is qualified to do business and is in good standing in the states where necessary in order to carry out the purposes of this Agreement.

2.7 Patriot represents and warrants: (a) it has the capacity to enter into and to perform this Agreement and all corporate and other actions required to authorize Patriot to enter into and perform this Agreement have been properly taken; (b) that Patriot will not breach any other agreement or arrangement by entering into or performing this Agreement; and (c) that Patriot has properly executed this Agreement and that this Agreement is Patriot's valid and binding legal obligation enforceable in accordance with its terms.

2.8 Patriot represents and warrants that it is not on the Specially Designated National & Blocked Persons List of the Office of Foreign Assets Control of the United States Treasury Department and is not otherwise blocked or banned by any foreign assets office rule or any other law or regulation, including the USA Patriot Act or Executive Order 13224.

3. ISGC's Representations and Warranties.

3.1 ISGC represents and warrants that it is a corporation duly incorporated and in good standing in its jurisdiction of incorporation and that it is qualified to do business and is in good standing in the states where necessary in order to carry out the purposes of this Agreement.

3.2 ISGC represents and warrants: (a) it has the capacity to enter into and to perform this Agreement and all corporate and other actions required to authorize ISGC to enter into and perform this Agreement have been properly taken; (b) that ISGC will not breach any other agreement or arrangement by entering into or performing this Agreement; and (c) that ISGC has properly executed this Agreement and that this Agreement is ISGC's valid and binding legal obligation enforceable in accordance with its terms.

3.3 ISGC acknowledges that it has examined the data and information provided to it by Patriot and has made an independent determination of such data to support its decision to enter this Agreement.

3.4 ISGC represents and warrants that it is not on the Specially Designated National & Blocked Persons List of the Office of Foreign Assets Control of the United States Treasury Department and is not otherwise blocked or banned by any foreign assets office rule or any other

law or regulation, including the USA Patriot Act or Executive Order 13224.

4. Grant of Exploration and Development Right. Patriot grants to ISGC during the term of this Agreement the right to prospect and explore for and develop the minerals on the Property, subject to the terms of this Agreement. The foregoing grant from Patriot to ISGC shall be exclusive to the extent Patriot has the contractual or legal authority to grant such an exclusive right. To the extent that Patriot has surface, access and water rights relating to the Property and to the extent permitted by law, such rights shall be subject to this Agreement.

5. Term. The term of this Agreement shall begin on the Effective Date and shall continue to and until the fifth anniversary of the Effective Date, unless sooner accelerated, terminated or extended as provided in this Agreement.

6. ISGC's Initial Exploration and Development Obligation. Subject to ISGC's right (a) to accelerate performance of its obligations under this Section; (b) to terminate this Agreement as provided in Section 14; and (c) ISGC's right to extend the time for performance of its obligations as provided in Section 16, ISGC agrees to incur Expenditures for Exploration and Development Work in accordance with the following schedule (the "Initial Earn-In Period"):

Performance Date	Amount	Cumulative Amount
First Anniversary of Effective Date	\$1,000,000	\$ 1,000,000
Second Anniversary of Effective Date	\$ 500,000	\$ 1,500,000
Third Anniversary of Effective Date	\$ 500,000	\$ 2,000,000
Fourth Anniversary of Effective Date	\$2,500,000	\$ 4,500,000
Fifth Anniversary of Effective Date	\$3,500,000	\$ 8,000,000

Expenditures incurred by ISGC during any annual period in excess of the prescribed Expenditures for such annual period shall be credited in ISGC's favor against its Initial Earn-In obligation. If during any annual period of this Agreement ISGC does not incur Expenditures in the amount prescribed in this Section, ISGC, at its option, exercisable in ISGC's sole and exclusive discretion, may elect to pay Patriot an amount equal to the difference between the Expenditures actually incurred and the amount described above for the annual period. In such case, ISGC shall be deemed to have incurred the Expenditures for such annual period. ISGC shall provide to Patriot not less than annually a description of the Expenditures made by ISGC, and Patriot shall have the right, during business hours and on reasonable advance notice to ISGC, to audit and inspect ISGC's records relating to such Expenditures.

Subject to Patriot's right to advise ISGC and to comment on ISGC's plans for Exploration and Development Work, ISGC shall have sole discretion to determine the nature and location on the Property of the Exploration and Development Work and the time or times for beginning, continuing or resuming the same. ISGC will conduct all of its activities under this Agreement in conformance with all applicable federal, state and local laws, regulations and ordinances.

7. Payments. On the parties' execution of this Agreement ISGC shall pay to Patriot the sum of Five Hundred Thousand Dollars (\$500,000.00) which shall be nonrefundable and which shall not constitute a qualified Exploration and Development Work Expenditure. If ISGC completes its Initial Earn-In, the foregoing payment shall be considered a contribution of capital

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by ISGC to the Joint Venture formed by the parties.

8. ISGC's Option to Enter Mining Joint Venture.

8.1 **ISGC's Earn-In.** Patriot grants to ISGC and ISGC shall have the option and right to earn a vested seventy percent (70%) interest in the Property by completing one of the Initial Earn-In alternatives described in this Section (the "Initial Earn-In"). ISGC may complete the Initial Earn-In by performance of one of the following alternatives:

(a) ISGC shall pay the payment described in Section 7 and incur or pay to Patriot the Exploration and Development Work Expenditures in the amounts and during the periods described in Section 6 and prepare a Bankable Feasibility Study; or

(b) ISGC shall (1) pay the payment described in Section 7; (2) incur or pay to Patriot the Exploration Development Work Expenditures in the amounts and during the periods described in Section 6; (3) prepare a Bankable Feasibility Study ; and (4) commence Commercial Production of minerals from the Property and, if at the time of commencement of Commercial Production of minerals from the Property ISGC has not incurred or paid to Patriot in lieu of Exploration Development Work Expenditures the total amount of Eight Million Dollars (\$8,000,000), ISGC shall pay to Patriot the difference between Eight Million Dollars (\$8,000,000) and the total of ISGC's Exploration Development Work Expenditures incurred and the amounts paid ISGC to Patriot in lieu of such Exploration Development Work Expenditures. Any net operating profit which ISGC realizes before completion of ISGC's Initial Earn-In from ISGC's operations intended to achieve Commercial Production shall be paid to Patriot.

ISGC shall have completed the Earn-In on the first to occur of the events described in foregoing subsections (a) and (b).

8.2 **Effect of Completion of Earn-In.** In consideration of ISGC's performance of the Initial Earn-In, ISGC shall have earned a vested seventy percent (70%) interest in the Property and the right and option to form a joint venture (the "Joint Venture") for the management and ownership of the Property. ISGC shall deliver notice to Patriot of ISGC's completion of its Initial Earn-In within ten (10) days after such completion. At any time during the term of this Agreement, ISGC shall have the right to accelerate performance of its Exploration and Development Work obligations by incurring Exploration and Development Work Expenditures or by paying to Patriot in lieu of such Exploration and Development Work Expenditures the amount of Eight Million Dollars (\$8,000,000). On completion of the Earn-In, the parties will convey to the Joint Venture all of their right, title and interest in and to the Property and the data, core, cuttings, samples and other personal property regarding the Property.

8.3 **Form of Joint Venture Agreement.** On ISGC's performance of the Initial Earn-In, Patriot and ISGC will execute and deliver to each other a definitive mining venture agreement based on the Rocky Mountain Mineral Law Foundation Exploration, Development and Mining LLC Model Form 5A LLC Mining Venture Agreement ("Mining Venture Agreement") which shall incorporate the terms and conditions in Sections 8.4 through 8.10. Following execution of this Agreement, the parties shall diligently and in good faith negotiate the terms of the Mining Venture Agreement with the goal of completion and execution of the

Mining Venture Agreement within one year following the Effective Date.

8.4 Initial Contributions. On ISGC's completion of its Initial Earn-In Exploration and Development Work Expenditure obligations, Patriot's initial participating interest will be thirty percent (30%) and ISGC's participating interest will be seventy percent (70%).

ISGC's initial contribution shall be valued at Eight Million Five Hundred Thousand Dollars (\$8,500,000.00) and Patriot's initial contribution shall be valued at Three Million Six Hundred Forty-two Thousand Eight Hundred Fifty-Seven Dollars (\$3,642,857.00), unless ISGC's Initial Earn-In Exploration Development Work Expenditures exceed Eight Million Dollars (\$8,000,000.00), in which case, ISGC's Initial Contribution shall be valued at the sum of Five Hundred Thousand Dollars (\$500,000.00) plus the amount of Expenditures incurred by ISGC to achieve ISGC's Initial Earn-In as defined in Section 8.1 and Patriot's initial contribution shall be valued at the amount of ISGC's Initial Contribution multiplied by three-sevenths (3/7).

8.5 Contribution Obligations. After ISGC has completed its Initial Earn-In, the parties shall contribute to future Exploration and Development Work Expenditures in accordance with their respective participating interests as prescribed in the Mining Venture Agreement.

8.6 Dilution Formula. If a party does not wish to contribute to future Exploration and Development Work Expenditures ("Reducing Party"), that Reducing Party's participating interest will be reduced in accordance with the following dilution formula:

$$I = \frac{A}{A + B} \times 100$$

Where:

I = the percentage of Participating Interest of the Reducing Party.

A = the sum of the deemed and actual Exploration and Development Work Expenditures contributed by the Reducing Party.

B = the sum of the deemed and actual Exploration and Development Work Expenditures contributed by the Non-Reducing Party.

8.7 Withdrawal Following Dilution. A party may, by giving thirty (30) days' notice in writing to the other parties, withdraw from the Joint Venture. If the participating interest of a party is reduced by dilution, assignment or any other means to less than ten percent (10%), then that party shall be deemed to have withdrawn from the Joint Venture. Upon a withdrawal from the Joint Venture in accordance with this Section, unless otherwise provided in this Agreement, the withdrawing party shall forfeit absolutely to the other party (and if more than one other party, pro rata in proportion that the respective participating interests of the non-withdrawing parties bear to each other) all of its participating interest and the withdrawing party shall be released from all future obligations relating to the Joint Venture, but not those obligations which accrue before such withdrawal. The Joint Venture shall grant to the withdrawing party the Royalty the rate for which shall be three percent (3%) of the Net Smelter Returns.

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8.8 **Manager.** ISGC shall be the initial manager of the Joint Venture and shall have control of the activities and operations of the Joint Venture.

8.9 **Management Committee.** A Management Committee shall be established and ISGC shall have two (2) representatives and Patriot shall have one (1) representative on the Management Committee. A reasonable number of professional advisors or consultants for the parties may attend or participate in the meetings of the Management Committee. The Management Committee shall meet periodically and not less than twice annually. Each party shall be entitled to vote on matters before the Management Committee in the proportion of its participating interest. Matters submitted to the Management Committee shall be determined by a vote of the majority of the participating interests.

8.10 **Liabilities.** The rights, duties, obligations and liabilities of the parties of the Joint Venture arising out of this Agreement shall be several in proportion to their respective participating interests and are neither joint nor joint and several. Each party shall severally be liable in proportion to its participating interest, for all obligations and liabilities in the course of carrying out activities relating to the Joint Venture. Nothing in this Agreement or in the Mining Venture Agreement shall be construed or interpreted as constituting a partnership between the parties or making any party the agent or representative of any other party, except for the Manager as manager, where the Manager is also a member of or party to the Joint Venture.

9. **Title.** On ISGC's request, Patriot will make available to ISGC such abstracts of title and other title records pertaining to the Property which Patriot may have. ISGC may investigate and cure as it elects any defects in the title to the mining claims or the location, recording or filing of the mining claims which comprise the Property, and Patriot agrees to cooperate fully with the curing of the deficiencies at ISGC's expense. ISGC's title curative expenses shall be Expenditures.

Patriot additionally agrees that ISGC, at its discretion, may relocate or amend the mining claims which are part of the Property and refile or re-record any documents or instruments for any mining claim part of the Property. If required for the relocation of any mining claim which is part of the Property, Patriot agrees to execute notices of abandonment of such mining claims as ISGC reasonably requests. This Agreement and the Mining Venture Agreement shall apply to and include any and all amendments or relocations of the mining claims part of the Property.

The parties desire to insure that any and all interests of the parties in the lands subject to the mining claims which comprise all or part of the Property, including any rights or interests acquired in such lands under the mining laws, as amended, repealed or superseded, shall be part of the Property and shall be subject to this Agreement. If pursuant to any amendment of the mining laws, Patriot is granted the right to convert its interest in the mining claims which comprise the Property to a lease, license, permit or other right or interest, all such rights or interests shall be deemed to be part of the Property subject to this Agreement. In such case, the parties shall execute and deliver an addendum to this Agreement, in recordable form, which provides that all such converted rights or interests are part of the Property and are subject to this Agreement.

If the United States or any third party attacks the validity of the mining claims which are part of the Property, ISGC shall defend their validity if ISGC is required to do so by reason of its assumption of Patriot's obligations under the Underlying Agreements or the attack is based on ISGC's failure to maintain the validity of such mining claims. If ISGC, based upon factual data that is reasonably determined by ISGC to define a material deficiency in title to the Property, elects not to defend the validity of any of the mining claims which are part of the Property, it shall notify Patriot and Patriot, at its election, may defend any such attack on the mining claims. If Patriot successfully defends against such an attack on the validity of the mining claims, Patriot's expenditures shall be considered Exploration and Development Work Expenditures and ISGC shall be obligated to reimburse Patriot for the amount of the same. ISGC shall not be required to defend any attack based upon any change in law effective after the Effective Date of this Agreement. ISGC shall deliver to Patriot all evidence and information concerning the deficiency in title.

10. Maintenance of Property. During the Initial Earn-In period, ISGC shall pay the federal annual mining claim maintenance fees and such other payments and perform the annual assessment work, if any, required under applicable laws and regulations. ISGC shall timely and properly file and record proof of payment of federal annual mining claim maintenance fees and other fees and proof of performance of annual assessment work, if required. ISGC shall deliver to Patriot proof of ISGC's performance of its obligations under this Section not less than thirty (30) days before the applicable statutory or regulatory deadline for the filing, payment or recording required for maintenance of the Property.

Once the Joint Venture is formed, the Property shall be owned by the Joint Venture subject to the Mining Venture Agreement. Each of Patriot and ISGC shall execute and deliver to the Joint Venture a conveyance of all of its right, title and interest in and to the Property.

11. Communications with Patriot and Inspection. Patriot and its agents, employees and representatives at any reasonable time and on advance notice to ISGC may enter the Property for inspection, but any such entry shall be at Patriot's own risk and Patriot shall defend, indemnify and hold ISGC harmless against and from any damage, loss or liability by reason of injury to Patriot or its agents, representatives or employees while on the Property, except damage, loss or injury arising from the negligence or misconduct of ISGC or its employees or agents. ISGC and Patriot shall meet not less than annually in order for ISGC to report to Patriot on the status and progress of the Exploration and Development Work and ISGC's plans for future operations on the Property. ISGC shall quarterly provide Patriot with copies of all exploration plans and progress reports concerning Exploration and Development Work and engineering or other studies and reports developed by ISGC or its agents and consultants concerning the Property, provided, however, that ISGC shall have no obligation to deliver to Patriot ISGC's confidential or proprietary business, financial or investment plans or reports not directly relating to the Exploration and Development Work. ISGC shall promptly communicate to Patriot any extraordinary results obtained from operations upon receipt of the results and shall prepare and deliver to Patriot reports on operations that have been conducted, but that have not previously been reported upon promptly after being requested to do so by Patriot. Each party shall designate an individual to act as its representative for communications regarding this Agreement.

12. Payment of Taxes. ISGC shall pay all taxes assessed against any personal property

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which it may place on the Property. ISGC may take such action as it deems proper to obtain a reduction or refund of taxes paid or payable by it. Except as otherwise provided in this Agreement, ISGC shall reimburse Patriot for each such tax payment within thirty (30) days after ISGC's receives Patriot's invoice for such taxes. Patriot shall pay all other taxes assessed against the Property, including all taxes assessed or payable at the time of the execution of this Agreement.

13. Indemnification; Insurance; and Prevention of Liens. During the Initial Earn-In period, ISGC shall keep the Property free of all liens and encumbrances arising from its operations and will defend, indemnify and save harmless Patriot against and from any damage, loss or liability by reason of injury to person or damage to property as the result of its operations, except as otherwise provided in Section 11 above. ISGC may contest the validity of any lien on the Property, and the existence of any such lien shall not be deemed a default under this Agreement if contested by ISGC, unless the lien is finally adjudicated to be valid and not discharged by ISGC. Patriot shall post a notice on non-liability on the Property before ISGC commences operations on the Property.

During the Initial Earn-In Period, ISGC shall provide, maintain and keep in force comprehensive all risk, public liability insurance against claims for personal injury, including, without limitation, bodily injury, death or property damage occurring on, in or about the Property, such insurance to afford immediate minimum protection to a limit of not less than One Million Dollars (\$1,000,000.00) with respect to personal injury or death to any one or more persons or damage to property during ISGC's conduct of exploration for minerals on the Property. If ISGC intends to commence development of a mine or the production of minerals on the Property, ISGC shall obtain insurance to afford immediate minimum protection to a limit of not less than Five Million Dollars (\$5,000,000.00). After ISGC performs its Initial Earn-In and the parties form the Joint Venture, the Joint Venture shall maintain such insurance with a limit of not less than Five Million Dollars (\$5,000,000.00). ISGC shall furnish to Patriot a certificate of all policies of required insurance which shall identify Patriot as a named or additional insured. Each policy shall contain a provision that the policy will not be cancelled or materially amended, which terms shall include any reduction in the scope or limits of coverage, without at least fifteen (15) days' prior written notice to Patriot. If ISGC fails to provide, maintain, keep in force or deliver and furnish to Patriot the policies of insurance required under this Section, Patriot may, but is not obligated to, procure such insurance or single-interest insurance for such risks covering Patriot's interest and ISGC shall promptly reimburse Patriot for all costs incurred by Patriot to obtain the insurance. ISGC's failure to perform its obligations under this Section shall be a material breach of and default under this Agreement.

Patriot will defend, indemnify and save harmless ISGC against and from all damage, loss or liability by reason of injury to person or damage to property as a result of Patriot's activities on or ownership and possession of the Property before the Effective Date. Patriot's obligations under this Section shall survive termination of this Agreement. Patriot agrees that it will not cause or allow any liens, encumbrances or adverse claims to accrue against the Property, except such as may have been expressly subordinated to this Agreement; and in the event any lien or encumbrance accrues against the Property by act or neglect of Patriot, then ISGC, at ISGC's option, may pay and discharge the same, and if ISGC elects so to do, the amounts paid by ISGC shall be deemed to be Expenditures. Patriot may contest the validity of any lien on the Property,

and the existence of any such lien shall not be deemed a default under this Agreement unless finally adjudicated to be valid and not discharged by Patriot.

Nothing in this Section shall preclude Patriot or ISGC from granting a lien or security interest in its respective interest in the Property or the Joint Venture for the purpose of financing such party's capital contributions or operations on the Property.

14. Surrender of Property and Termination by ISGC.

14.1 Partial Surrender of Mining Claims. ISGC may not surrender any mining claim which constitutes part of the Property without first obtaining the written consent of Patriot and the parties to the Underlying Agreements if required in accordance with the Underlying Agreements. If with Patriot's consent ISGC surrenders any mining claims within sixty (60) days of any statutory or regulatory deadline for payment of any fees or filing or recording of any instruments required to maintain the surrendered mining claims in good standing, ISGC shall pay all such fees and complete all such filings and recordings. ISGC shall pay all fees for filing and recording of the instruments which evidence ISGC's surrender of the mining claims. The surrendered mining claim shall be excluded from the Property and shall not be subject to this Agreement.

14.2 Termination. ISGC may terminate this Agreement at any time on thirty (30) days notice. Termination of this Agreement shall be effective thirty (30) days after ISGC's delivery of notice to Patriot, unless ISGC's termination notice recites a later date. If ISGC terminates this Agreement, except by its election to enter the Joint Venture as provided in Section 8, ISGC shall perform the following obligations:

14.2.1 ISGC shall make all payments and take all other actions necessary to ensure that at the date of such termination and without any action by Patriot the Property shall be in good standing for an additional sixty (60) days from the date of termination.

14.2.2 ISGC shall deliver to Patriot copies of any and all title, geological, metallurgical, exploration, assay and engineering reports and data pertaining to the Property or related to operations (in paper or digital form), and splits of mineral samples and drill cores, which have not been previously delivered to Patriot. ISGC shall have no obligation to deliver to Patriot any software which ISGC holds, owns or possesses in accordance with a license or other agreement which prohibits or restricts ISGC's authority to deliver copies of the same to any third party.

14.2.3 ISGC shall, at ISGC's sole expense, perform or secure the performance of all reclamation and remediation relating to ISGC's operations on the Property during the term of this Agreement as required by all applicable laws and regulations.

14.2.4 On ISGC's receipt of Patriot's request, ISGC shall remove all of its materials, supplies and equipment from the Property; provided, however, that Patriot may retain or, at ISGC's cost, dispose of any such materials, supplies or equipment not removed from the Property within one hundred and eighty (180) days of ISGC's receipt of Patriot's request.

14.2.5 ISGC shall execute and deliver to Patriot a release of all of its rights under this Agreement and a conveyance, in form acceptable for recording under applicable law, of all of ISGC's right, title and interest in the Property together with the recording fee. On termination of this Agreement, ISGC shall have no right, title or interest in the Property, the data regarding the Property or the funds invested by ISGC or Patriot in the Property.

14.2.6 ISGC shall perform all obligations of ISGC which expressly accrue before the date of termination of this Agreement and those obligations which expressly survive termination of this Agreement, including, but not limited to, any obligations concerning reclamation and remediation of conditions and disturbances on the Property associated with ISGC's mining and mining-related operations.

15. Termination by Patriot. If ISGC defaults in any of its obligations, including any of ISGC's Exploration and Development Work and Expenditure obligations, Patriot may give to ISGC a written notice which describes the default or defaults. If within thirty (30) days ISGC has not cured such default or, with respect to defaults not capable of being cured in thirty (30) days, begun and diligently pursued efforts to cure such default, Patriot may terminate this Agreement by written notice to ISGC. If ISGC disputes that any default has occurred, the matter shall be, subject to Section 16, determined by litigation in a court of competent jurisdiction, and if the court finds ISGC is in default, ISGC shall have a reasonable time (which in any case shall not be less than fifteen (15) days from receipt of notice of the judgment or order) to cure such default, and if so cured, Patriot shall have no right to terminate this Agreement by reason of such default. If ISGC does not cure the default, Patriot may terminate this Agreement by delivering written notice to ISGC. If Patriot terminates this Agreement, the provisions of Section 14, including ISGC's post-termination obligations, shall apply as if ISGC had properly terminated the Agreement.

16. Dispute Resolution. If a dispute arises from this Agreement or the performance or breach of this Agreement, the parties agree to use the following procedures described in this Section. A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute. If the parties do not meet within ten (10) days following a party's delivery of notice of the dispute or if following the parties' timely meeting the dispute is not resolved, the parties agree to submit the dispute to mediation in accordance with the Commercial Mediation Rules of the American Arbitration Association. The parties will jointly appoint a mutually acceptable mediator and, if the parties are unable to agree upon an appointment within ten (10) days from the conclusion of the negotiations, to seek the assistance of the American Arbitration Association for the appointment of a mediator. The parties agree to confer with the mediator within twenty (20) days following the mediator's appointment. If the parties are not successful in resolving the dispute through mediation, the dispute shall be settled by arbitration in accordance with Chapter 38 of the Nevada Revised Statutes and, as applicable, the Commercial Arbitration Rules of the American Arbitration Association. The Arbitration will be administered by and conducted before a single arbitrator. The arbitrator shall be an independent attorney licensed to practice law or mining engineer who is recognized as having experience and knowledge of mining contract law and mining industry customs and practices. No person having a prior or existing attorney-client, business or family relationship with either of the parties or their principal representatives shall be qualified to act as arbitrator in accordance with this Agreement absent the express prior

written consent of all parties to this Agreement. The parties shall negotiate the selection of the single arbitrator, however, if the parties are unable to select an arbitrator willing to arbitrate the disputed issues within thirty (30) days after delivery by either party of notice of demand for arbitration, the arbitrator shall be selected in accordance with Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall be held in Reno, Nevada. Each party shall pay one-half (1/2) of the arbitrator's costs, expenses and fees for services.

17. Force Majeure. Notwithstanding any other provision of this Agreement, if ISGC is at any time either during the term of this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of power shortages, fuel shortages, fires, wars, acts of God, acts of government, or shipping delays, the time limited for the performance by ISGC of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay, provided however that nothing herein will discharge the ISGC from its obligation to perform the acts described in Section 6 which are deferred in accordance with this Section or ISGC's obligation to pay the costs of maintenance of the condition of and title to the Property. ISGC will within fourteen (14) days after the occurrence of a force majeure event give notice to Patriot of such event and upon cessation of such event will notify Patriot of cessation together with the particulars of the number of days by which the obligations of ISGC have been extended by virtue of such event of force majeure and all preceding events of force majeure.


18. Effect of Termination. Except as otherwise provided in this Agreement, in case of termination of this Agreement under its terms or for any cause other than as a consequence of ISGC and Patriot's execution of the Mining Venture Agreement, ISGC shall have no further liability or obligation, except for those which have accrued at the date of termination, including those specified in Section 13 concerning indemnification and those in Section 14.

19. Change in Ownership of Property. Changes in the ownership of the Property occurring after execution of this Agreement shall not be binding upon ISGC until it receives written notice of such change, together with a copy of the recorded document which reflects such change. No change or division in the ownership of the Property shall operate to enlarge the obligations or diminish the rights of ISGC under this Agreement.

20. Notice. Any notices required or authorized to be given by this Agreement shall be in written form. Any notices required or authorized to be given by this Agreement may be sent by registered or certified delivery, postage prepaid and return receipt requested, addressed to the proper party at the following address or such address as the party shall have designated to the other parties in accordance with this Section. Any notice required or authorized to be delivered by this Agreement shall be deemed to have been sufficiently delivered or served in written form if: (a) mailed in accordance with this Section; (b) personally delivered to the proper party; or (c) delivered by email, telex, telegraph, facsimile or other electronic transmission and actually received by such party. Delivery of notice shall be effective on the first business day after the party deposits the notice for mailing or delivers the notice by the other means authorized in this Section, as applicable.

If to Patriot: Patriot Gold Corp.
3651 Lindel Road, Suite D

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Las Vegas, Nevada 89103

If to ISGC : Idaho State Gold Company
112 North Third Street
McCall, Idaho 83638

21. Memorandum of Agreement. Concurrently on execution of this Agreement, Patriot and ISGC will execute a memorandum of agreement, in a form reasonably acceptable to ISGC.

22. Assignment. This Agreement shall be binding upon and enure to the benefit of the parties and their successors and assigns. Patriot and ISGC may assign their rights under this Agreement provided that the assignee executes a written instrument which accepts such assignment and acknowledges that the assignee and the assignee's successors-in-interest agree and covenant to be bound all the obligations of this Agreement.

23. Currency. In this Agreement, dollar amounts are expressed in lawful currency of the United States of America.

24. Relationship of the Parties. Nothing contained in this Agreement shall be deemed to constitute either party the partner of the other, or, except as otherwise expressly provided, to constitute either party the agent or legal representative of the other or to create any fiduciary relationship between them. It is not the intention of the parties to create, nor shall this Agreement be construed to create, any mining, commercial or other partnership. Neither party shall have any authority to act for or to assume any obligation or responsibility on behalf of the other party, except as otherwise expressly provided. Without changing the effect of this Section, for U.S. tax purposes, the parties' relationship under this Agreement shall not constitute a tax partnership within the meaning of Section 761(a) of the United States Internal Revenue Code of 1986, as amended.

25. Confidentiality. Subject to the provisions of this Section, the existence and terms of this Agreement and all information obtained in connection with the performance of this Agreement shall be the exclusive property of the parties and shall not be disclosed by a party to any third party or to the public without the prior written consent of the other party. If a party is required under applicable laws or regulations or the rules of any stock exchange or stock listing association applicable to such party as measured by the standards of materiality applicable to such party to disclose the existence of this Agreement or any information obtained in connection with the performance of this Agreement, such party shall notify the other party of the disclosure.

26. Governing Law. This Agreement, and the performance of the parties, shall be governed by the laws of the State of Nevada. The parties agree and submit to the jurisdiction and venue of any action concerning construction of this Agreement or enforcement of any of the rights and obligations of the parties under this Agreement in the Second Judicial District Court, Washoe County, Reno, Nevada.

Executed effective the Effective Date.

47525.001 Moss Mine 022811 *RLC*

14 *SW*

Patriot Gold Corp.

By RD Coale
Robert Coale, President

Idaho State Gold Company, LLC

By Sima Muroff ~~3-11~~ @ 4:39 PM MST
Sima Muroff, President

Exploration and Option to Enter Joint Venture Agreement
Exhibit A
Description of Property

A. Patented Mining Claims, State Selections and Metric Conversion Parcels.

Sections 19, 20, 29 and 30, T2N, R20W, G&SR B&M, Mohave County, Arizona

Key No. 1	MS4484
Key 2	MS4484
California Moss Lot 37 (Greenwood)	MS182
California Moss Lot 38 (Gintoff)	MS796
Moss Millsite	MS4484
Divide	MS4484
Keystone Wedge	MS4484
Ruth Extension	MS4485
Omega	MS4484
Ruth	MS2213
Rattan Extension	MS4485
Rattan	MS857
Partnership	MS4485
Mascot	MS4485
Empire	MS4485

B. Unpatented Mining Claims.

Moss unpatented lode claims located in Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M Mohave County, Arizona

<u>CLAIM NAME</u>	<u>CLAIMANT'S NAME</u>	<u>AMC NUMBER</u>
Moss 11-33	MinQuest Inc.	361998-362020
Moss 33F	MinQuest Inc.	362021
Moss 34-39	MinQuest Inc.	362022-362027
Moss 39F	MinQuest Inc.	362028
Moss 40-47	MinQuest Inc.	362029-362036
Moss 47B	MinQuest Inc.	362037
Moss 48-70	MinQuest Inc.	362038-362060
Moss 1-10	MinQuest Inc.	398978-398987
Moss 118-148	MinQuest Inc.	398988-399018

C. Underlying Agreements.

Letter Agreement between MinQuest, Inc. and Patriot Gold Corp. dated March 4, 2004.

Purchase Agreement among Patriot Gold Corp. and various parties in respect of the California Moss patented mining claim and the royalty deeds executed and delivered by Patriot Gold Corp. in accordance with the Purchase Agreement.

47525.001 Moss Mine 022811 *ll*

Exhibit B

Net Smelter Returns Royalty

“Net Smelter Returns” shall mean the aggregate proceeds received by the Royalty obligor from time to time from any smelter or other purchaser from the sale of any ores, concentrates, metals or any other material of commercial value produced by and from the Property after deducting from such proceeds the following charges only to the extent that they are not deducted by the smelter or other purchaser in computing the proceeds:

- (a) The cost of transportation of the ores, concentrates or metals from the Property to such smelter or other purchaser, including related insurance; and
- (b) Smelting and refining charges including penalties.

The Royalty obligor shall pay the Royalty the Royalty obligee monthly within thirty (30) days after the end of each calendar month during which the Royalty obligor receives payments on all products produced and used from the Property and will be paid in United States currency or in kind bullion at the discretion of the Royalty obligee.

Within 180 days after the end of each calendar year for which the Royalty is paid the Royalty obligor shall audit the Royalty obligor’s calculation and payment of the Royalty. Any adjustments in the payments of Royalty to the Royalty obligee shall be made forthwith after completion of the audit. The Royalty obligee shall have the right, but not the obligation, to audit and give written notice of the Royalty obligee’s dispute of the Royalty obligor’s audit or records within 180 days after delivery to the Royalty obligee of the Royalty obligor’s yearly audits. All payments of Royalty to the Royalty obligee for a calendar year shall be deemed final and in full satisfaction of all obligations of the Royalty obligor in respect thereof if such payments or the calculations thereof are not disputed by the Royalty obligee in accordance with foregoing provisions unless and until any new information concerning the calculation and payment of the Royalty is revealed after the periods stated above. The Royalty obligor shall maintain accurate records relevant to the determination and payment of the Royalty and the Royalty obligee and its authorized agents shall be permitted the right to examine such records at all reasonable times.

EXHIBIT B

3E
Express Mail

Assessor's Parcel No. n/a - unpatented mining claims

Recorded at the request of
and when recorded return to:
Idaho State Gold Company
112 North Third Street
McCall, Idaho 83638


FEE# 2011013954

OFFICIAL RECORDS
OF MOHAVE COUNTY
CAROL MEIER,
COUNTY RECORDER



03/14/2011 03:30 PM Fee: \$14.00

PAGE: 1 of 3

The undersigned affirm that this instrument does
not contain the personal information of any person.

**Memorandum of Exploration and Option to Enter Joint Venture Agreement
Moss Mine Project**

This Memorandum of Exploration and Option to Enter Joint Venture Agreement ("Memorandum") is made and entered into by and between by and between Idaho State Gold Company, LLC, an Idaho limited liability company ("ISGC"), and Patriot Gold Corp., a Nevada corporation ("Patriot"). Notice is given that Patriot and ISGC have entered into the Exploration and Option to Enter Joint Venture Agreement ("Agreement") effective February 28, 2011, in accordance with which Patriot has granted to ISGC certain rights in the patented and unpatented mining claims situated in Mohave County, Arizona, described in Exhibit A attached to and by this reference incorporated in this Memorandum. Patriot has granted to ISGC the right and option to earn an interest in the patented and unpatented mining claims and to form a joint venture limited liability company.

The addresses of Patriot and ISGC for purposes of the Agreement and this Memorandum are:

Patriot:	Patriot Gold Corp. 3651 Lindel Road, Suite D Las Vegas, Nevada 89103
ISGC:	Idaho State Gold Company 112 North Third Street McCall, Idaho 83638

[signatures and notary acknowledgments on following pages]

**Memorandum of Exploration and Option to Enter Joint Venture Agreement
Exhibit A
Description of Moss Mine Property**

A. Patented Mining Claims, State Selections and Metric Conversion Parcels.
Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M, Mohave County, Arizona

Key No. 1	MS4484
Key 2	MS4484
California Moss Lot 37 (Greenwood)	MS182
California Moss Lot 38 (Gintoff)	MS796
Moss Millsite	MS4484
Divide	MS4484
Keystone Wedge	MS4484
Ruth Extension	MS4485
Omega	MS4484
Ruth	MS2213
Rattan Extension	MS4485
Rattan	MS857
Partnership	MS4485
Mascot	MS4485
Empire	MS4485

B. Unpatented Mining Claims.

Moss unpatented lode claims located in Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M
Mohave County, Arizona

<u>CLAIM NAME</u>	<u>CLAIMANT'S NAME</u>	<u>AMC NUMBER</u>
Moss 11-33	MinQuest Inc.	361998-362020
Moss 33F	MinQuest Inc.	362021
Moss 34-39	MinQuest Inc.	362022-362027
Moss 39F	MinQuest Inc.	362028
Moss 40-47	MinQuest Inc.	362029-362036
Moss 47B	MinQuest Inc.	362037
Moss 48-70	MinQuest Inc.	362038-362060
Moss 1-10	MinQuest Inc.	398978-398987
Moss 118-148	MinQuest Inc.	398988-399018

C. Underlying Agreements.

Letter Agreement between MinQuest, Inc. and Patriot Gold Corp. dated March 4, 2004.

Purchase Agreement among Patriot Gold Corp. and various parties in respect of the California Moss patented mining claim and the royalty deeds executed and delivered by Patriot Gold Corp. in accordance with the Purchase Agreement.

EXHIBIT C

**First Addendum to Assignment Agreement
Moss Mine**

This First Addendum to Assignment Agreement Moss Mine is made and entered into by and among Idaho State Gold Company, LLC, an Idaho limited liability company ("ISGC"), Northern Vertex Capital Inc., a British Columbia corporation ("NVC"), and Golden Vertex Corp., an Arizona corporation.

Recitals

- A. ISGC and Patriot Gold Corp., a Nevada corporation ("Patriot"), are parties to the Exploration and Option to Enter Joint Venture Agreement Moss Mine dated effective February 28, 2011 (the "Patriot Agreement"), concerning the patented mining claims and unpatented mining claims situated in Mohave County, Arizona, more particularly described in Exhibit A attached to and by this reference incorporated in this Agreement.
- B. ISGC and NVC entered an Assignment Agreement pursuant to which NVC agreed to purchase from ISGC and ISGC agreed to sell to NVC all of ISGC's right, title and interest in and to the Patriot Agreement.
- C. NVC has formed GVC as a wholly-owned subsidiary corporation and desires to cause the Patriot Agreement to be assigned to GVC.
- D. The parties desire to facilitate the closing of the Patriot Agreement by authorizing NVC to deliver the initial payment under the Patriot Agreement directly to Patriot.

Now, therefore, in consideration of their mutual covenants and promises, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Sections 2.2 and 3.4 of the Assignment Agreement is amended to provide that NVC may deliver the initial payment under the Patriot Agreement directly to Patriot.
2. Section 3.3 of the Assignment Agreement is amended to provide that the assignment shall name GVC as the assignee. GVC agrees and covenants to jointly assume and perform all of the obligations of ISGC under the Patriot Agreement
3. Section 5 of the Assignment Agreement is amended to provide that GVC makes the representations and warranties for itself to the same effect as NVC has made the representations and warranties.
4. Section 6 is amended to provide that the address for GVC is the same as the address for NVC.

Dated March 4, 2011.

Idaho State Gold Company LLC

By 

Sima Muroff, President

Northern Vertex Capital Inc.

By _____
Ken Berry, President

Golden Vertex Corp.

By _____
Ken Berry, President

EXHIBIT D

5



FEE# 2012001399

OFFICIAL RECORDS
OF MOHAVE COUNTY
CAROL MEIER,
COUNTY RECORDER



01/11/2012 12:20 PM Fee: \$10.00

PAGE: 1 of 5

Assessors Parcel No.- N/A Assignment of Agreement

Recorded at the request of
and when recorded return to:

Golden Vertex Corp.
Suite 920 - 1055 W. Hasting Street
Vancouver, British Columbia, Canada V6E 2E9

The undersigned affirm that this document
contains no personal information of any person.

Assignment and Assumption

Idaho State Gold Company, an Idaho limited liability company ("Assignor"), assigns to Golden Vertex Corp., an Arizona corporation ("Assignee"), all of Assignor's right, title and interest in and to the Exploration and Option to Enter Joint Venture Agreement Moss Mine dated effective February 28, 2011 (the "Patriot Agreement"), concerning the patented mining claims and unpatented mining claims situated in Mohave County, Arizona, more particularly described in Exhibit A attached to and by this reference incorporated in this Agreement.

Assignee assumes and agrees to perform Assignor's obligations under the Patriot Agreement effective on the date stated below.

The addresses of the parties are:

Idaho State Gold Company
112 North Third Street
McCall, Idaho 83638

Golden Vertex Corp.
Suite 920 - 1055 W. Hasting Street
Vancouver, British Columbia, Canada V6E 2E9

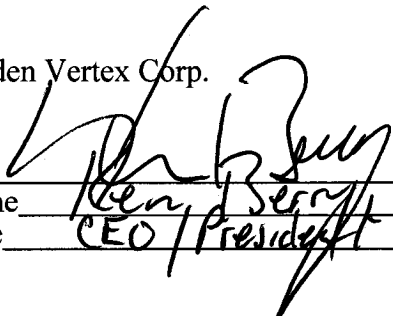
Dated effective March 7th, 2011.

Idaho State Gold Company, LLC

By [Signature] 3-7-11
Sima Muroff, President

DO NOT MARK, PRINT, SIGN OR TYPE OUTSIDE THE LINED MARGIN

Golden Vertex Corp.

By 
Name Ken J. Serritt
Title CEO / President

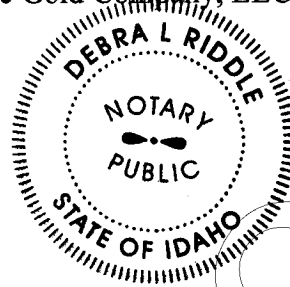
DO NOT MARK, PRINT, SIGN OR TYPE OUTSIDE THE LINED MARGIN

STATE OF IDAHO,)
)
) SS.
COUNTY OF Valley .)

This Assignment and Assumption was executed before me on March 7, 2011,
by Sima Muroff as the President of Idaho State Gold Company, LLC.



Notary Public



MUNICIPALITY OF VANCOUVER,)
)
) SS.
PROVINCE OF BRITISH COLUMBIA.)

This Assignment and Assumption was executed before me on March _____, 2011,
by _____ as the _____ of Golden Vertex Corp.

Notary Public
My commission does not expire.

DO NOT MARK, PRINT, SIGN OR TYPE OUTSIDE THE LINED MARGIN

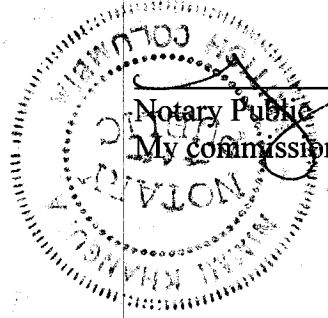
STATE OF IDAHO,)
)
) ss.
COUNTY OF _____.)

This Assignment and Assumption was executed before me on March _____, 2011,
by Sima Muroff as the President of Idaho State Gold Company, LLC.

Notary Public

MUNICIPALITY OF VANCOUVER,)
)
) ss.
PROVINCE OF BRITISH COLUMBIA.)

This Assignment and Assumption was executed before me on March 11th, 2011,
by Ken Berry as the CEO / President of Golden Vertex Corp.



Notary Public
My commission does not expire.

NIMMI KHANGURA
AXIUM LAW CORPORATION
Barrister and Solicitor
Suite 3350, Four Bentall Centre
1055 Dunsmuir Street, PO Box 49222
Vancouver, BC V7X 1L2
Phone: 604-685-6100 Fax: 604-692-4900

DO NOT MARK, PRINT, SIGN OR TYPE OUTSIDE THE LINED MARGIN

**Assignment and Assumption
Exhibit A
Description of Property**

A. Patented Mining Claims. Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M, Mohave County, Arizona

Key No. 1	MS4484
Key 2	MS4484
California Moss Lot 37 (Greenwood)	MS182
California Moss Lot 38 (Gintoff)	MS796
Moss Millsite	MS4484
Divide	MS4484
Keystone Wedge	MS4484
Ruth Extension	MS4485
Omega	MS4484
Ruth	MS2213
Rattan Extension	MS4485
Rattan	MS857
Partnership	MS4485
Mascot	MS4485
Empire	MS4485

B. Unpatented Mining Claims. Moss unpatented lode claims located in Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M Mohave County, Arizona

<u>CLAIM NAME</u>	<u>CLAIMANT'S NAME</u>	<u>AMC NUMBER</u>
Moss 11-33	MinQuest Inc.	361998-362020
Moss 33F	MinQuest Inc.	362021
Moss 34-39	MinQuest Inc.	362022-362027
Moss 39F	MinQuest Inc.	362028
Moss 40-47	MinQuest Inc.	362029-362036
Moss 47B	MinQuest Inc.	362037
Moss 48-70	MinQuest Inc.	362038-362060
Moss 1-10	MinQuest Inc.	398978-398987
Moss 118-148	MinQuest Inc.	398988-399018

C. Underlying Agreements.

Letter Agreement between MinQuest, Inc. and Patriot Gold Corp. dated March 4, 2004.

Purchase Agreement among Patriot Gold Corp. and various parties in respect of the California Moss patented mining claim and the royalty deeds executed and delivered by Patriot Gold Corp. in accordance with the Purchase Agreement.

DO NOT MARK, PRINT, SIGN OR TYPE OUTSIDE THE LINED MARGIN

h13-

EXHIBIT E

CONFORMED COPY 9/150
FEE # 2018001400
DATE 1/11/12
BOOK N/A
PAGES

Recorded at the request of
and when recorded return to:
Hartmut W. Baitis
2705 Lorraine Drive
Missoula, Montana 59803

The undersigned affirm that this instrument does
not contain the personal information of any person.

Memorandum of Agreement

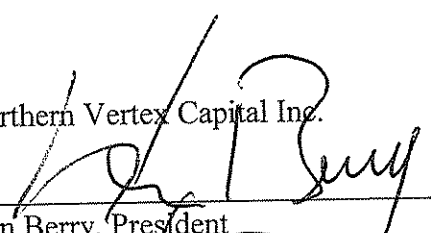
This Memorandum of Agreement ("Memorandum") is made and entered into by and between by and among Northern Vertex Capital Inc., a British Columbia corporation ("NVC"), Golden Vertex Corp., and Arizona corporation ("GVC"), and Hartmut W. Baitis, Robert B. Hawkins and Larry L. Lackey ("BHL"). Notice is given that GVC, NVC and BHL have entered into a Finder's Fee Agreement (the "Agreement") in respect of the Exploration and Option to Enter Joint Venture Agreement effective February 28, 2011, between Patriot Gold Corp. and Idaho State Gold Company regarding certain rights in the patented and unpatented mining claims situated in Mohave County, Arizona, described in Exhibit A attached to and by this reference incorporated in this Memorandum.

The addresses of the parties for purposes of the Agreement and this Memorandum are:

NVC: Northern Vertex Capital Inc.
Golden Vertex Corp.
Suite 920 – 1055 W. Hasting Street
Vancouver, British Columbia, Canada V6E 2E9

BHL: c/o Hartmut W. Baitis
2705 Lorraine Drive
Missoula, Montana 59803

Northern Vertex Capital Inc.

By 
Ken Berry, President

Golden Vertex Corp.

By 
Ken Berry, President

Hartmut W. Baitis


Hartmut W. Baitis

Robert B. Hawkins

Robert B. Hawkins

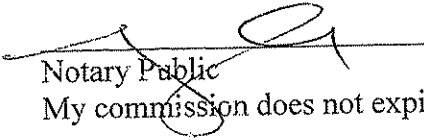
Larry L. Lackey

Larry L. Lackey



ss.

This Memorandum was acknowledged before me on March 11th, 2011, by Ken Berry as President of Northern Vertex Capital Inc. and Golden Vertex Corp.



_____))

Notary Public
My commission does not expire

NIMMI KHANGURA
AXIUM LAW CORPORATION
Barrister and Solicitor
Suite 3350, Four Bentall Centre
1055 Dunsmuir Street, PO Box 49222
Vancouver, BC V7X 1L2
Phone: 604-685-6100 Fax: 604-692-4900

ss.

This Memorandum was acknowledged before me on March ___, 2011, by Hartmuth W. Baitis.

Notary Public
_____))
_____))

ss.

This Memorandum was acknowledged before me on March ___, 2011, by Robert B. Hawkins.

Notary Public
_____))
_____))

ss.

This Memorandum was acknowledged before me on March ___, 2011, by Larry L. Lackey.

Notary Public

_____)
_____)

ss.

This Memorandum was acknowledged before me on March ___, 2011, by Ken Berry as President of Northern Vertex Capital Inc. and Golden Vertex Corp.

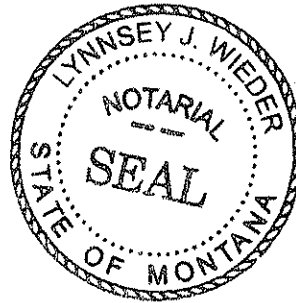
Notary Public
My commission does not expire

Montana
Missoula

ss.

This Memorandum was acknowledged before me on March 18, 2011, by Hartmuth W. Baitis.

Lynnsey J. Wieder
Notary Public
Idaho
Bannock County

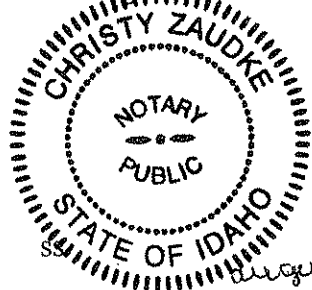


NOTARY PUBLIC for the State of Montana
Residing at Missoula
My Commission Expires May 6, 2013

ss.

This Memorandum was acknowledged before me on March 14, 2011, by Robert B. Hawkins.

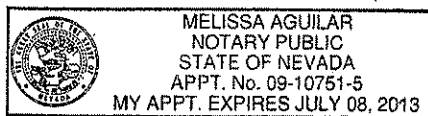
Christy Zaudke
Notary Public
State of Nevada
County of Douglas



August 23, 2016

This Memorandum was acknowledged before me on March 11, 2011, by Larry L. Lackey.

Melissa Aguilar
Notary Public



**Memorandum Agreement
Exhibit A
Description of Moss Mine Property**

A. Patented Mining Claims, State Selections and Metric Conversion Parcels.
Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M, Mohave County, Arizona

Key No. 1	MS4484
Key 2	MS4484
California Moss Lot 37 (Greenwood)	MS182
California Moss Lot 38 (Gintoff)	MS796
Moss Millsite	MS4484
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Keystone Wedge	MS4484
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Omega	MS4484
Ruth	MS2213
Rattan Extension	MS4485
Rattan	MS857
Partnership	MS4485
Mascot	MS4485
Empire	MS4485

B. Unpatented Mining Claims.

Moss unpatented lode claims located in Sections 19, 20, 29 and 30, T20N, R20W, G&SR B&M
Mohave County, Arizona

<u>CLAIM NAME</u>	<u>CLAIMANT'S NAME</u>	<u>AMC NUMBER</u>
Moss 11-33	MinQuest Inc.	361998-362020
Moss 33F	MinQuest Inc.	362021
Moss 34-39	MinQuest Inc.	362022-362027
Moss 39F	MinQuest Inc.	362028
Moss 40-47	MinQuest Inc.	362029-362036
Moss 47B	MinQuest Inc.	362037
Moss 48-70	MinQuest Inc.	362038-362060
Moss 1-10	MinQuest Inc.	398978-398987
Moss 118-148	MinQuest Inc.	398988-399018

C. Underlying Agreements.

Letter Agreement between MinQuest, Inc. and Patriot Gold Corp. dated March 4, 2004.

Purchase Agreement among Patriot Gold Corp. and various parties in respect of the California Moss patented mining claim and the royalty deeds executed and delivered by Patriot Gold Corp. in accordance with the Purchase Agreement.

Desc 13 -

EXHIBIT F

FIRST AMENDMENT TO FINDER'S AGREEMENT MOSS MINE

This FIRST AMENDMENT TO FINDER'S AGREEMENT MOSS MINE by and between **GOLDEN VERTEX CORP.**, an Arizona corporation, ("GVC") and **HARMUT W. BAITIS, ROBERT B. HAWKINS AND LARRY L. LACKEY** (collectively, "BHL"), is made to be effective as of November 29, 2018.

RECITALS

A. Northern Vertex Mining Corp., a company existing under the laws of the Province of British Columbia (formerly known as Northern Vertex Capital Inc.) ("NVMC") and BHL entered into that certain Finder's Agreement Moss Mine dated March 4, 2011 (the "Finder's Agreement");

B. NVMC assigned all rights and obligations under the Finder's Agreement to GVC, as set forth in the recitals of that certain Settlement Agreement and Mutual Release dated July 16, 2016 by and between NVMC, GVC and BHL;

C. In connection with the Finder's Agreement, NVMC, GVC and BHL entered into that certain Memorandum of Agreement last dated March 14, 2011 and recorded on January 11, 2012 at Fee No. 2012001400 in the Official Records of Mohave County, Arizona;


D. The Finder's Agreement grants GVC an option to acquire from BHL that certain Fee (as defined in the Finder's Agreement) by providing notice to BHL within ninety (90) days after the commencement of commercial production (the "Option Period"); and

E. GVC and BHL desire to amend the Finder's Agreement to extend the Option Period from ninety (90) days to one (1) year and ninety (90) days.

AGREEMENT

Subject to the terms and conditions set forth herein and for other good and valuable consideration of US\$100,000.00, the payment, receipt and sufficiency of which is hereby acknowledged, the parties hereto state, confirm and agree as follows:

1. Acknowledgment of Assignment. BHL acknowledges and agrees that NVMC assigned all of its rights and obligations under the Finder's Agreement to GVC, and GVC assumed the same from NVMC, as set forth in the recitals of that certain Settlement Agreement and Mutual Release dated July 16, 2016 by and between NVMC, GVC and BHL.

2. Acknowledgment of Commencement of Commercial Production. For purposes of interpretation of the Finder's Agreement, and notwithstanding anything else to the contrary, GVC and BHL acknowledge and agree that the commencement of Commercial Production (as defined in the Finder's Agreement) occurred at 11:59 p.m. MST on September 1, 2018. 

3. Amendment to Extend the Option Period. Section 3.b of the Finder's Agreement is hereby amended to delete the sentence "NVC may exercise the option at any time within ninety (90) days after the commencement of commercial production of minerals from the Property as

term 'Commercial Production' is defined in the Patriot Agreement." and replace it with the following sentence:

"NVC may exercise the option at any time within one (1) year and ninety (90) days after the commencement of commercial production of minerals from the Property as term 'Commercial Production' is defined in the Patriot Agreement."

4. Full Force and Effect All other provisions of the Finder's Agreement remain in full force and effect.

5. Mutual Acknowledgment. GVC and BHL acknowledge and agree, that as of the date first set forth above, neither party is in breach or default of any of relevant acknowledgments, representations, warranties, agreements, covenants or indemnities under the Finder's Agreement, and no event or default has occurred or failed to occur which, whether with or without the giving of notice, the passage of time or both, would constitute a breach or default by either party under the Finder's Agreement.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Finder's Agreement Moss Mine as of the date first set forth above.

GVC:

GOLDEN VERTEX CORP.,
an Arizona corporation

By: _____
Name: _____
Title: _____

BHL:

By: _____
Harmut W. Baitis

By: _____
Robert B. Hawkins

By:  _____
Larry L. Lackey

EXHIBIT G

Subject: Re: Finder's Fee

From: Inga Baitis <inga@baitis.net>

Date: Fri, 25 Feb 2011 14:14:17 -0700

To: Jim McDonald <makwa.1@shaw.ca>

CC: Ken Berry <ken@kootenaygold.ca>, Larry Lackey <llackey@frontier.com>, ROBERTBHAWKINS@cs.com

Jim:

BHL is having our attorney draft up the finders that includes your sliding scale gold royalty terms, as you outlined, and silver adjusted at the following breaks:

Greater than \$25.	\$0.35/oz
\$15 to \$25	\$0.20/oz
Less than \$15	\$0.10/oz

Buy-out of payment for \$2,400,000 upon commercial production.

We can entertain part of payments to be made in stock at a future date, but will draft an agreement with above terms.

Regards, Hart

On 2/25/2011 12:48 PM, Jim McDonald wrote:

Hart,

We talked yesterday about a sliding payment per ounce of gold/silver produced such that >\$1000 \$15/oz, \$700 to 1000 \$10/oz, < 700 \$5/oz with silver I presume adjusted accordingly. We also talked about the ability to buy this payment out say upon commercial production or completion of bankable feasibility.

Would you also entertain any, all or part of the payments being made in stock. Either for the "royalty" or the percent of expenditures?

Jim

Phone: 403 238 6986
Toll Free: 1 877 408 4647

-----Original Message-----

From: Inga Baitis [<mailto:baitisi@gmail.com>] On Behalf Of Inga Baitis
Sent: Friday, February 25, 2011 12:40 PM
To: Ken Berry; James McDonald
Cc: Larry Lackey; ROBERTBHAWKINS@cs.com
Subject: Finder's Fee

Ken and Jim:

Our "Finder's Fee" agreement with Northern Vertex Capital would include the following:

1. BHL to receive payments based on 3% of the initial payment and all Exploration and Development expenditures on the Moss Project until commencement of Commercial Production.
2. BHL to receive payment of \$15.00/oz gold and \$0.35/oz silver on all gold and silver produced from the Moss mine.

The 3% payments are to be paid quarterly. The gold-silver production payments are to be paid within 15 days of Northern Vertex receiving payment. The "Finders Fee" would be binding on a new operator, should

the property be sold.

Regards,
Hart

Subject: Finder's Fee

From: Inga Baitis <inga@baitis.net>

Date: Fri, 25 Feb 2011 12:39:40 -0700

To: Ken Berry <ken@kootenaygold.ca>, James McDonald <Makwa.1@Shaw.ca>

CC: Larry Lackey <lllackey@frontier.com>, ROBERTBHAWKINS@cs.com

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