

LIMITED ROYALTY AGREEMENT

This Limited Royalty Agreement is executed, acknowledged and delivered in consideration of the following facts:

By that certain Order dated June 20, 1972, approving Stipulation and Settlement respecting the claim of David L. Gemmill in the United States District Court for the District of Nevada, in the Matter of Combined Metals Reduction Company, Debtor, No. LV5541, it is provided, in part, that "(2) Claimant agrees to reimburse the Debtor out of royalties at the rate of five percent (5%) of net smelter returns, but not otherwise, the sum of \$30,000 expended by the Debtor in improvements on said property ...".

The Claimant, David L. Gemmill (now deceased), was acting on behalf of Comet Mines, Incorporated, in filing and prosecuting the said claim, and in settling the same, and it was the intention of the parties and of the said Court that the burden imposed by the above quoted language was to be that of Comet Mines, Incorporated, that the said obligation was to become a lien upon mining properties of Comet Mines, Incorporated, and that said obligation was to be evidenced by a recordable document. This is that document.

NOW, THEREFORE, Comet Mines, Incorporated, a Nevada corporation, hereby agrees with Combined Metals Reduction Company, a Utah corporation, that it will reimburse Combined Metals Reduction Company out of royalties at the rate of five percent (5%) of Net Smelter Returns, but not otherwise, the sum of \$30,000 expended by Combined Metals Reduction Company in improvements on the mining properties of Combined Metals Reduction Company hereinafter described, and that it will perform, or cause to be performed, the annual assessment work and maintain in good standing the said unpatented mining claims belonging to Comet Mines, Incorporated.

The mining properties covered by this instrument are situated in the Comet Mining District, Lincoln County, Nevada, described as follows:

Jackson	Greenback #1	Tungsten	First Chance
Jackson #1	Greenback #2	Spartan	Annex
Jackson #2	Greenback #3	Viking	Annex #1
Jackson #3	Greenback #4	Gladiator	Annex #2
Minerva	Greenback #5	Trojan	Annex #3
Burnett	Elmer #1	Dodey	Square Deal
Edna	Franklin		

