

THIS INDENTURE made the 5th day of December, A.D. 1980.

BETWEEN:

THE MERCANTILE BANK OF CANADA,  
(hereinafter called the "Assignor"),  
OF THE FIRST PART,

- and -

NAMOR INVESTMENTS LTD.,  
(hereinafter called the "Assignee"),  
OF THE SECOND PART.

WHEREAS Tahoe Nevada Properties ("Tahoe"), a partnership, is indebted to the Assignor for and on account of monies lent to Tahoe from time to time under a Note of Tahoe to the Assignor dated August 10, 1979 in the principal amount of (U.S.) \$1,125,000 (the "Note"), which Note is secured by a Deed of Trust (the "Deed of Trust") on certain lands of Tahoe located in Nevada, the Note and Deed of Trust being more specifically described on Schedule "A" hereto;

AND WHEREAS Tahoe has entered into a certain loan agreement with the Assignor, more specifically described on Schedule "B" hereto;

AND WHEREAS as further security for the said indebtedness Tahoe has given or caused to be given to the Assignor certain instruments more specifically described on Schedule "C" hereto;

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*ms*  
*ms*  
*ms*

AND WHEREAS the Assignor represents to the Assignee that as of this date there is outstanding and unpaid under the Note the principal amount of (U.S.) \$212,510.07 and accrued interest of (U.S.) \$6,932.31 and that the Assignor has incurred expenses (in enforcing its rights under the Note and in attempting to collect arrears owed to it) of approximately (U.S.) \$7,675.00 (which three sums together are hereinafter called the "said indebtedness");

AND WHEREAS the Assignor has agreed with the Assignee that it will sell to the Assignee the said indebtedness, together with the said securities, for the sum of (U.S.) \$227,117.38 ;

NOW THIS INDENTURE WITNESSETH THAT in consideration of the sum of (U.S.) \$227,117.38 , now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged) the Assignor hereby assigns, transfers and sets over unto the Assignee the said indebtedness and all its right, title and interest therein, to hold the said indebtedness unto the Assignee absolutely, and also hereby assigns, transfers and sets over unto the Assignee the securities and instruments described on Schedules "A", "B" and "C" hereto (receipt whereof is acknowledged by the Assignee) and all its right, title and interest therein, to hold the same unto the Assignee absolutely.

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*WAF*  
*MS.*

And for the same consideration, the Assignor hereby grants, releases and quit claims and by these presents does grant, release and quit claim, unto the Assignee, its successors and assigns forever, all the estate, right, title, interest, claim and demand whatsoever, both at law and in equity or otherwise howsoever, and whether in possession or expectancy of the Assignor of, in, to or out of all and singular its rights, title and interest in and to the Note and the Deed of Trust and the said other securities and instruments on the understanding and condition that the Assignee will, and the Assignee does hereby, covenant and agree to indemnify and save harmless the Assignor from any and all obligations of the Assignor thereunder.

The Assignee acknowledges receipt of notice that Tahoe is in default under the Note and the Deed of Trust and the said other securities and instruments and that "Notice of Breach" (notice of default) has been given by the Assignor to Tahoe, and that the Deed of Trust is in the course of foreclosure.

The Assignor covenants with the Assignee that (i) the sums of principal, interest and expense aggregating the said indebtedness as referred to above are still due and owing to it from Tahoe; (ii) it has good right to assign the said indebtedness and the said securities and other instruments unto the Assignee in the manner aforesaid; (iii) it, the Assignor, will not, at

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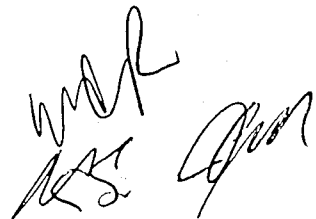
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*R.S.* *GM*

any time hereafter, receive and accept the said indebtedness or any interest thereon accruing hereafter or any part thereof or do any act whereby the Assignee may be prevented or hindered from enforcing the payment of the said indebtedness.

On or about August 14, 1979 a mortgagee title insurance policy was issued in favour of the Assignor by Commonwealth Land Title Insurance Company insuring the priority of the Deed of Trust, and relying thereon, and relying also on a foreclosure title report issued by Silver State Title Company dated on or about October 21, 1980, and knowing of no matter inconsistent with the representation herein made, the Assignor represents and warrants to the Assignee that the Note and the Deed of Trust are respectively valid instruments, and at the date hereof the Deed of Trust constitutes a charge on the lands described therein with priority for funds advanced and outstanding under the Note over any other Deed of Trust or mortgage on the said lands. The Assignor shall advise the said Title Insurance Company of this assignment and shall request the issuance of an endorsement to the title insurance policy in favor of the Assignee, and the Assignee shall thereafter maintain such title insurance policy (or like policy) so long as any monies are owed to it under the Note.

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Handwritten signatures and initials in the bottom right corner of the page, including what appears to be 'WHR' and 'AS'.

Except as expressly stated herein, the Assignor makes no representation or warranty of any kind whatsoever to, or covenant of any kind whatsoever with, the Assignee, touching upon, relating to or in any way regarding, the said indebtedness, the Note, the Deed of Trust, or any of the said other securities or instruments.

It is hereby declared and agreed that this Indenture and assignment is made without any right of recourse whatsoever by the Assignee, its successors and assigns, against the Assignor or its successors and assigns in respect of the said indebtedness or any part thereof referred to herein and outstanding and unpaid under the Note (and whether principal, interest or otherwise) or in respect of any of the securities and instruments described on the Schedules hereto, and, without limiting or affecting the foregoing, the Assignor makes no representation, warranty or covenant that Tahoe or any other person is or will be able to perform or fulfill any or all of its covenants and obligations under the Note, the Deed of Trust, or any of the said other securities or instruments, including those as to payment.

The Assignor shall from time to time at the request and expense of the Assignee execute such further assignments or like instruments as the Assignee may reasonably require for the

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*W. R.  
K. S. [Signature]*

purpose of perfecting the within assignments.

It is hereby declared and agreed that this Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed this Indenture on the 5th day of December, A.D. 1980.

THE MERCANTILE BANK OF CANADA

Per: \_\_\_\_\_

Per: \_\_\_\_\_

NAMOR INVESTMENTS LTD.

Per: \_\_\_\_\_

Per: \_\_\_\_\_

James C. Wainne

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SCHEDULE "A"

1. Promissory Note dated August 10, 1979, in the principal amount of (U.S.) \$1,125,000, from Tahoe Nevada Properties to The Mercantile Bank of Canada.

2. Deed of Trust dated August 10, 1979, from Tahoe Nevada Properties as trustor, with Silver State Title Company as trustee, to secure certain obligations in favour of The Mercantile Bank of Canada as beneficiary, recorded on August 14, 1979 (at Book 879, page 1002 of official record) in the Office of the Recorder of Douglas County, Nevada.

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*Wah*  
*GM*

SCHEDULE "B"

1. Construction Loan Agreement dated August 10, 1979  
between The Mercantile Bank of Canada and Tahoe Nevada Properties.

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*WAF*  
*AM*



SCHEDULE "C"

1. Guarantee, Assignment and Postponement of Claim, of Roman Gura.
2. UCC - 1 Financing Statement by Tahoe Nevada Properties.
3. Note of Donald Balman and Bruce Mulhearn dated November 1, 1979 for (U.S.) \$150,000 and related Deed of Trust, in favour of Tahoe Nevada Properties as beneficiary, and assigned to The Mercantile Bank of Canada, recorded in Book 180, Page 399, Document No. 40436, Official Records of Douglas County, State of Nevada.
4. Assignments of Monies due from Continental Telephone Co. of Nevada to Gura-Nevada, Inc., or to Tahoe Nevada Properties.

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*QML*

CITY OF WINNIPEG )

PROVINCE OF MANITOBA)

On this 8<sup>th</sup> day of December, 1980, personally appeared before me, a Notary Public, W. COLIN REID, known to me to be the Senior Account Manager of The Mercantile Bank of Canada, and who acknowledged to me that he executed the foregoing Assignment of Deed of Trust and Promissory Note (and other instruments) on behalf of the said Bank.

SEAL

*Walter Beedra*  
Notary Public in and for Manitoba

CITY OF WINNIPEG )

PROVINCE OF MANITOBA)

On this 5<sup>th</sup> day of December, 1980, personally appeared before me, a Notary Public, *James C. Nairne and Roman A. Gura* known to me to be the *Secretary and President* of *Namor Investments Ltd.*, and who acknowledged to me that they executed the foregoing Assignment of Deed of Trust and Promissory Note (and other instruments) on behalf of the said *Namor Investments Ltd.*

SEAL

*D. Michael Wilfah*  
Notary Public in and for the Province of Manitoba SEAL

REQUESTED BY  
SILVER STATE TITLE CO.

IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA

# 12.00 pd.  
1981 JAN 30 PM 4:04

MARIE A. RABEL  
RECORDER

*Carol E. Hart*  
Dep.

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COPY

REQUESTED BY  
**SILVER STATE TITLE CO.**

IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA

\$ 13.00 pd.

1981 FEB 26 PM 4:16

MARIE A. RABEL  
RECORDER

*Carol Hart* 53859

*Dep.* BOOK 281 PAGE 1746