

The agreement on joint activities regarding financing and execution of geologic exploration 1/05

"17" November 2005

Magadan, Russian Federation

Federal State Enterprise "Magadangeologia", Magadan, Russia, hereinafter referred to as "Magadangeologia", represented by Alekseenko Alexander Vladimirovich, and Limited Liability Company "Golden Reign Resources", Vancouver, Canada, hereinafter referred to as "Golden Reign", in the person of the director Kim Evans, Have entered into the following agreement governed by Russian Federation legislation:

1. SUBJECT OF THE AGREEMENT

1.1. The subject of the present Agreement is financing and organization of geological exploration under the license of "Magadangeologia" on the territory of Magadan region.

2. RESPONSIBILITY OF THE PARTIES

2.1. "Magadangeologia" certifies that it holds the licenses for the right of use of the mineral resources (МАГ 03803 БП, with the purpose of geological research of the mineral resources within the limits of Pravo-Berelezhskaya perspective area. The license expires December 31, 2007; МАГ 03719 БП with the purpose of geological exploration of Pauk site of Detrinskaya perspective area. The license expires December 31, 2006.) The licenses are issued by Territorial Agency of mineral resources of Magadan Region "Magadannedra". The copies of licenses and addendum to that are attached as Attachment # 1.

2.2. "Magadangeologia" is obliged:

2.2.1. To organize and execute geological exploration under the request of "Golden Rain" within the limits of existing licenses and in the scope of allocated financing annually.

2.2.2. Prepare the beginning of work to obtain all the documents and permits required for the execution of exploration work and take all the responsibilities pertaining to violation of environmental safety and trade legislation that are the subject of appropriate Inspectorate duties.

2.2.3. To put together the Exploration Work Program within the limits of approved financing for the

year 2006 with prior agreement with "Golden Reign". The Program and Finance Terms shall be approved annually in December of upcoming year.

2.2.4 Provide "Golden Reign" with information obtained as a result of joint activities, including primary field documentation (sampling plans, analysis results etc.) The above stated information shall not be disclosed to third parties.

2.2.5 "Magadangeologia" confirms that it will assist "Golden Reign" or its dependant in obtaining the appropriate licensing for the use of mineral resources and will provide informational and legal support.

2.3. "Golden Reign" is obliged:

2.3.1 Provide financing of geological exploration work under for the licenses as specified in the section 2.1 of the present Agreement (optional for "Golden Reign") in the scope of USD 700 000, including USD 300 000 up to the end of the year 2006 for exploration within the Stakhanovskiy ore field.

2.3.2 Financing will be provided step-by-step in accordance with the approved Calculation through the OOO "Geoinvest" company that is registered in Magadan for the purpose to represent the interests of "Golden Reign" in Russia, including obtaining of the new licenses for the use of mineral resources for execution of geological exploration and mining work.

3. TERMS

3.1. The agreement enters into force upon signing by both parties and approval of the "Golden Reign" Board of Directors and controllers of TSX Venture Stock Exchange.

3.2. The date of termination the Agreement is up to expiration of the Pravo-Berelekhsjaya perspective area license validity (MAT 03803 BIT) December 31, 2007.

3.3. The present agreement can be extended under the terms of present Agreement or addendum to it upon the mutual agreement and signing of both parties in writing.

4. ORDER CONDITIONS

4.1. For the fulfillment of the present Agreement the parties agreed to for the working group of 4 persons, two representing each party.

4.2. Disputes arising herefrom between the Parties shall be, if possible, resolved by negotiation.

4.3. In the event the disputes can not be resolved by negotiation, the Parties have the right to submit grievances to the Arbitration Court of Magadan oblast.

8. LEGAL ADDRESSES AND SIGNATURES

Federal State Enterprise "Magadangeologia"

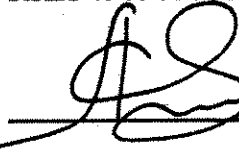
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A. V. Alekseenko



Golden Reign Resources Ltd

Head Office

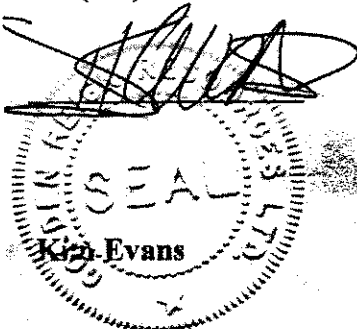
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**Amendments to the Agreement on Joint Activities Regarding Financing and Execution of
Geologic Exploration 1/05**

April 26, 2006

These amendments to the Agreement on Joint Activities Regarding Financing and Execution of Geologic Exploration 1/05 (the "Amendments") are concluded between:

Open Joint Stock Company "Magadangeologia" (the "Company"), a company duly incorporated and existing under the laws of Russia, registered under the Basic State Registration Number 1054900054440 having its registered address at: 6, Dzerzhinskogo str. 685000 Magadan, Magadan Region, Russia, represented by its Director General, Mr. A.V. Alexeenko, acting on the basis of the Company's Charter; and

"Golden Reign Resources Ltd." ("Golden Reign Resources") duly incorporated and existing under the laws of Canada having its registered address at: Suite 501 - 595 Howe Street, Vancouver, BC, Canada V6C 2T5 represented by its Director, Kim Evans acting on the basis of the Company's Charter;

hereinafter collectively referred to as the "Parties".

WHEREAS:

- (1) State Unitary Enterprise "Magadangeologia" (the "Enterprise") and Golden Reign Resources have entered in the Agreement on Joint Activities Regarding Financing and Execution of Geologic Exploration 1/05, dated November 17, 2005 (the "Agreement");
- (2) State Unitary Enterprise "Magadangeologia" was privatized through its transformation into the Company with the transfer of all rights and obligations of the Enterprise to the Company; and
- (3) Mineral licenses held by the Enterprise for geological exploration of subsoil in the Magadan Region were re-issued to the Company.

NOW THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

Article 1. Succession

1.1 The Company succeeds in full all rights and obligations of the Enterprise under the Agreement and undertakes to fulfill all obligations under the Agreement, including the obligations of the Enterprise that arose prior to execution hereof, but have not yet been fulfilled.

1.2 As of the date of liquidation of the Enterprise (or incorporation of the Company, if this has happened earlier) the Company shall be deemed the party to the Agreement instead of the Enterprise.

Article 2. New Licenses

2.1 Given that the License MAG 03803 BP issued to the Enterprise was re-issued into the License MAG 03872 BP held by the Company for the purposes of geological exploration of subsoil at the Pravo-Berelekhskaya prospective area, all references in the Agreement to the License MAG 03803 BP shall be deemed references to the License MAG 03872 BP.

2.2 Given that the License MAG 03719 BP issued to the Enterprise was re-issued into the License MAG 03871 BP held by the Company for the purposes of geological exploration of subsoil at the

Rodionovskiy plot of the Detrinskaya prospective area, all references in the Agreement to the License MAG 03719 BP shall be deemed references to the License MAG 03871 BP.

2.3 Given that the Enterprise has waived the License MAG 03718 BP issued to the Enterprise for the purposes of geological exploration of subsoil at the Pauk deposit of the Detrinskaya prospective area, all references to this License MAG 03718 BP shall be deemed excluded from the Agreement.

Article 3. Miscellaneous

3.1 For avoidance of any doubts, it is expressly acknowledged by the Parties that Article 2.1 of the Agreement refers to the following licenses: MAG 03872 BP re-issued to the Company for the purposes of geological exploration of subsoil at the Pravo-Berelekhskaya prospective area and MAG 03871 BP re-issued to the Company for the purposes of geological exploration of subsoil at the Rodionovskiy plot of the Detrinskaya prospective area.

3.2 The copies of the License MAG 03872 BP and License MAG 03871 BP are attached as Appendix No.1 hereto.

3.3 These Amendments can be signed by the Parties through exchange of executed original counterparts hereof.

3.4 These Amendments shall be deemed an inseparable part of the Agreement.


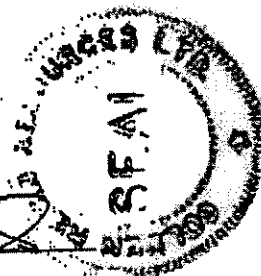



A.V. Alexeenko

Director General of

Open Joint Stock Company "Magadangeologia"

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Kim Evans

Director of

"Golden Reign Resources Ltd."

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