

AGREEMENT OF UNDERSTANDING

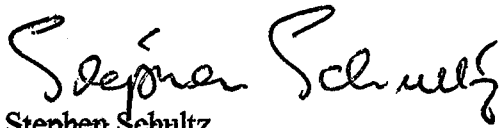
Between Royal Oak Mines Inc.

and

Jiri Hermann
("The Photographer")

This is an agreement of understanding, between the parties listed above, that *all photographic images* taken by The Photographer while present on the Giant Mine property (within the land lease boundaries), on *June 4, 1999*, are the *exclusive property of Indian and Northern Affairs Canada* (INAC) and may not be given to, sold to, or used in any way, by any party other than INAC without the express permission of an INAC representative.

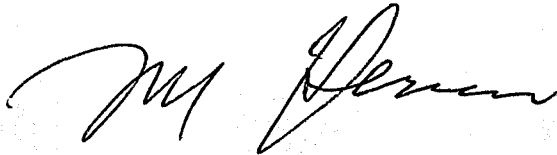
This understanding agreed between.....



Stephen Schultz
Royal Oak Mines Inc.

.....and.....

Jiri Hermann
("The Photographer")



Dated: June 4, 1999