

RECORDED AT THE REQUEST
OF AND WHEN RECORDED
RETURN TO:

DALO Living Trust
c/o Dale L. Schwarzhoff, Trustee
3561 Hagen Road
Napa, CA 94558
and

copy to: Ronald C. Barr, President
Earth Power Resources, Inc.
2407 S. Troost Ave.
Tulsa, OK 74114

DOC # 0228049

11/14/2014

02:50 PM

Official Record

Recording requested By
EARTH POWER RESOURCES INC

Eureka County - NV

Mike Rebaleati - Recorder

Fee: \$51.00

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RPTT:

Recorded By: AP

Book- 573 Page- 0258



0228049

APN: 05-610-02 et al & APN: 05-480-18 et al

**MEMORANDUM
OF OVERRIDING ROYALTY**

THIS MEMORANDUM OF OVERRIDING ROYALTY AGREEMENT (this "Memorandum") is made and entered into as of June 2, 2014 (the "Effective Date"), by and between Earth Power Resources, Inc. ("Earth Power") and Dale L. Schwarzhoff, Trustee of the Dalo Living Trust (the "Dalo Trust"). (Earth Power together with Dalo Trust, the "Memorandum Parties").

WHEREAS, Earth Power Resources, Inc., a Delaware corporation, and the Dalo Trust, have entered into that certain unrecorded Royalty Agreement (the "Royalty Agreement"); and

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. That, as of the Effective Date, Earth Power as the "Lessee" under Leases listed in Exhibit A and other leases acquired from private parties collectively known as the Crescent Valley Project, assigned a royalty to the Dalo Trust; ("the Dalo Royalty"). The Dalo Royalty is a royalty based upon the generation and sale of electricity (and the sale or use of steam and heat for secondary purposes) produced under the various leases comprising the Crescent Valley Project. The Crescent Valley Project covers that certain real property evidenced by Leases located in Eureka County, Nevada, as specifically described in Exhibit A hereto ; and
2. That, effective as of the Effective Date, the Dalo Trust was assigned a royalty from or in connection to the Leases (See Exhibit "A" hereto); and
3. That (a) the Royalty Agreement and this Memorandum will inure to the benefit of and be binding upon any and all successors and assigns of the Memorandum Parties; provided, however, that in the event of a sale, assignment, conveyance or other transfer to a third party of the Lease or the Subject Property or any part thereof, the applicable obligations and liability of Earth Power under the Royalty Agreement will remain solely with the Lease and the Subject Property. The successor lessee

to the Leases will thereafter perform the obligations under the Dalo Royalty;
and

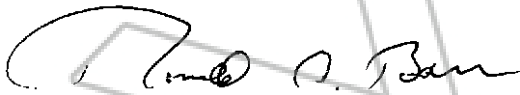
4. That if Earth Power assigns the Leases, then (a) Earth Power will give written notice of such transaction to the Dalo Trust, and (b) Earth Power will cause the buyer or assignee (as applicable) to assume the obligation of Earth Power or assignor, to pay the Dalo Royalty; and
5. That the Royalty Agreement and the Dalo Royalty will apply to all extensions, modifications and renewals of the Leases; provided, however, that the Royalty Agreement and the Dalo Royalty will terminate and cease to exist at such time as the Leases (as so extended, modified and renewed) have expired and/or been terminated or surrendered; and
6. That (a) the Parties have executed and acknowledged this Memorandum for recordation only and are recording the same for the purpose of providing constructive notice of the Dalo Royalty and the respective rights and obligations of the Memorandum Parties thereunder, (b) the terms, covenants and other provisions of the Royalty Agreement are incorporated herein by reference as though fully set forth herein, (c) this Memorandum does not supersede, modify, amend or otherwise change the terms, covenants and other provisions of the Royalty Agreement, and this Memorandum shall not be used to interpret such terms, covenants or other provisions and (d) in the event of any conflict between this Memorandum and the Royalty Agreement, the Royalty Agreement shall control; and
7. This Memorandum may be executed in any number of counterparts, and all of those counterparts taken together shall constitute one and the same instrument.

[REST OF PAGE LEFT BLANK; SIGNATURES ON NEXT PAGE]

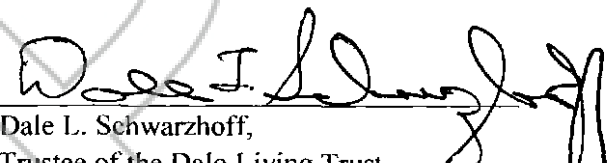


IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the Effective Date.

EARTH POWER RESOURCES, INC. a
Delaware Corporation

By: 
Ronald C. Barr,
President for Earth Power
Resources, Inc.

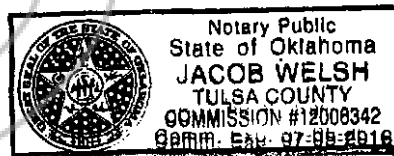
DALO LIVING TRUST

By: 
Dale L. Schwarzhoff,
Trustee of the Dalo Living Trust

STATE OF Oklahoma
) ss.
COUNTY OF Tulsa

This instrument was acknowledged before me on June 6, 2014, by
Ronald C. Barr, as President of Earth Power Resources, Inc.


NOTARY PUBLIC



STATE OF CALIFORNIA)
) ss.
COUNTY OF San Francisco

This instrument was acknowledged before me on June 4, 2014, by Dale
L. Schwarzhoff, as the Trustee of the Dalo Living Trust.


NOTARY PUBLIC

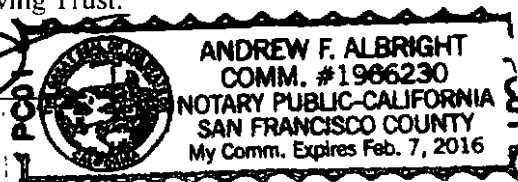


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New Nevada Resources, LLC
Nevada Lease #189112 dated May 1, 2006.
Memorandum of Agreement recorded in the
Office of the Eureka County Recorder on
July 24, 2006 Doc#205508 Book 439
Page 301 & 302 amended to cover 3,769.75
acres as of October 1, 2009 and subsequently
amended August 1, 2013 reducing
the acreage by 1208.35 acres to 2561.40
acres as follows;

T. 28 N., R. 49 E. MDM
Section 5 All; Section 17 All.
T. 29 N. R 49 E. MDM
Section 17 All; Section 29 All.
Eureka County
2561.40 Acres.

Bureau of Land Management
NVN 074266
T. 28 N., R. 49 E. MDM
Section 10, All
Eureka County
640.00 acres

Bureau of Land Management
NVN 076421
T. 29 N., R. 48 E. MDM
Section 2, Lots 5-20
Section 12 Lots 1-16
Eureka County
1189.01 acres

Bureau of Land Management
NVN 078364
T. 29 N., R. 48 E. MDM
Section 24, Lots 1-16; Section 36, Lots 1-12, SW
T. 29 N., R. 49 E. MDM
Section 30, Lots 1-4, E2, E2W2;
Section 32, All.
Eureka County
2392.44 acres



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Bureau of Land Management

NVN 079077

T. 28 N., R. 49 E. MDM

Section 2, Lots 1-4, S2NW, S2;

Section 6, Lots 1-7, S2NE, SENW, E2SW, SE;

Section 8, All; Section 16, All.

Eureka County

2454.34

Bureau of Land Management

NVN 089611

T. 28 N., R. 48 E. MDM

Section 2: Lots 3-8, S2NW, S2;

Section 12: N2, N2S2, SESE;

T. 29 N., R. 49 E. MDM

Section 28: All.

Eureka County

1,804.02 acres

Bureau of Land Management

NVN 089612

T. 29 N., R. 48 E. MDM

Section 14: Lots 1-16; Section 22: All; Section 26: All;

T. 29 N., R. 49 E. MDM

Section 18: Lots 1-4, E2, E2W2; Section 20: All.

Eureka County

3,211.84 acres

Bureau of Land Management

NVN 089613

T. 30 N., R. 48 E. MDM

Section 36: Lots 1-4, N2, N2S2;

T. 29 N., R. 49 E. MDM

Section 6: Lots 1-14, E2SW, SE; Section 8: All;

T. 30 N., R. 49 E. MDM

Section 28: All; Section 30: Lots 1-4;

Section 32: All; Section 34: All;

Eureka County

4196.04 acres

rcb



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APN	Name	Section	Acres
<u>005-480-18</u>	MOHLER, JOHNNY M.	29-49-07	40.00
<u>005-480-32</u>	MOHLER, JOHNNY M.	29-49-07	20.00
<u>005-480-33</u>	MOHLER, JOHNNY M.	29-49-07	20.00
<u>005-520-12</u>	TEEL, DONALD R. & MARLENE	29-49-19	40.00
<u>005-700-09</u>	NORIEGA, AUDREY & EULALIO G., JR	29-49-31	40.00
<u>005-400-24</u>	GARRETT, S.A. & MILLER, S.A.	29-48-13	80.00
<u>005-450-03</u>	GARRETT, S.A. & MILLER, S.A.	29-48-13	20.00
<u>005-410-12</u>	ECKHARDT, CURTISS L. & MARILYNN	29-48-23	40.00
<u>005-460-06</u>	SIMONS, CHARLES	29-48-25	34.00
<u>005-460-14</u>	LEUCHS, RUDOLPH L.	29-48-25	25.30
<u>005-460-33</u>	KELLY, HEATHER L.	29-48-25	17.52
<u>005-410-28</u>	SCOTT, L. B., JR. & NORMA	29-48-35	160.00
<u>005-410-34</u>	WASHINGTON, DAVID NICK	29-48-35	40.00
<u>005-410-15</u>	KARTIALA FAMILY TRUST	29-48-23	40.00
<u>005-520-15</u>	OWEN, FRANK	29-49-19	20.00
<u>005-700-18</u>	KEARNEY, EDWARD P. & MARY LOU	29-49-31	10.00
<u>005-400-21</u>	MCGRATH, MICHAEL	29-48-13	40.00
<u>005-400-23</u>	WALKER FAMILY TRUST U/A/D	29-48-13	40.00
<u>005-480-16</u>	ECKERT FAMILY LIVING TRUST	29-49-07	40.00
<u>005-460-21</u>	HARRISON, DEREK & DEBORAH	29-48-25	8.50
<u>005-460-22</u>	MARTINEZ, RICHARD & GENEVIEVE	29-48-25	8.50
<u>005-460-25</u>	TAYLOR, WILLIAM E.	29-48-25	8.60
<u>005-410-21</u>	OSTOJA, PAUL	29-48-27	640.00
<u>005-420-52</u>	DOPP, JAMES W. JR. & VIRGINIA C	29-48-01	8.92
<u>005-420-56</u>	STOUT, RICKEY P.	29-48-01	5.88
<u>005-500-15</u>	JONES, RON	29-49-07	10.00
<u>005-500-16</u>	JONES, RON	29-49-07	10.00
<u>005-420-43</u>	JONES, RON	29-48-01	16.64
<u>005-420-50</u>	BARAJAS, RAFAEL	29-48-01	8.44
<u>003-193-02</u>	Jones, Ron	29-48-15	11.30



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003-193-03	Jones, Ron	29-48-15	10.94
003-195-02	Jones, Ron	29-48-15	10.55
003-185-04	Jones, Ron	29-48-15	8.69
003-192-01	Jones, Ron	29-48-15	18.65
003-191-02	Jones, Ron	29-48-15	9.11
005-700-02	FOJT, MIROSLAV	29-49-31	10.00
005-500-14	JONES, RON	29-49-07	40.00
005-420-22	NEWELL, KENTON & DIANA	29-48-01	140.27
005-400-18	NEWELL, KENTON & DIANA	29-48-13	80.00
005-500-06	STURM, BOBBIE	29-49-07	80.00
005-460-01	HANSON, BONNIE B.	29-48-25	34.80
005-460-32	ROUTH, LAVERNE L.	29-48-25	8.70
005-460-34	CUDDY, JOHN F.	29-48-25	17.40
005-700-11	BERLIN, GREG	29-49-31	40.00
005-480-35	KAMINSKY, NORMAN M.	29-49-07	32.16
005-410-32	DAVENPORT, CAROL G.	29-48-35	40.00
005-520-04	JACOR INVESTMENTS LLC	29-49-19	8.08
005-700-22	WALKER, LISA & DONOVAN	29-49-31	40.00
005-520-25	HANSEN, PATRICIA	29-49-19	20.00
005-700-21	PEARSON, BRYAN	29-49-31	40.00

2192.95

005-420-27	Earth Power Resources, Inc. fee (from Freerking)	29-48-1	11.34
005-520-21	Earth Power Resources, Inc. fee (from OK Corral)	29-49-19	20.00

2224.29

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LEASE AMENDMENT #189112

LEASE AMENDMENT ("Agreement") made as of October 1, 2009 between NEVADA LAND AND RESOURCE COMPANY, LLC, a Nevada Limited Liability Company (hereinafter "NLRC"), and EARTH POWER RESOURCES, INC., a Delaware Corporation (hereinafter Lessee").

RECITALS:

NLRC is the Lessor and EARTH POWER RESOURCES, INC. is the Lessee under that certain Geothermal Lease, dated May 1, 2006 and designated in the files of NLRC as Contract No. 189112, relating to use of Premises situate in the County of Eureka, State of Nevada, (the "Premises"). Said contract, together with any and all modifications, supplements and amendments thereto, whether or not referred to above being hereinafter called the "Lease".

Lessor and Lessee desire to amend the aforementioned Lease, effective October 1, 2009, upon the terms and conditions hereinafter set forth.

AGREEMENT

1. The description of the Leased Premises is amended to include the following leased acreage, more particularly described as that property situate in Eureka County:

Township 29 North, Range 49 East, M.D.B. & M.

Section 05	Lots 1, 2, 7-10 inclusive, S/2	568.35 acres
Section 17	All	640.00 acres
Section 29	All (MINERAL RIGHTS ONLY)	640.00 acres

Township 30 North, Range 49 East, M.D.B. & M.

Section 33	All	640.00 acres
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The Leased property is more particularly described in Revised Exhibit "A", attached hereto and made a part hereof, which shall replace any and all previous legal descriptions or Exhibits of said Lease.

The above increase changes the current Leased acreage from 1,281.40 to 3,769.75 acres, a total increase of 2,488.35 acres.

2. It is mutually understood and agreed that the Lease fee shall be increased to \$18,848.75 payable annually in advance, and continuing each subsequent year, during the term of the Agreement, with an annual increase per the terms of the Lease Agreement.

3. Section 1.12 is amended to read as follows:



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1.12 "Surface of the Property" or "Surface" for property described in Exhibit A1 means the title conveyed to Carl F. Slagowski and Sharon A. Slagowski as Trustees of the Carl F. and Sharon A. Slagowski Family Trust, pursuant to that certain Grant, Bargain and Sale Deed dated April 2, 2004 and recorded as document 186729, at Book 379, page 24-26, Official Records of the County Recorder, Eureka County, Nevada and the title conveyed to Slagowski Ranches, Inc., pursuant to that certain Grant, Bargain and Sale Deed dated May 27, 2003, and recorded as document 181964, at Book 362, page 162, Official Records of the County Recorder, Eureka County, Nevada ("Deeds"), and excludes Geothermal Resources and so much of the surface as is necessary to support the operation and maintenance of Geothermal Resources and exploration for, development and operation of the mineral estate.

AND

"Surface of the Property" or "Surface" for Property described in Exhibit A2 means the title to the surface and surface estate of the Property, excluding the Geothermal Resources, mineral estate and all minerals.

4. Section 2.6 is amended to read as follows:

2.6 Ownership of the Surface. Lessee acknowledges that NLRC has fully disclosed to Lessee complete and accurate chain of title concerning the Exhibit A1 Property and that NLRC does not own and does not hereby convey any rights to the Surface.

5. Section 4.2.4 is deleted in its entirety.


Except as herein amended and supplemented, the Lease shall remain unchanged and continue in full force and effect as written.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, in duplicate, as of the day and year first written above.

NEVADA LAND AND RESOURCE
COMPANY, LLC

By: 
Dorothy A. Timian-Palmer, President

EARTH POWER RESOURCES, INC.

By: 
Ronald C. Barr, President



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EXHIBIT A-1

All that property situated in Eureka County, NV, more particularly described as:

Township 28 North, Range 49 East, M.D.M.

		<u>Acres</u>
Section 05	All (Mineral Rights Only)	641.40
Section 17	All (Mineral Rights Only)	640.00

Township 29 North, Range 49 East, M.D.M.

Section 29	All (Mineral Rights Only)	<u>640.00</u>
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<i>Total Acres in Exhibit A-1</i>	<i>1,921.40</i>
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EXHIBIT A-2

All that property situated in Eureka County, NV, more particularly described as:

Township 29 North, Range 49 East, M.D.M.

		<u>Acres</u>
Section 05	Lots 1,2,7,-10 inclusive, S/2	568.35
Section 17	All	640.00

Township 30 North, Range 49 East, M.D.M.

Section 33	All	<u>640.00</u>
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<i>Total Acres in Exhibit A-2</i>	<i>1,848.35</i>
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<i>Total Acres in Geothermal Lease #189112</i>	<i>3,769.75</i>
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Recorded at the request of
and when recorded return to:
New Nevada Lands, LLC
New Nevada Resources, LLC
9550 Prototype Court, Suite 103
Reno, Nevada 89521

Copy to:
Earth Power Resources, Inc.
2407 S. Troost Avenue
Tulsa, Oklahoma 74114

APN: 05-270-16, 05-480-05

Notice of Partial Termination of Lease #189112 and Release

This Notice of Partial Termination of Lease #189112 and Release is made by Earth Power Resources, Inc. a Delaware Corporation ("Releasing Party") and New Nevada Lands, LLC, a Mississippi limited liability company ("NNL") and New Nevada Resources, LLC, a Florida limited liability company ("NNR"), and Releasing Party entered the Lease dated effective May 1, 2006 (the "Agreement"). The Memorandum of the Agreement was recorded in the Office of the Eureka County Recorder on July 24, 2006 Doc #205508.

Notice is given that the Agreement has been partially terminated with reference to the parcels listed herein as attached Exhibit "A" by the parties effective on August __, 2013. Releasing Party discharges and releases to "NNL" and "NNR" all of Releasing Party's right, title and interest in and to the Agreement as described herein.

Executed on August __, 2013

By: 

Earth Power Resources, Inc

Pres. Barr



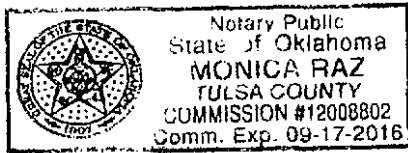
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State of Oklahoma)
)ss.
County of Tulsa)

This Notice of Partial Termination of **Lease #189112** and Release was acknowledged before me on 7-31, 2013 by Ronald Burr as President of Earth Power Resources, Inc.



Monica R
Notary Public
My commission expires: 9-17-16

EXHIBIT "A"
Earth Power Resources, Inc.
Removed Acreage
Geothermal Lease #189112

All that property situated in Eureka County, NV, more particularly described as:

Township 29 North, Range 49 East, M.D.M.

Section 05 Lots 1, 2, 7-10 inclusive, S/2

Township 30 North, Range 49 East, M.D.M.

Section 33 All

Total Acres removed from Geothermal Lease #189112

Acres

568.35

640.00

1208.35



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