

APN: n/a Water Rights Only

WHEN RECORDED RETURN TO:

Tony Wong  
General Counsel and Corporate Secretary  
Prophecy Development Corp.  
Suite 1610 – 409 Granville Street  
Vancouver, BC V6C 1T2 Canada



LISA HOEHNE, CLERK RECORDER

PURSUANT TO NRS 239B.030, THE UNDERSIGNED HEREBY AFFIRMS THAT THIS DOCUMENT DOES NOT CONTAIN THE PERSONAL INFORMATION, AS DEFINED BY NRS 603A.040, OF ANY PERSON.

**Memorandum of Water Rights Lease Agreement**

This Memorandum of Mining Lease Agreement (“Memorandum”) is made as of MARCH 13, 2019, 2018, by and between JOHN C. GRETLEIN, an individual (the “Owner”) and VANADIUM GIBELLINI COMPANY LLC., a Nevada corporation, (the “Lessee”) with reference to the following:

1. Owner and Lessee have entered into that certain Water Rights Lease Agreement dated August 19<sup>th</sup>, 2018 (“Lease”), wherein Owner has leased to Lessee a portion of the Water Rights described in Exhibit A hereto (“Water Rights”) for use in Lessee’s development and operation of the Gibellini Mine project. The Owner’s property, to which the Water Rights are appurtenant, is situated in Eureka County, Nevada.

2. This Memorandum is prepared for the purpose of providing notice as to the existence of the Lease, but in no way modifies the express and particular provisions of the Lease. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall control.

3. Additional information regarding the Lease may be obtained by contacting Lessee at the address listed below.

....

....

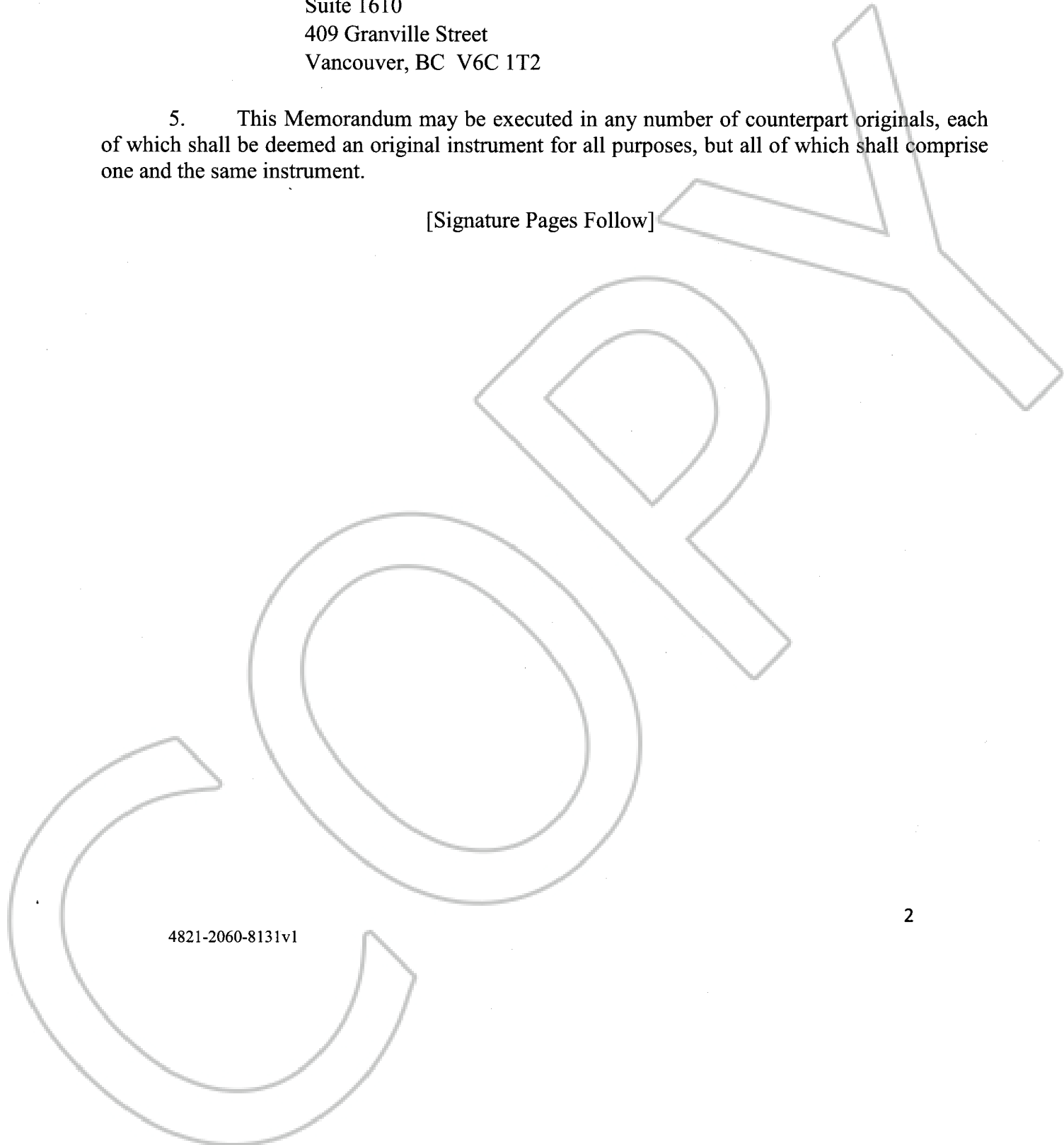
4. For purpose of the Lease and this Memorandum the addresses of the parties are:

John C. Gretlein  
2319 Caserta Court  
Henderson, NV 89074

Prophecy Development Corp.  
Suite 1610  
409 Granville Street  
Vancouver, BC V6C 1T2

5. This Memorandum may be executed in any number of counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument.

[Signature Pages Follow]



Executed by Lessor and Lessee as of the date first written above.

**Lessor:**

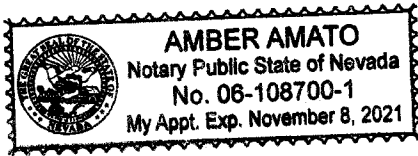
By John C. Gretlein  
John C. Gretlein

**Lessee:**

By \_\_\_\_\_  
John Lee, Chairman

State of Nevada )  
County Clark ) ss.

This instrument was acknowledged before me on the 29<sup>th</sup> day of January, 2018, by John C. Gretlein, Owner.



Amber Amato  
Notary Public  
Residing at: Clark County  
Commission Expires: 11/8/21

State of Iowa )  
County Story ) ss.

This instrument was acknowledged before me on the 21 day of February, 2019, by Gary A. Guy as Senior Vice President of ~~Lessor~~ Zions Bancorporation, N.A. dba Zions First National Bank, Attorney-in-Fact for U. S. Bank National Association, as Custodian/Trustee.




Pattilee R. Frei  
Notary Public  
Residing at: Boone, Iowa  
Commission Expires: June 15, 2019

**ACKNOWLEDGEMENT**

Executed by Lessor and Lessee as of the date first written above.

Lessee:

\_\_\_\_\_  
John Lee, Chairman

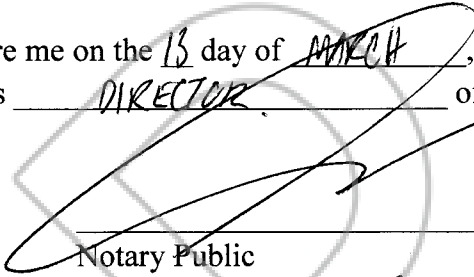
By   
Irina Plavutska, **\*\*Manager\*\*** In behalf of Vanadium Gibellini Company LLC

<sup>PROVINCE</sup>  
State of BRITISH COLUMBIA )

<sup>CITY</sup>  
City of VANCOUVER )

) ss.

This instrument was acknowledged before me on the 13 day of MARCH, 2019, by  
IRINA PLAVUTSKA as DIRECTOR of Lessee.

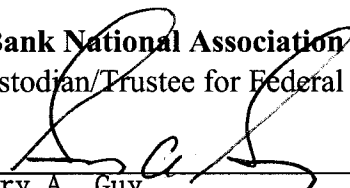
  
Notary Public  
Residing at: BRITISH COLUMBIA

Commission Expires: **My Commission does not expire.**  
**Clinton Wai Yin Lee, Notary Public**  
David Watts Notary Corporation  
#1412 - 675 W. Hastings Street  
Vancouver, BC V6B 1N2 Canada  
Tel: 604 685 7786 Fax: 604 685 7796

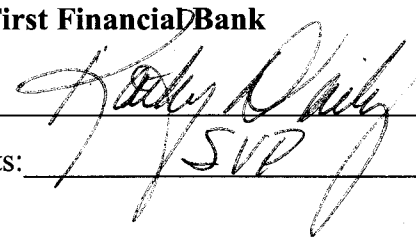
Acknowledged by the following owners and holders of Deeds of Trust securing the indebtedness of Owner, named as "Lender" in those Deeds of Trust, and each representing by its signature below, that it has notice of the Lease and does not object to the terms thereof.

**U.S. Bank National Association**

As Custodian/Trustee for Federal Agricultural Mortgage Corporation

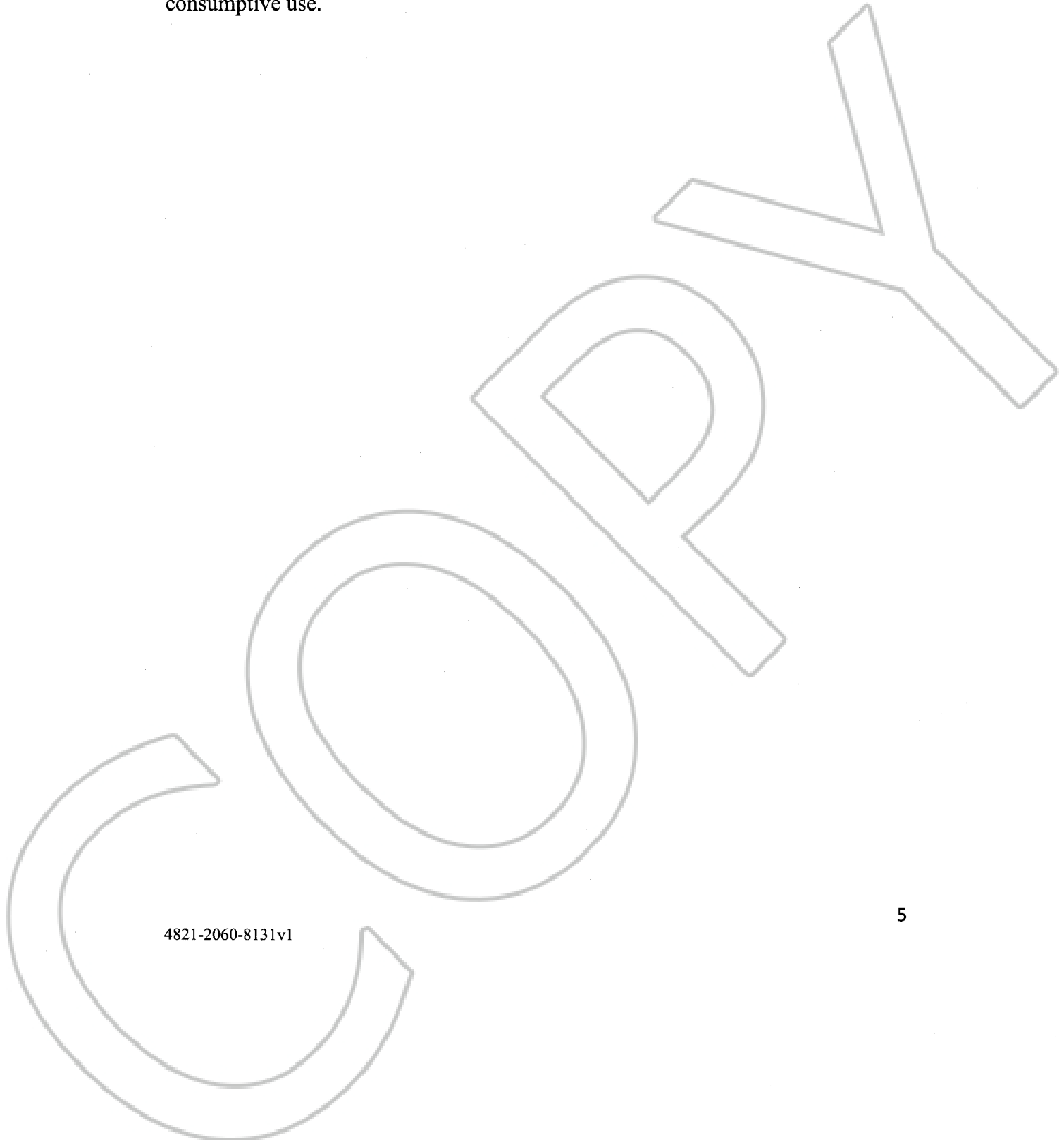
  
\_\_\_\_\_  
Its: Gary A. Guy Senior Vice President of Zions Bancorporation, N.A. dba Zions First National Bank, its Attorney-in-Fact Date February 21, 2019

**First Financial Bank**

  
\_\_\_\_\_  
Its: SVP Date 2/22/19

**EXHIBIT A**  
**WATER RIGHTS, EUREKA COUNTY, NEVADA**

**Permit No. 64648**, with a diversion rate of 5.2 c.f.s and a total duty of 1,472.73 acre-feet annually, not more than 1.060 acre-feet annually of which may be a consumptive use.



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