

And When Recorded, Mail to:
Josh D. Correlli
Silver State Property Holdings, LLC
50 West Liberty Street, #700
Reno, NV 89501

APN: 008-130-01

EUREKA COUNTY, NV **2020-242710**
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KAEMPFER CROWELL, LTD.
LISA HOEHNE, CLERK RECORDER

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Option Agreement

This Option Agreement (this "**Agreement**") is entered into by and between Silver State Property Holdings, LLC, a Nevada limited liability company, ("**Grantee**") and Kevin R. Borba and Susan A. Borba, ("**Owners**") (individually, a "**Party**" and collectively, the "**Parties**") this 28day of October, 2020 (the "**Effective Date**").

- A. Owners own certain portions of real property located in Eureka County, Nevada, further described with more particularity in Exhibit "A", attached hereto and made a part hereof including all improvements (the "**Property**").
- B. Grantee desires to obtain, and Owners desires to grant to Grantee, an option to purchase a fee simple interest in the Property.

In consideration of the premises and the mutual covenants and conditions set forth in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Grant of Option. In consideration of the Option Payment and for other good and valuable consideration, the receipt and sufficiency of which Owners acknowledges, Owners grant to Grantee or its designee, an option to purchase a fee simple interest in the Property upon the terms and conditions set forth in this Agreement (the "**Option**") exercisable by Grantee or its Affiliate at Grantee's sole discretion, in accordance with the terms of this Agreement.
2. Consideration. Within ten (10) business days from the Effective Date, Grantee shall deliver to Owners NINETY THOUSAND DOLLARS (\$90,000.00) ("**Option Payment**") and Ninety Thousand Dollars (\$90,000.00) upon the anniversary of the

Effective Date for a total of 2 payments in the amount of a total of One Hundred Eighty Thousand Dollars (\$180,000.00), as consideration for the Option.

3. Term. The term of the option shall begin on the Effective Date and terminate at 5:00 p.m., PST, two years after Effective Date ("**Option Term**"), as may be extended under Section 6. If Grantee does not exercise the Option within the Option Term, as extended, this Agreement and Option will expire.
4. Grantee Access Rights. After final acceptance of this binding Option Agreement and upon notification to the property Owners, Grantee is authorized to enter and conduct due diligence investigation of the Property. Such due diligence may include but is not limited to a) land surveys, b) geotechnical analysis, and c) a phase I and phase II environmental site analysis. Grantee shall perform all due diligence in a good and workmanlike manner so as to ensure protection of the environment and the health and safety of the public.
5. Grantee Access Obligations. Any and all access to the property by Grantee will minimize impact to the site and the Owners as much as reasonably practicable. Grantee will provide notification to the property Owners on the activities to be performed. The notification will identify dates of site activity, general description of activity and locations of where activities will be performed. The notification will include language to address specific measures that will be taken to minimize impacts to the site such as dust control measures and site cleanup. The purpose of the notifications above is to inform only and will not limit Grantee's right to perform due diligence.
6. Extension Option Term. Grantee may extend the Option Term for three one-year terms by making written notice of Grantee's intent to extend the Option Term to Owners no later than thirty (30) days prior to the expiration of the applicable Option Term. Grantee shall pay Owners the Option Payment of Ninety Thousand Dollars (\$90,000.00) on the anniversary date of the Effective Date for each of the extension periods exercised ("**Extension Option Term**").
7. Application of Option Consideration. If Grantee exercises the Option, all sums delivered to Owners under Section 2 and Section 6 will offset against the Purchase Price.
8. Exercise of Option. Grantee, or its designee, may exercise the Option at any time during the Option Term or any applicable Option Term Extension by giving written notice to Owners of Grantee's intention to purchase the Property ("**Notice of Exercise**").
9. Expiration. If Grantee does not exercise the Option before the Option Term or any Option Term Extension expires, this Agreement and Option will automatically expire. Upon expiration: (i) Owners are entitled to keep the sums delivered under Section 2

and Section 6; and (ii) neither Grantee nor Owners will have any further obligations to the other under this Agreement, except for those obligations that accrued before expiration.

10. Purchase Price.

- (A) Purchase Price. If Grantee exercised the Option, and subject to the execution of a Purchase Agreement, Grantee will pay Owners two million two hundred thousand two hundred eleven Dollars (\$2,200,211) (the “**Purchase Price**”) which shall be subject to a reduction based on the results of Grantee’s due diligence. The purchase price is based on a one thousand six hundred forty-two dollars and fifty cents (\$1,642.50) per acre (“**Price Per Acre**”) assuming the Property is 1,339.55 acres (“**Assumed Acreage**”). If after an ALTA survey is performed and the Property is more or less than the Assumed Acreage, the Purchase Price will be adjusted either upward or downward as applicable at the Price Per Acre. If the ALTA survey results in an acreage of greater than 1,500.00 acres, the Purchase Price will not be adjusted and the Parties will negotiate in good faith to determine a Purchase Price.
- (B) Payment of Purchase Price. If Grantee delivers to Owners’ a Notice of Exercise, Grantee shall pay the Purchase Price to Owners’ upon closing of the conveyance of the Property in a place and a manner determined in accordance with the Purchase Agreement (defined below).

11. Conveyance.

- (A) If Grantee delivers to Owners’ a Notice of Exercise, Owners’ and Grantee shall enter into a purchase and sale agreement in form and substance reasonably acceptable to the Parties for the conveyance of the Property to Grantee (the “**Purchase Agreement**”). The Purchase Agreement shall contain such terms as are customary and appropriate for a transaction for this type of Property.
- (B) At a minimum, Grantee’s obligation to purchase the Property will be subject to:
 - (i) the satisfactory completion of Grantee’s comprehensive due diligence investigation of the Property (including an ALTA survey); (ii) Grantee obtaining all necessary and requisite corporate and regulatory approvals; and (iii) obtaining of all necessary permits for the purchase, ownership and intended use of the Property.
- (C) The Property will be conveyed with all surface rights, all subsurface rights including but not limited to all mineral rights and water rights associated with the Property and all improvements required for extracting water including but not limited to wells, tanks and pumps.

(D) The Property will be conveyed free and clear of all liens, charges, encumbrances, leases and claims of any kind or nature.

12. Owners Cooperation. Owners' shall in good faith cooperate with Grantee in the carrying out of the purposes of this Agreement and if Grantee delivers a Notice of Exercise, Buyer shall cooperate in good faith for the negotiation, execution and delivery of the Purchase Agreement.

13. Representations and Warranties.

(A) Owners' Representations and Warranties. Owners' represents and warrants to Grantee, for the benefit and reliance of Grantee that the following representations and warranties are in all respects true, complete and correct as of the Effective Date and will be in all respects true, complete and correct at the time of the conveyance of the Property to Grantee:

- (1) Owners' has good and valid title to all of the Property free and clear of all liens, charges, encumbrances, leases and claims under bailment and storage agreements, equities, conditional sales contracts, security interests, restrictions and claims of others.
- (2) Owners' has full power and authority to execute and deliver this Agreement and to perform Owners' obligations under this Agreement.
- (3) Owners' execution and delivery of this Agreement does not, and the performance by Owners of its obligations under this Agreement will not:
 - (a) conflict with or result in a violation or breach of any contract, lease or license to which Owner is a party or by which Owners assets or properties are bound,
 - (b) constitute or result in (with or without notice or lapse of time or both) a default under any contract, lease or license to which Owner is a party or by which Owners assets or properties are bound, or
 - (c) require Owners to obtain any consent, approval or action of, make any filing with, or give any notice to, any person, party or entity as a result of, or under the terms of any contract, lease or license to which Owners are a party or by which Owners assets or properties are bound.

- (4) Owners' has not created or allowed any possessory or non-possessory right or interest in favor of any person or entity that is not of record as of the Effective Date, including but not limited to easements, codes, covenants and restrictions, and special/local improvement district assessments in the Easement Area.
- (B) Grantee's Representations and Warranties. Grantee represents and warrants to Owners, for the benefit and reliance of Owners, that the following representations and warranties are in all respects true, complete, and correct as of the Effective Date:
 - (1) Grantee has full power and authority to execute and deliver this Agreement, to perform Grantee's obligations under this Agreement.
 - (2) To the best of Grantee's knowledge, there are no actions, suits, claims, proceedings or investigations pending or, to the best of Grantee's knowledge, threatened against Grantee which may in any manner affect the validity or enforceability of the Agreement.
- (C) Survival of Representations. All representations and warranties of Grantee and Owners made in this Agreement will survive termination of this Agreement but will not survive expiration of the Agreement under Section 7.

14. Grantee's Remedies; Specific Performance.

- (A) Termination. Grantee shall have the right to terminate this Agreement:
 - (1) if Owner breaches a material term of this Option; or
 - (2) upon Owners' breach of any representation or warranty made in Section 12 or failure to fulfill its obligations under this Agreement.
- (B) Specific Performance. Grantee shall be entitled to seek and obtain a decree compelling specific performance or granting injunctive relief with respect to, and shall be entitled, to enjoin any actual or threatened breach of any material obligation of Owners under this Agreement. The Parties agree that specific performance (including temporary and preliminary relief) and injunctive relief are proper in the event of any actual or threatened breach of any material obligation of Owners hereunder. Grantee is entitled to seek and obtain specific performance of this Agreement, with a reduction in the Purchase Price for any damages caused by Owners' default. Grantee's right to specific performance is cumulative and in addition to, and not in lieu of, any other remedies available to Grantee at law, in equity, or otherwise.

15. Notices. Each notice, consent, request, or other communication required or permitted under the Agreement must be in writing, delivered personally or sent by certified mail (postage prepaid, return receipt requested), by facsimile (with electronic confirmation of receipt), or by a recognized international courier, and addressed to the Parties as follows:

Grantee:

Josh D. Correlli
Silver State Property Holdings, LLC
50 West Liberty Street
Reno, NV 89501

Owners:

Kevin R. Borba and Susan A. Borba
P.O Box 295
Eureka, NV 89316
Facsimile: N/A

Each notice, consent, request, or other communication is deemed to have been received by the Party to whom it was addressed (1) when delivered if delivered personally; (2) on the third business day after the date of mailing if mailed by certified mail; (3) on the first business day after the facsimile transmission if delivered by facsimile; or (4) on the date officially recorded as delivered according to the record of delivery if delivered by courier. Each Party may change its address for purposes of the Agreement by giving written notice to the other Party in the manner set forth above in this Section 14.

16. Assignment. Grantee may in its sole discretion assign its rights and obligations under this Agreement to a designee of its election and any Affiliate of Grantee. For purposes of this Section, Affiliate means (a) any natural person or legal entity that, directly or indirectly, owns fifty percent (50%) or more of either the capital or profits of Grantee, or (b) any natural person or legal entity fifty percent (50%) or more of whose capital stock are owned, either directly or indirectly by Grantee.
17. Binding Effect. This Agreement is binding upon and inures to the benefit of the Parties and their respective heirs, executors, administrators, representatives, successors and permitted assigns. Except as provided in the previous sentence, no party other than those specifically identified as Grantee and Owners are an intended beneficiary of this Agreement, and this Agreement cannot be enforced by any creditor of a Party.
18. Headings; Exhibits; Cross References. The headings and captions used in this Agreement are for convenience and ease of reference only and must not be used to

construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement are incorporated by reference.

19. Severability. If any portion or provision of the Agreement is invalid, illegal, or unenforceable, or any event occurs that renders any portion or provision of the Agreement void, the other portions or provisions of the Agreement will remain valid and enforceable. Any void portion or provision will be deemed severed from the Agreement, and the balance of the Agreement will be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The Parties further agree to amend the Agreement to replace any stricken portion or provision with a valid provision that comes as close as possible to the intent of the stricken portion or provision.
20. Negotiation of Agreement. The provisions of this Agreement have been negotiated by the Parties and therefore shall not be interpreted or construed in favor of, or with prejudice against, any Party.
21. Integration. The Agreement represents the entire and integrated Agreement between Grantee and Owners. It supersedes all prior and contemporaneous communications, representations, and agreements, whether oral or written, relating to the subject matter of this Agreement. Any additional or inconsistent terms and conditions set forth in any other document have no force and effect on the terms of the Agreement.
22. Counterparts. This Agreement may be executed in two or more counterparts. A set of counterparts containing the signatures of the Parties will have the same effect as a single Agreement containing the signatures of all Parties.
23. Amendment. No amendment change or modification of this Agreement is valid unless in writing and signed by both Parties with the same formality as this Agreement.
24. No Waiver. The failure or delay of either Party to enforce any of the provisions of the Agreement at any time, or to require performance by the other Party of any of the provisions of the Agreement at any time, or to complain of any act or omission on the part of another Party, no matter how long it may continue, is not (and must not be deemed) a waiver of any provisions or a Party's rights under this Agreement, unless otherwise expressly stated in a writing executed by the Party to be charged. Nor does a failure to enforce provisions, to require performance, or to complain of any act or omission in any way affect the validity of the Agreement or the right of any Party to enforce each and every provision.
25. No Third-Party Beneficiaries. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this Agreement any third-party beneficiary rights, interests, or remedies under

or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.

26. Governing Law and Jurisdiction. The Agreement shall be governed by and construed in accordance with the laws of the State of Nevada, without giving effect to its choice or conflicts of laws provisions. THE PARTIES EACH HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.
27. Offer/Withdrawal. When signed and delivered to Owners by Grantee, this Agreement constitutes an offer to the Owners that can be accepted only by the Owners signing and delivering to Grantee at Grantee's offices an executed original of this Agreement within ten (10) business days following the date Grantee signs the Agreement. Grantee may withdraw the offer in writing at any time before its acceptance by Owners.
28. Performance of Acts on Business Days. Any reference in this Agreement to time of day refers to local time in Las Vegas, Nevada. Unless specifically stated to the contrary, all references to days in this Agreement refer to calendar days. Any reference in this Agreement to a "business day" refers to a day that is not a Saturday, Sunday or legal holiday (or observed as a legal holiday) for Nevada state governmental offices under the Nevada Revised Statutes. If the final date for payment of any amount or performance of any act required by this Agreement falls on a Saturday, Sunday or legal holiday, that payment is required to be made or act is required to be performed on the next business day.
29. Time is of the Essence. Time is of the essence for this Agreement. All Parties must perform their obligations under this Agreement strictly within the required time frames
30. Further Assurances. The Parties agree to execute and deliver promptly, at the expense of the Party requesting such action, any and all other and further instruments, documents and information which a Party may request and which are reasonably necessary or appropriate to give full force and effect to the terms and intent of this Agreement. Without limiting the foregoing, whenever revised or updated exhibits are delivered or generated hereunder for attachment to this Agreement, the Parties will memorialize the same in a reasonable written instrument, to be executed and delivered by both Parties.
31. Dispute Resolution. ANY CAUSE OF ACTION OR CLAIM ARISING UNDER OR RELATING TO THIS AGREEMENT WILL BE SETTLED BY FINAL AND BINDING ARBITRATION. ANY AWARD OR DETERMINATION RENDERED

BY THE ARBITRATOR MAY BE ENTERED AS A JUDGMENT IN ANY COURT HAVING JURISDICTION THEREOF. THE ARBITRATION WILL BE ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH ITS COMMERCIAL ARBITRATION RULES IN EFFECT AT THE TIME OF THE ARBITRATION

32. Confidentiality. Neither Party shall disclose the existence or contents of this agreement or disclose any information exchanged between the Parties related to this Agreement without the prior written consent of the other, except as required by applicable law, by any court or other governmental authority, but only to the extent, that, based upon reasonable advice of counsel, a party is required to do so and prior to making such disclosure, the party shall, to the extent legally permitted, provide the other party with prompt notice of such disclosure. Notwithstanding the above, Buyer shall have the right to disclose this Agreement to the Public Utilities Commission and its staff so long as it seeks confidential treatment of the Agreement.
33. Recording. The Agreement will be recorded in the real property records of Eureka County, Nevada.

In witness whereof, the Parties have caused this Agreement to be executed by their duly authorized representatives.

[Signatures on the following page]

OWNERS:

Kevin R. Borba and Susan A Borba

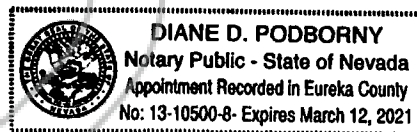
Kevin Borba
SIGNATURE

By: Kevin R. Borba

**STATE OF NEVADA)
COUNTY OF EUREKA)**

This instrument was acknowledged before me on Nov 23, 2020 by Kevin R. Borba as Owner.

Diane D. Podborny
Signature of Notarial Officer



Notary Seal Area →

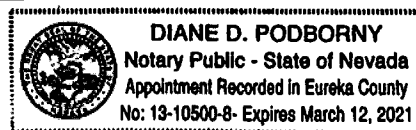
Susan Borba
SIGNATURE

By: Susan A. Borba

**STATE OF NEVADA)
COUNTY OF EUREKA)**

This instrument was acknowledged before me on Nov 23, 2020 by Susan A. Borba as Owner.

Diane D. Podborny
Signature of Notarial Officer



Notary Seal Area

DRAFT

GRANTEE:

Silver State Property Holdings, LLC



SIGNATURE

By: Josh D. Correlli

Manager

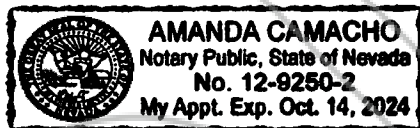
**STATE OF NEVADA)
COUNTY OF WASHOE)**

This instrument was acknowledged before me on December 1, 2020 by Josh D. Correlli as
Manager of Silver State Property Holdings, LLC.



Signature of Notarial Officer

Notary Seal Area →




(Silver State Property Holdings, LLC)

(Owners)

DRAFT

Exhibit "A"

Legal Description and Depiction of the Property

The property consists of approximately one thousand three hundred and twenty (1,320) acres, comprised of those parcels described below.

Township 18 North, Range 51 East, M.D.B & M.

Section 18:

The West Half (W1/2) of the Northeast Quarter (NE1/4); the East Half (E1/2) of the Northwest Quarter (NW1/4); the West Half (W1/2) of the Southeast Quarter (SE1/4); and the Southwest Quarter (SW1/4).

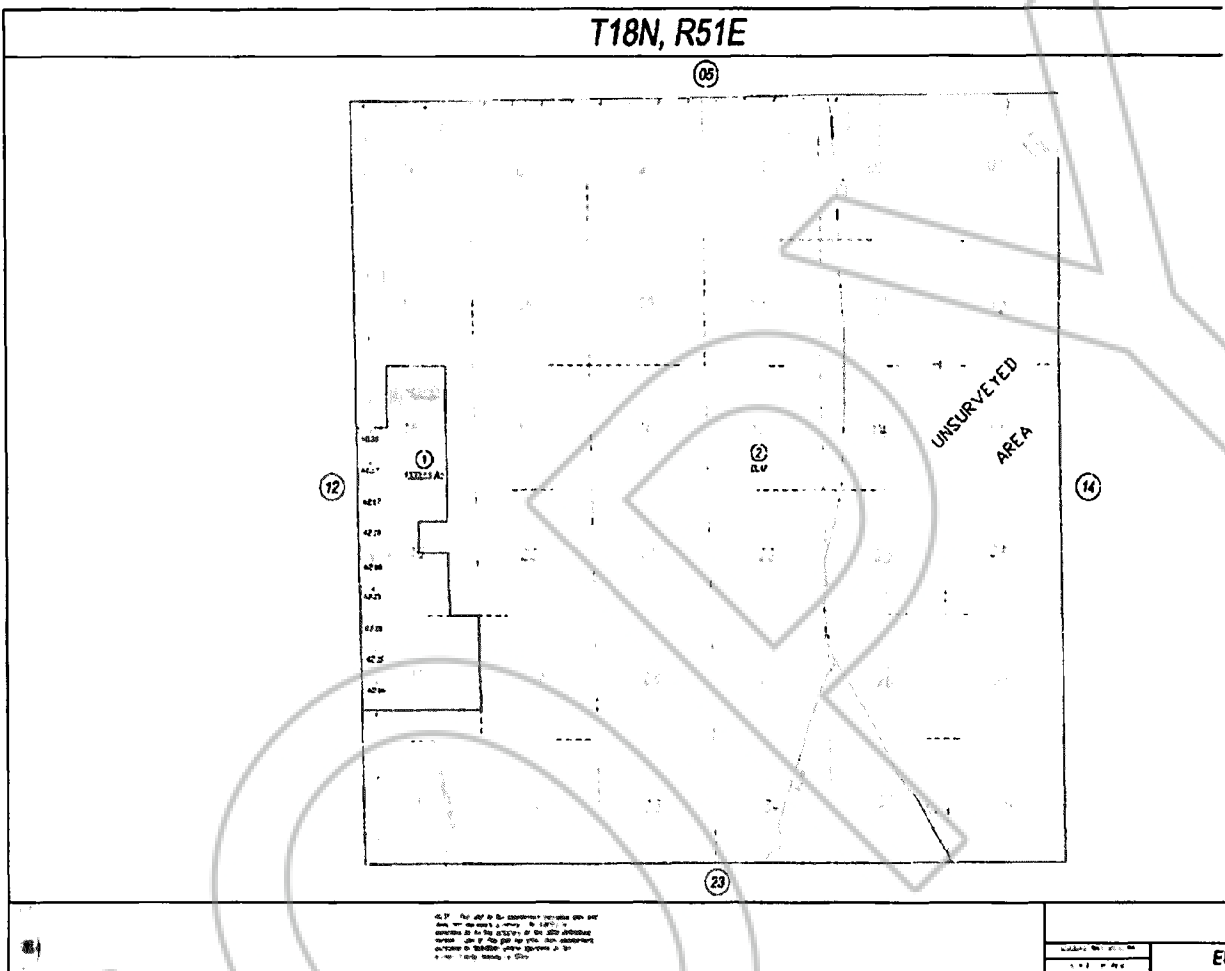
Section 19:

The Northwest Quarter (NW1/4) of the Northeast Quarter (NE1/4); the West Half (W1/2); and the West Half (W1/2) of the Southeast Quarter (SE1/4).

Section 30:

The North Half (N1/2) and the North Half (N1/2) of the South Half (S1/2).

DRAFT



JS
(Silver State Property Holdings, LLC)

(Owners)