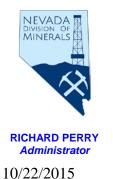


STATE OF NEVADA COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS

400 W. King Street, Suite 106 Carson City, Nevada 89703 (775) 684-7040 • Fax (775) 684-7052 http://minerals.nv.gov/

Las Vegas Office: 2030 E. Flamingo Rd. #220, Las Vegas, NV 89119 Phone: (702) 486-4343; Fax: (702) 486-4345



BOND POOL REGS IN A NUTSHELL FOR NOTICE LEVEL BONDS

- The State Bond Pool is an accepted form of bonding for operations carried out under BLM notices.
- The Bond Pool does not establish the amount of the bond. The BLM does that.
- For all notice level bonds, the deposit is 100 percent of the bond amount.
- The annual premium is 3 percent of the bond amount, pro-rated so the anniversary is either June 30 or December 31.
- Premiums are payable in advance.
- Rates are subject to change through regulatory amendment by the CMR.
- Penalties apply for failure to pay premiums timely.
- Interest earned remains in Pool's account.
- Deposit is returned upon release of bond. Premiums are not returned.
- All participants are required to sign an indemnity agreement supplied by the Division.

If you have any questions regarding the Bond Pool, please contact:

Mike Visher Nevada Division of Minerals 400 W. King Street, Ste 106 Carson City, NV 89703 (775) 684-7044 or fax (775) 684-7052 e-mail: mvisher@minerals.nv.gov