Permit No. 77322T

TEMPORARY

THE STATE OF NEVADA

PERMIT TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:	**VON LOYD AND MARIAN SORENSEN KENNETH AND LORNA JONES**
Source:	**DOLLY VARDEN SPRING**
Basin:	**ANTELOPE VALLEY (WHITE PINE & ELKO) NORTHERN PART**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**January 1st to December 31st**
Priority Date:	**06/29/1981**

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This temporary permit to change the place and manner of use of a portion of the waters of the Dolly Varden Spring as heretofore granted under Permit 43986, Certificate 11314, is issued subject to the terms and conditions imposed in said Permit 43986, Certificate 11314, and with the understanding that no other rights on the source will be affected by the change proposed herein. A measuring device must be installed and measurements of water use kept

This temporary permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this temporary permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This temporary permit is issued pursuant to the provisions of NRS 533.345 Section 2 and will expire 1 year after the approval of the permit at which time all rights herein granted shall revert to the right being changed by this temporary permit.

This temporary permit is issued for mineral exploration drilling program and related uses.

The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 0.003 cubic feet per second or 2.21 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**N/A**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**N/A**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 24th day of **October**, A.D. **2008**

for R. Hull P.E

State Engineer

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TEMPORARY Application No. 77322 T

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office AUG 1 9 2008

Returned to applicant for correction _____

Corrected application filed _____ Map filed NOV 0 3 1981 under 4 3 9 8 6

The applicant Von Loyd and Marian Sorensen; Kenneth and Lorna Jones

HC 60 Box 490 (Street Address or P.O. Box) of ~~Wells~~ Ruby Valley (City or Town)

Nevada (State) 89833 (Zip Code), hereby make(s) application for permission to change the

REL per phone call from Peter Olander

☐ Point of diversion ☒ Place of use ☒ Manner of use ☒ of a portion

of water heretofore appropriated under (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

Permit Number 43986; Certificate Number 11314

1. The source of water is Dolly Varden Spring (Name of stream, lake, underground, spring or other sources.)
2. The amount of water to be changed 0.02 c.f.s.; 2.21 acre-feet annually (Second feet, acre-feet. One second foot equals 448.83 gallons per minute.)
3. The water to be used for Mining (Mineral Exploration) (Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use.)
4. The water heretofore used for Stockwater and Domestic (If for stock, state number and kind of animals.)
5. The water is to be diverted at the following point (Describe as being within a 40-acre subdivision of public survey and by course and distance to a found section corner. If on unsurveyed land, it should be stated.)

   ~~From a developed spring and holding pond equipped with a gate valve, thence water is conveyed via a 25' pipeline to a stockwater trough where the water will be pumped into the water truck.~~

   REL

   SE¼ NW¼ Section 9, T28N, R67E, MDB+M, or at a point from which the W¼ corner of said Section 9 bears S. 73°18'W a distance of 1,447.0 feet.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)

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7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)
T29N, R65E, M.D.B.&M. - NE1/4SE1/4 Sec 9; NE1/4SE1/4 Sec 16; SE1/4NE1/4 Sec 17; NE1/4NW1/4 Sec 21; NW1/4NW1/4 Sec 23.

T29N, R67E, M.D.B.&M. - E1/2NE1/4 Sec 20; W1/2SW1/4 Sec 21; NW1/4NW1/4 Sec 28; SW1/4 SE1/4 ~~SW1/4SW1/4~~ Sec 28; NE1/4NE1/4 Sec 29; NE1/4NW1/4 Sec 33; SW1/4NW1/4 Sec 33.
See attached maps.

REL per phone call

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)
SE 1/4 NW 1/4 of Section 9, T28N R67E, M.D.B. & M.

9. Proposed use will be from January 1 (Month and Day) to December 31 (Month and Day) of each year.

10. Existing use permitted from January 1 (Month and Day) to December 31 (Month and Day) of each year.

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.)(State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)
Water diverted from developed spring and holding pond, thence via 25' pipe to stockwater trough.

12. Estimated cost of works Completed

13. Estimated time required to construct works Completed
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use N/A Temporary

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary). The proposed use should be temporary in nature, or the requested change should be the result of an unforeseen occurrence: (Failure to provide a detailed description may cause a delay in processing.)
Water for 16 hole mineral exploration drilling program for Au and Cu; will include drill hole abandonment and plugging per statute. Water will be pumped from stock tank/pond; not directly from spring. A 2000 gal water truck will pump up to four loads/day (8000 gpd) and access drill sites via BLM roads. Projected project life of up to 30 working days/month during Aug/Sept/Oct 2008. Water usage is calculated as 4 loads/day x 2000 gal/load = 8000 gpd x 30 days = 240,000 gal/mo x 3 months = 720,000 gal = 2.21 acre feet.

16. Miscellaneous remarks:
Electrum has an agreement with Appropriator (Sorensen; see attached document) for use of water. Appropriator stated there are no livestock near spring during time of initial use (Aug/Sept/Oct 2008).

775-848-2490
Phone No.

peter.olander@electrumltd.com
E-mail

By Peter R. Olander
Print or type name clearly

Signature, applicant or agent

Electrum USA Ltd
Company Name

200 S. Virginia St Suite 825
Street Address or P.O. Box

Reno, NV 89501
City, State, Zip Code

2008 AUG 19 AM 9: 3

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$100 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION