THE STATE OF NEVADA

PERMIT TO CHANGE THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of Permittee:	**ISABELLA PEARL, LLC**
Source:	**UNDERGROUND**
Basin:	**SODA SPRING VALLEY-EASTERN PART**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**JANUARY 1ST THROUGH DECEMBER 31ST**
Priority Date:	**12/18/2009**

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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 permit to change the point of diversion of the waters of an underground source as heretofore granted under Permit 79094 is issued subject to the terms and conditions imposed in said Permit 79094 and with the understanding that no other rights on the source will be affected by the change proposed herein. This permit will expire on **June 15, 2020** and all rights herein will revert back to the source. This well shall be equipped with a two (2) inch opening for measuring depth to water and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

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

The total combined duty of water under Permits 79095, 79096 and 82498 having the same place of use, shall not exceed 3.0 cubic feet per second and 484 acre-feet annually.

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

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

(Continued on Page 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 1.0 cubic feet per second or 484.0 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**May 29 2015**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**May 29 2016**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 29th day of **May, 2013**

P.E.

State Engineer

Application No. 82498

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 JAN 30 2013

Returned to applicant for correction

Corrected application filed _____ Map filed JAN 04 2010 UNDER 79094

The applicant Isabella Pearl, LLC

2925 Avalon Place (Street Address or PO Box) of Houston (City or Town)

Texas 77019 (State and ZIP Code) hereby make(s) application for permission to change the

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

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

Permit 79094

1. The source of water is underground
   Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 1.0 cfs
   Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for mining, milling, & domestic
   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 MINING, MILLING, & 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.)
   NE1/4 NW1/4, Section 34, T.9N., R.34E., MDB&M, or at a point from which the SW corner of Section 34, T.9N., R.34E., MDB&M bears S.28°56' 49"W., a distance of 5,330.34 feet SAID 1/31/2013

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)
   SW1/4 SE1/4, Section 27, T.9N., R.34E., MDB&M, or at a point from which the SW corner of Section 34, T.9N., R.34E., MDB&M bears S.33°08'45"W., a distance of 6,726.64 feet 1/31/2013

12A-11

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

Section 34, T.9N., R.34E., MDB&M, and S1/2 of Section 27, T.9N., R.34E., MDB&M
SE¼

1/31/2013

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.)

Section 34, T.9N., R.34E., MDB&M, and S1/2 of Section 27, T.9N., R.34E., MDB&M
SE¼

1/31/2013

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.)

Construct well, then pipeline to mill operations

12. Estimated cost of works $250,000

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

14. Estimated time required to complete the application of water to beneficial use Three years

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

300 gpm of make-up water will be required for the heap leach process. It is anticipated that the annual requirement will be 300 gpm x 24 hours/day x 365 days/year = 2.628 mga

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2013 JAN 30 PM 1:03
STATE ENGINEERS OFFICE

16. Miscellaneous remarks:

Use supporting map filed under 79094

David Carlson
Type or print name clearly

David Carlson
Signature, applicant or agent

AquA Hydrogeologic Consulting
Company Name

P.O. Box 18793
Street Address or PO Box

Reno, Nevada 89511
City, State, ZIP Code

david@aquagroundwater.com
E-mail Address

(775) 250-9700
Phone No. Ext.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$200 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION