



MIAMI OPERATIONS

May 23, 2013

Blair Carson
Gold Reef Mining, LLC
8307 E State RT 69 Ste. 28051
Prescott Valley, AZ 86312

Dear Mr. Carson,
Freeport-McMoRan Miami Inc. (FMMI) has qualified acceptable smelter Flux material with silver and gold from the Gold Reef Mine (the "Product") profiled through Gold Reef Mining LLC, a facility located in Prescott Valley AZ, for shipment to FMMI's smelter located near Claypool, Arizona to process for smelter fluxing purposes and metal recovery. Acceptance of the Product shall be subject to the conditions set forth in this letter as well as in the attached Standard Terms and Conditions and Exhibits A and B.

Terms:

Amount: Initially 300 to 500 dry tons per month followed by a minimum monthly quantity of 1,000 dry tons but up to 3,000 dry tons per month, with monthly orders placed by FM Miami by the 15th of the month prior to delivery.

Delivery: F.O.B. Smelter. All shipments must be scheduled by appointment.

Payment:

FM Miami will deduct 0.02 troy ounce of gold per dry short ton and pay for 87.5% of the balance of the gold content at the London Final price for gold, as published in "Metals Week" averaged during the Quotational Period, less deductions and charges.

FM Miami will deduct 1.0 troy ounce of silver per dry short ton and pay for 90% of the balance of the silver content at the Handy & Harmon price for silver, as published in "Metals Week" averaged during the Quotational Period, less deductions and charges.

Initial payment shall be made by the 15th day of the month following receipt of the first month's delivery at an estimated 50% of the total due, with the balance due shall be made by the 15th day of the month following the quotational period.

Quotational Period: First month following the month of delivery of Product.

Processing:

Silica average should be a minimum of 85%. If silica average is 80% or less, deliveries will be stopped until the problem is resolved. If silica average is 80.1% - 84.9% FM Miami will deduct a smelter processing charge for product delivered to FM Miami's smelter based on \$4.64 per dry short ton. In addition, FM Miami will make a monthly adjustment as follows

Refining:

Gold: \$7.50 per payable troy ounce of gold.
Silver: \$0.65 per payable troy ounce of silver.

Penalties:

Based on the combined content for all Product shipments received at FMMI's facility during the calendar month, as determined on a weighted basis from these shipments and from FMMI's monthly composite analysis for such shipment(s), FMMI will calculate and deduct a penalty for the actual amount, fractions prorata, per short dry ton (DT) or wet ton (WT) as follows:

Alumina, Al2O3 \$0.50/DT for each tenth of one percent (0.10%) greater than 3.0%
Moisture, H2O \$1.00/DT for each one percent (1.0%) greater than 10%

As long as the Product substantially conforms within the penalty limits and/or the Exhibit A, no additional fees will be charged. However, should parameters be regularly substantially exceeded, the Agreement may be amended to include penalties.

Sizing:

Material will be sized to 3/8" minus on-site at a rate of;
\$10 per ton for monthly shipments of 500 to 1,499 tons, and
\$8.80 per ton for monthly shipments of 1,500 tons or more.

Title:

Title to Conforming Product shall pass to FMMI upon FMMI's execution of the bill of lading. Producer hereby agrees to accept as final FMMI's analyses of Product, including, weights, assays and any determination that the Product is Non-conforming Product. If FMMI determines that any Product is Non-conforming Product and so notifies Producer that Product will not be accepted, Producer promptly shall arrange for the pickup of such Product from FMMI and the return of such Non-conforming Product to Producer. Producer shall be solely liable for such Non-conforming Product and shall bear all costs in any way related to or incurred by FMMI as a result of the delivery of such Non-Conforming Product, including but not limited to, costs associated with the return of such Non-conforming Product.

Fees:

All fees and taxes including use taxes, sales taxes, gross receipts taxes, any duties, custom duties, import duties, fees, and any other expenses or charges, and other city, county, state, or governmental charges (except for income taxes of FMMI), including those resulting from future changes and amendments to existing tax laws, which are imposed on the production, transportation, delivery, sale, or use of Conforming Product, shall be for the account of Producer.

Weighing/Sampling and moisture determination of Product shall be carried out at FMMI's expense, in accordance with standard practice and in customary manner, which will include a reserve sample. FMMI's dry weight, moisture determination, silica content and silver and gold analysis result on each shipment so determined shall be final for purpose of settlement. Weighing, sampling, and moisture determination shall be carried out on each shipment. Each day's shipment(s) will represent one smelter receipt sample lot for sample analysis unless otherwise agreed.

If within ten (10) working days of the final settlement, Producer claims the copper, silver or gold content of the sample or Sample Lot is significantly different than reported by FMMI, then Producer may request FMMI determine the content on the reserve samples. If an error is determined by FMMI, FMMI will correct the final assay and apply any credit due Producer to the next settlement.

A Material Safety Data Sheet (MSDS) is required for your product prior to shipment to FMMI in order to comply with FMMI Policy and OSHA, 29 CFR 1910.1200, Hazard Communication Standard.

Please indicate your acceptance of these terms and conditions and of the attached Standard Terms and Conditions by having a duly authorized representative of the Producer execute a copy of this letter where indicated.

Please return the executed copy to:

Freeport-McMoRan Miami Inc.
Resource Recycling
P. O. Box 4444
Claypool, AZ 85532

If you have any questions, please contact Resource Recycling at (928) 473-7080.

FREEMPORT-MCMORAN MIAMI, INC.

_____ Date _____
Derek Cooke
General Manager

Agreed and Accepted:
Gold Reef Mining LLC

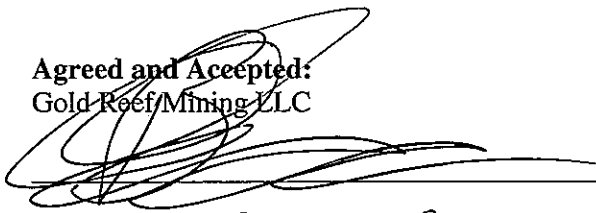
 _____ Date MAY 28TH/2013
Printed Name: BLAIR CARSON Title PRESIDENT Date MAY 28TH/2013



EXHIBIT B

TRANSPORTER REQUIREMENTS

General requirements for transporters coming to FMMI, Inc. are:

1. **Insurance:** Certificate of insurance must be on file with FMMI for **Workmen's Compensation and Liability, General Liability not less than \$1,000,000, Automobile Bodily Injury and Property Damage not less than \$1,000,000 and if required, Environmental Impairment Liability if prescribed by applicable government environmental agency.**
2. **Appointment Number:** **No shipment will be taken without an appointment. Driver must know the appointment number upon arrival.** A 3-5 day advance request for appointment for the shipment is required and may be longer during very heavy shipping schedules.
3. **Delivery Hours:** Delivery hours for bulk are 7:00 a.m. to 12:00 p.m. NOON (AZ Time) Monday thru Friday, except major holidays; **bags/drums are from 7:00 a.m. until 9:00 a.m. only.**
4. **Shipping Papers:** A Bill of Lading (if applicable a metal or silica certification).
5. **Other Requirements:**
 - a. All bulk shipments must be in **unlined** end dump truck trailers, roll-off boxes or bottom dump rail cars.
 - b. Material must be free of trash, tramp materials, oversized chunks, excessive moisture, or free flowing liquids.
 - c. All shipments containing plastic, other foreign material or **free flowing liquid** are subject to rejection or \$500 clean up penalty, plus \$100 per container.
 - d. Dry furnace materials must be sufficiently wetted or contain enough moisture to avoid dusting problems during unloading.
 - e. All pallets on non-bulk shipments must be positioned for forklift access.
6. **Equipment:** Should be in good operating order and transporter's employees sufficiently trained in operation of equipment as to not hinder FMMI's normal smelting operations. In addition, transporter's employees are required to perform their job duties expeditiously and without loitering.
7. **Safety:** Transporter shall comply with FMMI's safety regulations as posted and furnish his employees with proper safety equipment for the handling of the material, i.e. hard hat, goggles, safety glasses, rubber boots, rubber gloves, ear plugs and dust mask/respirator. In addition, long sleeved shirts/jackets are required at the smelter. **DO NOT USE CELL PHONES WHILE DRIVING ON THE PROPERTY. If you must use your cell phone stop and park.**
8. **Training:** Transporter will comply with all applicable state and federal regulations. Transporter's driver will complete a hazard recognition form before entry to the plant for the first time.

STANDARD TERMS AND CONDITIONS
Gold Reef Mining LLC

1. Scope of Agreement. FMMI Inc. (FMMI) shall use the "Product" (as defined in the attached letter) provided by the addressee of the attached letter ("Producer") if the Product conforms to the specifications referred to or set forth in Paragraph 4 ("Conforming Product").
2. Test Load. Producer acknowledges that the pricing set forth in the attached letter, together with the initial determination of FMMI to accept Product for use, is based upon the sample previously provided to FMMI, which was to be a representative sample of Product, and upon other information, including information relating to loading, packaging and handling, provided by Producer. Accordingly, Producer shall advise FMMI of every change in Producer's production process that alters the chemical content, concentration, solid content or volume of the Product and shall provide FMMI with a representative sample of Product created under the new production process. Additionally, the following shall be considered test loads: (i) the first truckload of Product delivered to FMMI pursuant to this Agreement, (ii) each such sample of Product from a change in the production process, and (iii) the first truckload of Product delivered to FMMI after each such sample. After each such test load, Producer shall deliver no additional Product to FMMI until the occurrence of one of the following:
 - (a) Producer receives from FMMI written notice approving the Product and its loading, packaging and handling; or
 - (b) (i) Producer receives from FMMI written notice advising Producer of changes in pricing, Product or Product characteristics, or in its loading, packaging and handling, that must be made, and (ii) Producer has, within fifteen days following the receipt of such notice, accepted such modified terms and conditions and evidenced such acceptance by returning to FMMI a signed copy of such notice of changes.

In the event Producer fails to return the notice described in subparagraph (b) (ii) above within such fifteen day period, this Agreement shall terminate without further action by any party. In the event that FMMI fails to deliver a notice as described in subparagraph (a) or (b) (i) within sixty days of the date of delivery to FMMI of a test load, this Agreement shall terminate without further action by any party.

3. Term of Agreement; Renewal. Unless the letter attached to these Standard Terms and Conditions provides for the use of a specified amount of Product, the term of this Agreement shall be for an initial period of one year from the date of the attached letter. On each anniversary of such date, this Agreement shall be automatically renewed for an additional one year term unless either party delivers notice in writing to the other party not less than thirty days prior to the termination date of the then current term of this Agreement that this Agreement will not be renewed.
4. Conforming Product. Product shall be Conforming Product if it meets all of the following criteria:
 - (a) It is as specifically described in the attached letter;
 - (b) Its characteristics and components substantially conform to the characteristics and components of the sample of Product previously supplied by Producer to FMMI as reflected by the analysis of such Product attached hereto as Exhibit "A", and with all written descriptions of the Product heretofore provided to FMMI by Producer;
 - (c) It is not radioactive;
 - (d) **Uncrushed product must not exceed 2 foot as a maximum size of individual raw material pieces;**
 - (e) It does not contain grass, weeds, brush, slurry, trash, garbage, rags, plastic, shavings, free-flowing liquids or other foreign material;
 - (f) It has a pH of less than 9 but greater than 5;
 - (g) It does not contain organics or organic matter in an amount exceeding 1% of the Product by weight;
 - (h) The "loss on ignition" of the Product does not exceed 30%, where "loss on ignition" is the percentage difference between the dry weight of the Product and the weight of the Product after it is heated to 1200 degrees F;
 - (i) Its moisture content is sufficient to prevent dusting, but does not exceed 10% by weight.
 - (j) It does not contain asbestos or asbestos-like fibers.

All Product that is not Conforming Product is "Non-conforming Product".

5. Inspection and Acceptance. Producer acknowledges that FMMI may not have an opportunity to analyze a shipment of Product before it is used. Neither FMMI's initial acceptance for use nor the use of Product shall be deemed an acknowledgement by FMMI that such Product is or was Conforming Product.
6. Price Adjustments. FMMI may amend the pricing provisions of this Agreement at any time by giving notice of such amendment to Producer; such amendment shall be effective ninety days after delivery to Producer. Prior to the effective date of a price amendment, Producer shall accept such amendment by returning a signed copy of such notice to FMMI. If Producer fails to return such acceptance within such ninety day period, this Agreement shall terminate on the effective date of the amendment without further action by either party.
7. Transportation. Producer shall be responsible for the Product and all costs, liabilities and taxes associated with or arising out of the generation and collection of the Product and its transportation to and unloading at FMMI's facility at Claypool, Arizona ("Facility"). Collection and transportation of Product shall be in compliance with all applicable laws, rules and regulations. Additionally, the transporter shall be required to comply with all requirements of FMMI pertaining to the delivery and unloading of Product to the Facility. Product shall be shipped on a standard bill of lading.

STANDARD TERMS AND CONDITIONS

8. **Packaging.** Producer shall preferably package the Product in bulk fifteen or twenty yard roll-off boxes, transfers or end dump trucks. Other suitable containers upon which the parties may mutually agree are: one-cubic yard bags or under certain conditions drums or rail may be accepted if specifically approved in advance. All packaging and containers, ("Container") must meet all requirements by governmental agencies for the transportation of the Product. Each Container shall be labeled and sealed in accordance with applicable law.
9. **Delivery.** Delivery of Product shall take place F.O.B. the Facility. Product shall be unloaded at the area designated by FMMI. At least five business days prior to a proposed delivery, Producer's representative shall request a delivery date from FMMI's Resource Recycling Department (928-473-7120) and Producer's representative shall confirm such delivery date with FMMI at least 24 hours in advance of each delivery of Product. Delivery shall take place at the Facility between the hours of 7:00 a.m. and 12:00 noon (Arizona time), Monday through Friday, except federal holidays. FMMI may refuse to permit the unloading of any truck that does not arrive pursuant to a confirmed delivery schedule. FMMI may inspect each Container prior to unloading and prevent the unloading of any Container of Non-conforming Product.
10. **Shipping Papers:** Product shall be shipped on a properly completed standard bill of lading accompanied by a metal (or silica/lime) certification if required. FMMI shall have the right to refuse to permit the unloading of any Container not accompanied by all documentation required by this Paragraph 10 and by applicable law.
11. **Invoices.** FMMI shall submit an accounting Settlement to the Producer in accordance with the terms as defined in the attached letter dated June 23, 2013 indicating payable metal values, charges and terms. Payment shall be equal to the payment price less any applicable charges and payment will be made by the 15th day of the month following the quotational period. If any sum is due to FMMI as a result of such deliveries, Producer shall pay the amount due FMMI under each invoice within thirty days of the date of the invoice. Interest at the rate of 1.5% per month shall be charged on any invoice amounts remaining unpaid thirty days after the date of the invoice.
12. **Representations and Warranties of Producer.** Producer represents and warrants to FMMI that:
 - (a) All Product shall be Conforming Product;
 - (b) Producer has title to the Product free and clear of all liens, claims or encumbrances of any type whatsoever; and
 - (c) The generation, packaging and transportation of the Product shall conform with all the requirements of applicable law.The representations and warranties made by Producer hereunder shall be deemed given each time Producer provides Product to FMMI under this Agreement and shall survive indefinitely, notwithstanding any termination of this Agreement.
13. **Indemnification by Producer.** Producer shall indemnify and hold harmless FMMI, and its directors, officers, agents, employees and customers, from and against any and all liabilities, claims, demands, costs and expenses of every kind, including, without limitation, attorney's fees and disbursements, based upon, arising out of or otherwise in respect of (a) any inaccuracy in or any breach of any representation, warranty, covenant or Agreement of Producer contained in this Agreement or given pursuant to this Agreement or (b) any damage to any person, property or the environment arising out of the acts or omissions of Generator or resulting from the production, packaging, transportation or unloading of the Product. The obligations of the Producer under this Paragraph 13 shall survive any termination of this Agreement.
14. **Force Majeure.** The obligations of the parties (other than the payment of money) may be suspended by the party adversely affected during the period of time when any cause beyond the reasonable control of such party either renders continued performance impossible or impractical or directly, materially and adversely affects operations under this Agreement, including, but not limited to, acts of God, fire, sabotage, labor disputes whether or not it is within the power of a party to end the same, Facility shutdown which shutdown may be done at any time in the sole and exclusive discretion of FMMI, floods, epidemics, quarantine, riots, war, breakage, accident, any government or court order, or any change in the laws or regulations or the interpretation thereof by an applicable regulatory or judicial authority regulating the use of Product. A party shall have no obligation to attempt to comply with or to seek changes in any laws, regulations or interpretations thereof that constitute an event of force majeure. A party suspending its performance under this Paragraph 14 shall promptly so notify the other party and shall also notify the other party prior to resuming performance. The non-suspending party may terminate this Agreement by notice thereof to the suspending party if performance has not been resumed within sixty days after the date of suspension.
15. **Remedies for Non-conforming Product.** FMMI may, at its option, return Non-conforming Product to Producer at Producer's expense, or may agree to accept the non-conforming product under certain conditions, depending on type of non-conformity. In this case, a penalty of \$500.00 per shipment plus up to \$100 per container of Non-conforming Product shall be paid by Producer. Additionally, if Producer at any time delivers any Non-conforming Product to FMMI, FMMI may terminate this Agreement immediately thereafter by delivering notice of termination to Producer, which notice shall be effective immediately upon delivery to Producer.
16. **Non-payment.** FMMI may deliver a notice of default to Producer if Producer fails to pay any money when due under this Agreement. If Producer fails to cure such default within fifteen days of delivery of such notice, FMMI may terminate this Agreement immediately thereafter by delivering notice of termination to Producer. Such notice shall be effective immediately upon delivery to Producer.
17. **Other Remedies; Non-waiver.** The remedies provided by this Agreement are in addition to any other remedies that FMMI may have and FMMI shall have the right to exercise multiple or cumulative remedies. A waiver by FMMI of any default hereunder shall not be deemed a waiver of any subsequent or similar default.
18. **Termination.** Notwithstanding any other provision of this Agreement, FMMI may terminate this Agreement at any time, with or without cause, by giving notice of termination to Producer. Such notice shall be effective thirty days after delivery to Producer.

STANDARD TERMS AND CONDITIONS

19. Confidentiality. Except, as otherwise provided in this Paragraph 19, the parties agree to keep confidential the terms of this Agreement. Additionally, FMMI agrees to keep confidential all data and information related to the Product, and Producer agrees to keep confidential any information disclosed to it regarding the equipment, procedures or facilities used by FMMI to use the Product, and each party agrees to use the information subject to these restrictions and disclosed to it by the other party for no purpose other than the exercise of its rights or performance of its obligations under this Agreement. Each party shall be entitled to disclose confidential information to its own employees, agents and consultants having a need to know if such employees, agents and consultants agree in advance to keep such information confidential. Both parties shall be entitled to disclose confidential information to the extent that disclosure is required to comply with local, state or federal laws, rules, regulations or orders. Further, to the extent either party is permitted to, or desires to issue a news or press release regarding or relating to this Agreement, such party must in advance inform the other party of the substance of such news or press release and provide the other party the opportunity to make comments before issuing same. Gold Reef Mining LLC recognizes FMMI's interest in keeping certain proprietary information confidential; FMMI recognizes Gold Reef Mining LLC, obligation as a public company to timely release material information.
20. Attorneys Fees. The party prevailing in connection with enforcing this Agreement or enforcing the rights of such party hereunder shall be entitled to recover from the other party all costs, expenses and attorneys fees thereby incurred by the prevailing party.
21. Governing Law. The validity, interpretation and performance of this Agreement shall be governed by the law of the State of Arizona.
22. General Provisions. This Agreement, including the attached letter and the attached Exhibit "A" and Exhibit "B" constitute the complete Agreement of the parties hereto with respect to the subject matter hereof and supersedes all negotiations, prior Agreements or understandings between the parties. No term or provision of this Agreement may be altered, amended or waived, except by a writing signed by both parties. All references to statutes or regulations shall mean the equivalent provisions of such law or their successors that are in effect at the applicable time. This Agreement shall be binding upon and enure to the benefit of the successors and assigns of the parties.



EXHIBIT "A"

**ANALYSES OF MATERIAL
GOLD REEF MINING LLC FLUX**

COMPONENT	SYMBOL	ASSAY Dry Weight Basis % (unless otherwise indicated)	Maximum Allowable Concentrations
COPPER	Cu	0 – 0.2%	N/L
SILVER OPT	Ag	0 -- 0.5 opt	N/L
GOLD OPT	Au	0.1 -- 0.7 opt	N/L
SILICA	SiO2	=/> 85% to 95%+	N/L
ALUMINA	Al2O3	0.5 -- 1.0%	5 % Limit Penalty above limit
IRON	Fe	2.5 -- 7.5%	15% Limit
LIME	CaO	0 -- 1%	15% Limit
SULFUR	S	0 – 0.3%	
ARSENIC	As	0—50 ppm	<0.1% Limit Penalty above limit
BARIUM	Ba	0—0.15%	<0.5% Limit
BERYLLIUM	Be	<10 ppm	Limit Over limit is Non-Conforming Product
BISMUTH	Bi	0 – 30 ppm	0.10% Limit Penalty above limit
CYANIDE (free)	CN	<10 ppm	Limit Over Limit is Non-conforming Product
CADMIUM	Cd	0 – 5 ppm	<0.2% Limit Penalty above limit
CHLORIDE	Cl	0.078%	DO NOT WANT ANY!
COBALT	Co	0 – 15 ppm	<0.5% Limit
CHROMIUM	Cr	0 – 300 ppm	No Hexavalent Chrome. NO CHROMITE!
FLUORIDE	F	0.004%	<0.5%* Limit Penalty above 0.20%
MERCURY PPM	Hg	< 10 ppm	<10ppm Limit Over Limit is Non-conforming
MAGNESIUM OXIDE	MgO	0 – 0.1%	10% Limit
MANGANESE	Mn	0 – 0.4%	2.0% Limit
SODIUM	Na	0 – 0.5%	5.0% Limit
NICKEL	Ni	0 – 40 ppm	2.0% Limit Penalty above limit
PHOSPHORUS	P	0 – 0.1%	3.0% Limit
LEAD	Pb	0 – 25 ppm	4.0% Limit Penalty above 1.0%
ANTIMONY	Sb	0 – 10 ppm	0.1% Limit Penalty above limit
SELENIUM	Se	0.1%	0.1% Limit
TIN	Sn	10 – 75 ppm	3.0% Limit Penalty above limit
TELLURIUM	Te	<1 ppm	0.01% Limit
THALLIUM	Tl	<.1 ppm	0.01% Limit
ZINC	Zn	50 – 300 ppm	4.0% Limit Penalty above 3.0%
MOISTURE	H2O	0 – 10%	65% Limit Penalty above 50%. Must be non-dusting.

N/L – No Limit Requirement

Limit – Maximum concentration allowed. Product exceeding limit is subject to penalty indicated or Non-Conforming Product charges may apply.

A Material Safety Data Sheet (MSDS) is required for your product prior to shipment to FMMI in order to comply with FMMI Policy and OSHA, 29 CFR 1910.1200, Hazard Communication Standard.

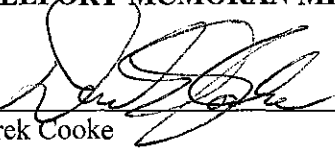
Please indicate your acceptance of these terms and conditions and of the attached Standard Terms and Conditions by having a duly authorized representative of the Producer execute a copy of this letter where indicated.

Please return the executed copy to:

Freeport-McMoRan Miami Inc.
Resource Recycling
P. O. Box 4444
Claypool, AZ 85532

If you have any questions, please contact Resource Recycling at (928) 473-7080.

FREEPORT-MCMORAN MIAMI, INC.

 Date 5-24-2013
Derek Cooke
General Manager

Agreed and Accepted:
Gold Reef Mining LLC

_____ Date _____
Printed Name: _____ Title _____ Date _____
