

Official Record

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Lincoln County - NV
Leslie Boucher - Recorder

Fee: \$23.00 Page 1 of 10
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0131736

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Lintail Supply Agreement
Title of Document

Affirmation Statement

I, the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

_____, I, the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does contain the social security number of a person or persons as required by law.
(State specific law)

[Signature]
Name Title

Director of operations, Lintail operations LLC

Chrissy Duron
Signature

CHRISSY DURON
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 05/11/2010

6/13/08
Date

Grantees address and mail tax statement:

Sytech Development
1101 Academy Ct #4
Fort Collins, CO 80524



LINTAIL SUPPLY AGREEMENT

This Supply Agreement (this "Agreement") is dated as of April 9th 2008 by and between Lintail Mining NV Corporation, a Nevada corporation ("Lintail Mining"), and Lintail Operations, LLC, a Colorado limited liability company ("Lintail Ops").

Recitals

WHEREAS, Lintail Mining is the registered and beneficial owner of mineral claims of the Caselton Tailings Ponds site located near Caselton, in Lincoln County, Nevada (the "Site") and has the exclusive right to transport, extract, and reprocess the mine tailings (the "Mine Tailings") located at the Caselton Site, more particularly described in Exhibit A, attached hereto; and,

WHEREAS, Lintail Ops is in the business of reprocessing mine tailings from contaminated mine sites;

WHEREAS, the Mine Tailings potentially contain valuable minerals, which are defined as precious metals (e.g., gold, silver, etc.) and other metals and residual materials that may have commercial purposes (e.g., zinc, etc.) collectively, with such precious metals, (the "Minerals") that could be extracted from the Mine Tailings; and

WHEREAS, Lintail Mining desires to contract with Lintail Ops to process the mine tailings and Lintail Ops desires to process for sale the Minerals that exist within the mine tailings.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the adequacy and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

ARTICLE I

Term and Termination

1.1 Initial Term. This Agreement shall be effective from the date first written above (the "Effective Date") and, unless earlier terminated in accordance with the provisions hereof, shall continue for a term of five (5) years (the "Initial Term").

1.2 Extension of Term. Upon expiration of the Initial Term, this Agreement shall automatically extend for a term of five years or such longer period of time that Lintail Ops determines, in its sole discretion, is necessary to fully utilize the Mine Tailings available from the Site (the "Extended Term"); provided, however, in no event shall the Extended Term last more than ten years. Unless otherwise mutually agreed in writing, all other terms and provisions of this Agreement shall remain in effect during the Extended Term.

1.3 Termination by Lintail Ops. Notwithstanding Sections 1.1 and 1.2, this Agreement may be terminated by Lintail Ops upon the occurrence of any event that impedes the delivery of supply from Lintail Mining to Lintail Operations resulting in amounts less than the amount deemed necessary by Lintail Operations. Such occurrence shall constitute a default in the performance of the Supply Contract by Lintail Mining. In the event that Lintail Mining is in



default, Lintail Operations shall take over and run as it deems fit, the Lintail Mining Supply Agreement, and any other obligations/ownerships shall become the sole property of Lintail Operations. Further, in the event of default by Lintail Mining, all rights, title and interest in mining claims, permits or any other legal contracts necessary to fulfill the obligations of said Supply Agreement are automatically and legally assigned to Lintail Operations until such time as Lintail Operations deems it appropriate to reinstate the Supply Agreement and its performance back to Lintail Mining. The default shall have a 15 day cure period for Lintail Mining to correct the performance issues.

1.4 Termination by Lintail Mining for Failure to Purchase. Notwithstanding Sections 1.1 and 1.2, Lintail Mining may terminate this Agreement if the compensation (as defined in Article II of this Agreement) for any quarter, during the Initial Term or the Extended Term, remains unpaid and outstanding for a period of 90 days.

1.5 Termination by Completion. Notwithstanding Sections 1.1 and 1.2, this Agreement shall terminate upon the occurrence of both of the following: (i) the exhaustion of the Caselton Tailings Pond Tailings available for transportation, extraction, and reprocessing; and (ii) the complete remediation of the Caselton Tailings Ponds Tailings in accordance with Section 2.2 below.

ARTICLE II

Delivery of the Mine Tailings, Remediation, Extraction of the Minerals

2.1 Delivery of the Mine Tailings.

(a) Lintail Mining shall deliver to Lintail Ops such quantity of the Mine Tailings as may be specified from time to time by Lintail Ops for reprocessing with a reasonable lead time to deliver;

(b) The Mine Tailings that are delivered to Lintail Ops shall be delivered to the Caselton Millsite Facility located approximately 1 mile north of the Caselton tailings ponds.

2.2 Processing of Mine Tailings and Redelivery to Lintail Mining.

(a) Lintail Ops shall process any Mine Tailings delivered to it in a manner consistent with the applicable regulatory requirements and mutually agreed-upon and pre-determined percentages of mineral extraction efficiencies, to be determined by the metallurgical engineering process design.

(b) Lintail Ops shall be responsible for and shall pay for the expense of processing and re-delivery of the Mine Tailings that are delivered to Lintail Ops in accordance with Section 2.1.

2.3 Extraction of Minerals; Title to Mine Tailings. Lintail Ops shall have the right to extract from the Mine Tailings delivered to it in accordance with Section 2.1 any and all of the Minerals it desires to extract, and shall be authorized to extract such Minerals in any manner it



deems appropriate and in accordance with the applicable regulatory requirements and agreements and as stated in Section 2.2(a). The title, ownership and rights to any Minerals extracted from the Mine Tailings shall, immediately upon extraction, be assigned and transferred to, and vested in Lintail Ops. The extraction of minerals shall include at a minimum gold (Au), Silver (Ag) and Zinc (Zn).

2.4 Compensation and Royalties for Minerals.

The compensation for the Minerals extracted from the Mine Tailings and purchased from Lintail Mining by Lintail Ops pursuant to this Agreement shall be based upon the tonnage of Mine Tailings from which such Minerals were extracted.

The contract arrangement for payment of delivery and re-deposit services associated with the Mine Tailings shall follow a cost plus time and material basis that is within Lintail Ops approved budget parameters. The payment terms shall be as follows:

- 1) Lintail Mining will bill Lintail Ops for a minimum of 60 days estimated cost to deliver product in advance.
- 2) Lintail Mining will reconcile monthly the actual cost plus expense.
- 3) Lintail Ops will reimburse monthly the actual cost plus expense to Lintail Mining within 15 days of receipt of billings.
- 4) The cost plus expenses will include all costs, overheads (approved by Lintail Ops) and a 1% royalty expense which is to be based on the net smelter royalties, as defined in the Exclusive Processing Agreement.

2.5 Remediation. Upon delivery of the processed tailings material back to the Tailing Ponds, Lintail Mining will neutralize and immobilize the processed tailings in a manner consistent with the applicable regulatory requirements utilizing current available technologies at a cost of time and materials approved by Lintail Ops.

2.6 Insurance Requirements. Lintail Mining and Lintail Ops shall each maintain customary insurance policies for businesses in similar industries, and each such policy maintained by Lintail Ops shall name Lintail Mining as an additional insured, and each such policy maintained by Lintail Mining shall name Lintail Ops as an additional insured.

ARTICLE III

Representations, Warranties and Acknowledgements

3.1 Marketable Title. Lintail Mining represents and warrants that it has obtained all necessary real and personal property interests, permits, leases and other necessary approvals to extract and remove the Mine Tailings from the Site. Lintail Mining further represents and warrants that it has good and marketable rights to sell and convey the Minerals extracted from the Mine Tailings to Lintail Ops and that Lintail Mining has complied with the terms and conditions of all permits, leases and other necessary approvals prior to selling the Minerals to Lintail Ops.



3.2 Right to Deliver Mine Tailings. Lintail Mining represents and warrants that it has obtained all necessary real and personal property interests, permits, leases and other necessary approvals to transport, deliver and re-deposit the Mine Tailings from the Site. Lintail Mining further represents and warrants that it has complied with the terms and conditions of all permits, leases and other necessary approvals prior to delivering the Mine Tailings to Lintail Ops.

3.3 Lintail Mining Will Not Extract Minerals From the Mine Tailings. Lintail Mining represents and warrants that it has not extracted and will not extract any Minerals or other items from the Mine Tailings prior to delivery to Lintail Ops unless Lintail Ops defaults on its processing obligations in violation of the terms of this Agreement.

3.4 No Liens or Encumbrances. Lintail Mining represents and warrants that there are no existing liens or encumbrances on the Site or the Mine Tailings from the Mine.

3.5 Reliance on Representations and Warranties and Lintail Ops Due Diligence. The representations and warranties within this Article III have been made by Lintail Mining to Lintail Ops. Lintail Ops has relied on said representations and warranties in this Article III, together with the due diligence it has performed on Lintail Mining, and they constitute the consideration to Lintail Ops to enter into this Agreement.

**ARTICLE IV
Obligations of the Parties**

4.1 Indemnification by Lintail Mining. Lintail Mining shall indemnify and hold harmless Lintail Ops (including its affiliates, members, agents, employees, attorneys, lenders, accountants and other representatives) from any claims, disputes, actions, or threats of thereof arising from Lintail Mining's breach of this Agreement, or from the pollutants, contaminants, toxins or other hazardous waste or material present or contained in the Mine Tailings that were present or contained in the Mine Tailings prior to delivery of the Mine Tailings to Lintail Ops, or from the pollutants, contaminants, toxins or other hazardous waste or material present or contained at the Site.

4.2 Indemnification by Lintail Ops. Lintail Ops shall indemnify and hold harmless Lintail Mining (including its affiliates, members, agents, employees, attorneys, accountants and other representatives) from any claims, disputes, actions, or threats thereof arising from Lintail Ops' breach of this Agreement, or from the pollutants, contaminants, toxins, or other hazardous waste present in the Mine Tailings or Minerals that arise from Lintail Ops' reprocessing and remediation of the Mine Tailings and extraction of the Minerals.

**ARTICLE V
TIME IS OF THE ESSENCE/DEFAULT**

5.1 Time is Of the Essence. Time is of the essence of each and every provision of this Agreement. It is agreed that any breach of this Agreement by one or more of the parties shall be considered a material breach of the Agreement, and shall entitle the non-breaching party or parties to immediately, without notice to the breaching party or parties, take any and all necessary means,



including, but not limited to, filing suit for protection, injunctive relief and/or damages, in order to stop any damage that such breach may cause to the non-breaching party or parties.

5.2 Default. The occurrence of the any of the following events shall constitute an Event of Default under this Agreement:

(a) Either Lintail Mining or Lintail Ops shall breach or fail to perform any material term, covenant, warranty or agreement in this Agreement or in any ancillary agreement, contract and/or document, and such default shall continue for 30 days after written notice thereof has been given to the breaching party by the non-breaching party, pursuant to the Notice requirements contained in this Agreement.

(b) Any representation or warranty made by either Lintail Mining or Lintail Ops in this Agreement shall prove to have been untrue at the time it was made in any material respect;

ARTICLE VI **Miscellaneous**

6.1 Exclusive Agreement. This Agreement shall be exclusive as between Lintail Mining and Lintail Ops for the duration of this Agreement, and is assignable by Lintail Ops. Any attempt on the part of Lintail Mining to assign, sell, or otherwise dispose of its rights and/or duties under this Agreement without the specific written permission of Lintail Ops shall constitute a breach of this Agreement, subject, also, to the provisions in Article I of this Agreement.

6.2 Force Majeure. The obligations of the Parties hereunder shall be suspended by the occurrence of any unforeseeable event beyond the control of the Parties including, but not limited to, acts of God, war, mobilization, riot, sabotage, explosion, casualty, power failure, inability to obtain sufficient labor or material, or law or regulations restricting performance; provided, however, that each party shall take reasonable measures to remove the disability and resume operations at the earliest possible date; and provided further, however, that any such event named above shall not suspend any obligations hereunder if such event was within the reasonable control of the Party claiming suspension of the obligations under this Agreement pursuant to this provision.

6.3 Independent Contractor Status. Lintail Ops shall be an independent contractor with respect to the remediation efforts set forth herein and as a purchaser of materials (i.e., the Minerals) from Lintail Mining. Lintail Mining shall have no power or authority to direct, supervise or control the activities of Lintail Ops, its employees, agents or representatives with respect to the performance of the obligations of Lintail Ops as set forth in this Agreement. Lintail Mining shall be an independent contractor with respect to the transport of the Mine Tailings. Lintail Ops shall have no power or authority to direct, supervise or control the activities of Lintail Mining, its employees, agents or representatives, with respect to the performance of the obligations of Lintail Mining as set forth in this Agreement, except in the event of default or non-performance as outlined in Article I of this Agreement.



6.4 Headings. The subject headings for the sections and subsections of this Agreement are included for purposes of convenience only, and shall not affect the construction or interpretation of any of its provisions.

6.5 Modification and Waiver. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all the parties. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

6.6 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instruments.

6.7 Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed to the party to whom notice is to be given, by first class mail, certified, return receipt requested, postage prepaid, and properly addressed as follows:

To Lintail Mining at: Lintail Mining NV Corporation
Attn: Richard McGinn
7114 West Jefferson Ave., Suite 100
Lakewood, CO 80235

To Lintail Ops at: Lintail Operations, LLC
Attn: Jonathan Sysum
1101 Academy Court, Unit 4
Fort Collins, CO 80524

6.8 Assignment. This Agreement shall be binding on, and shall inure to the benefit of, the parties to it and their respective heirs, legal representatives, and successors. Any assignment without the written consent of all parties shall be void.

6.9 Governing Law. This Agreement is made under, and is to be construed and enforced in accordance with the laws of the State of Colorado.

6.10 Severability. If any provisions of this Agreement shall be held invalid under any applicable law, such invalidity shall be severed from the Agreement and shall not affect any other provision of this Agreement.

6.11 Costs and Attorneys' Fees. If any action or proceeding is instituted by any Party to enforce or construe any provision of this Agreement, the prevailing Party in such action or



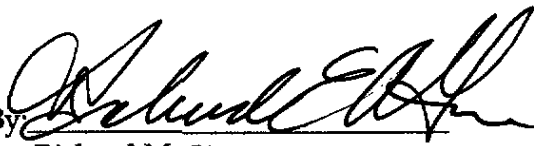
proceeding shall be entitled to recover from such other Party all of its reasonable attorneys' fees and disbursements in addition to any other relief to which it may be entitled.

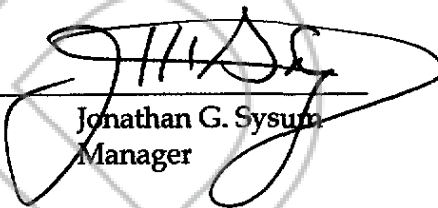
6.12 Venue. All lawsuits or other proceedings brought by either Party under this Agreement shall only be brought in a court of competent jurisdiction in the State of Colorado.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed this Agreement as of the date first written above.

Lintail Mining NV Corporation

Lintail Operations, LLC

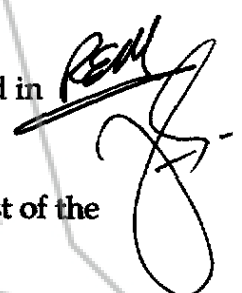
By: 
Richard McGinn
President

By: 
Jonathan G. Sysum
Manager

**EXHIBIT A****Description of Mine and Mine Tailings**

The Mine Tailings are more particularly identified to include the following:

1. The mine tailings located in the Caselton Tailings Ponds 1-11 located in Lincoln County, Nevada.
2. The Prince Mine Tailings located approximately 250 yards to the east of the Caselton Tailing Ponds, 1-11 located in Lincoln County, Nevada.

**EXHIBIT B****Description of Remediation Requirements Applicable to Mine Tailings**

Lintail Ops shall perform the following activities in processing the Mine Tailings:

- a) Process the Mine Tailings to remove pollutants, metals and other hazardous contaminants from the Mine Tailings to reduce the contaminant concentrations to levels agreed upon by Lintail Mining and the Bureau of Land Management; and
- b) Neutralize and immobilize the processed Mine Tailings.





0131736

LEGAL DESCRIPTION

A PARCEL OF LAND SITUATED WITHIN SECTIONS 29 AND 32 OF TOWNSHIP 1 NORTH, RANGE 67 EAST, AND SECTION 4 OF TOWNSHIP 1 SOUTH, RANGE 67 EAST, MOUNT DIABLO MERIDIAN, LINCOLN COUNTY, NEVADA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE FOLLOWING UNPATENTED PLACER CLAIMS AND MILLSITES:

OX NO.'S 1-2, SWANSEA NO.'S 1-7, DORIS NO.'S 8-14, BUD, BUD NO.'S 2-3, RUDY NO.'S 1-10, KENTUCK, KENTUCK NO. 1, MARSHA NO. 1-8, EMMA, WEDGE, LEGAL TENDER, HORACE GREELY, ABE LINCOLN, JUMBO, POCHE CENTRAL, GENERAL GRANT, GENERAL GRANT NO. 1, TRIBUNE, MERRY NO.'S 1-6, BEN FRANKLIN, PETER COOPER, WADE HAMPTON, ROCK, LOST TREASURE, LOST TREASURE NO. 2, TREASURE HILL NO.'S 3-4, CHISHOLM FRACTION, TRIANGLE, CASLTON NO.'S 1-52, AS SHOWN ON THE MAP OF MILLSITES FOR MOUNTAIN MINES, INC., RECORDED IN THE OFFICIAL RECORDS OF THE LINCOLN COUNTY RECORDER'S OFFICE IN BOOK 105, PAGES 78 AND 79, DATED FEB. 23, 1993.

CONTAINING 495.70 ACRES, MORE OR LESS, DETERMINED BY SUMMATION FROM SAID MAP OF MILLSITES.

BASIS OF BEARING

THE BASIS OF BEARING FOR THIS LEGAL DESCRIPTION IS A LINE BETWEEN THE SOUTHWEST CORNER OF SAID SECTION 32 AND THE SOUTHEAST CORNER OF SAID SECTION 32, WHICH BEARS WEST AS SHOWN ON SAID MAP OF MILLSITES.

REFERENCE DOCUMENTS

1. MAP OF MILLSITES FOR MOUNTAIN MINES, INC., BOOK 105, PAGES 78 AND 79, DATED FEB. 23, 1993.



JAMES J. OWENS
PROFESSIONAL LAND SURVEY
NEVADA CERTIFICATE NO. 2884