

ASSET PURCHASE AGREEMENT

BY AND BETWEEN

**CHRISTOPHER G. LINSOTT,
(as court-appointed receiver for the assets of NORD RESOURCES CORPORATION)**

AND

EXCELSIOR MINING JCM, INC.

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “Agreement”) is made and entered into as of this 7th day of October, 2015 (the “Effective Date”), by and between Christopher G. Linscott, court-appointed receiver for the assets of NORD RESOURCES CORPORATION (the “Receiver”) and EXCELSIOR MINING JCM, INC., an Arizona corporation (“Purchaser”).

RECITALS

WHEREAS, Nord Resources Corporation (“Nord”) is the owner of certain fee title land, patented and unpatented mining claims and other real property interests in Cochise County, Arizona that is commonly known as the Johnson Camp Mine (the “Mine Site”) and legally described on **Schedule 1(A)** to this Agreement and the structures, improvements, buildings and facilities located thereon (the “Property”);

WHEREAS, Nord currently owns and operates the Mine Site and holds all surface and subsurface rights, permits and other authorizations necessary to conduct copper mining and extraction activities at the Mine Site (the “Business”);

WHEREAS, pursuant to a certain “Order Appointing Receiver” dated November 18, 2014 (the “Receivership Order”) issued in Case No. C20146008 (the “Receivership Case”) pending in the Superior Court (“Court”) in Pima County, Arizona, a Receivership has been initiated for Nord with Christopher G. Linscott serving as the Court-appointed Receiver with full authority to act on behalf of Nord, including authority to sell the Property, with any such sale to be approved by the Court.

WHEREAS, the Receivership Order, among other things, affirmatively requires Nord and its officers, directors, employees, and agents, among other persons, to turn over certain property, documents, and information related to the Property.

WHEREAS, the Receivership Order, among other things, affirmatively enjoins Nord and its officers, directors, employees, and agents, among other persons, from doing any act which will, or which will tend to, impair, defeat, divert, prevent or prejudice the preservation of the Property (including the revenues or proceeds thereof) or the Business, and from doing any act which directly or indirectly interferes with the Receiver’s duties, operation, and management of the Property and the Business.

WHEREAS, on April 20, 2015, the Receiver filed the Motion To Approve Sale Of Receivership Property in the Receivership Case, which was granted by the Court’s Order Approving Sale Of Debtors’ Assets, but the successful bidder PSONS, Ltd. and its successor-in-interest MARS Resources LLC were unable to close and no longer have any rights with respect to the Property.

WHEREAS, Excelsior Mining Corp., an affiliate of Purchaser, submitted an offer and Letter of Intent (the “LOI”) to Receiver on August 28, 2015 to purchase (or to designate an affiliate to purchase) from Receiver certain assets, property, leases, contracts, and other agreements used or useful in the Business, including, without limitation, the Property. Receiver, on behalf of Nord, accepted and signed the Letter of Intent on August 31, 2015 and selected Purchaser as the highest and best bidder.

WHEREAS, Purchaser is a third party unrelated to Nord, and, unless a discrete exception is expressly stated in this Agreement, it is the intent of Purchaser and Receiver that Purchaser shall not, and shall not be deemed to, assume any liabilities of Nord or otherwise be deemed a successor to Nord for purposes of assuming any Nord liabilities.

WHEREAS, based on the foregoing, the transaction to complete the sale of Nord's assets shall be conducted pursuant to the terms and conditions set forth herein, and Nord's cooperation with such terms and conditions shall be provided as mandated by the Receivership Order.

WHEREAS, the First Installment and Second Installment of the Purchase Price (as those terms are defined in Section 2.3) will be paid directly to Nedbank (as that term is defined in Section 1.1) pursuant to the terms of the Deferred Payment Documents (as that term is defined Section 2.3).

NOW, THEREFORE, for and in consideration of the mutual representations, warranties, covenants, and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually covenant and agree as follows:

ARTICLE 1

DEFINITIONS

1.1 ***General Definitions.*** For purposes of this Agreement:

(a) "Additional Shortfall Amounts" means as defined in Section 9.13.

(b) "Affiliate" of, or person "affiliated" with a specified person, means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the persons specified.

(c) "Applicable Law" means all applicable provisions of any constitution, statute, law, ordinance, code, rule, regulation, decision, order, decree, judgment, release, license, permit, stipulation or other official pronouncement enacted or issued by any Governmental Authority or arbitrator or arbitration panel.

(d) "Applicable Earnest Money Deposit" means as defined in Section 2.3(b).

(e) "Application" means as defined in Section 8.1(c).

(f) "Assignment" means as defined in Section 5.2(a).

(g) "Assumed Contracts" means as defined in Section 2.2(f).

(h) "Assumed Liabilities" means as defined in Section 2.5.

(i) "Bill of Sale" means as defined in Section 5.2(a).

(j) "Budgeted Operating Shortfall Amount" means as defined in Section 9.13.

- (k) “Business” means as defined in the Recitals to this Agreement.
- (l) “Business Day” means any day except Saturday, Sunday and statutory holidays in the State of Arizona.
- (m) “Certificates of Deposit” means as defined in the Section 2.2(e).
- (n) “Closing” and “Closing Date” mean as defined in Section 5.1(a).
- (o) “Contract” means any contract, agreement, commitment, arrangement, undertaking or understanding of any kind whatsoever, written or oral, together with all related amendments, modifications, supplements, waivers and consents.
- (p) “Court” means as defined in the Recitals to this Agreement.
- (q) “Deed” means as defined in Section 5.2(a).
- (r) “Deferred Payment Documents” means as defined in Section 2.3.
- (s) “Earnest Money Deposit” means as defined in Section 2.3(c).
- (t) “Effective Date” means as defined in the introductory paragraph of this Agreement.
- (u) “Employee Benefit Plan” means any “employee benefit plan” (as such term is defined in ERISA § 3(3)) and any other material employee benefit plan, program, or arrangement.
- (v) “Environmental Laws” mean all federal, state, local and foreign laws (as may be applicable) relating to pollution or protection of the environment and any regulation, code, plan, order, decree, judgment or injunction related thereto in effect on or prior to the Closing Date, including without limitation:
 - (i) The Resource Conservation and Recovery Act, 42 U.S.C. § 6901 (“RCRA”).
 - (ii) The Comprehensive Environmental Response, Compensation and Liability Act of 1980, 26 U.S.C. § 4611; 42 U.S.C. § 9601 (“Superfund”).
 - (iii) The Superfund Amendments and Reauthorization Act of 1986.
 - (iv) The Clean Air Act, 42 U.S.C. § 7401.
 - (v) The Clean Water Act, 33 U.S.C. § 1251.
 - (vi) The Safe Drinking Water Act, 42 U.S.C. § 300f.
 - (vii) The Toxic Substances Control Act, 15 U.S.C. § 2601.
 - (viii) The Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.

- (ix) The National Environmental Policy Act of 1969.
- (x) Applicable federal and state mining laws.
- (xi) Any other similar federal, state, or local laws.
- (w) “Environmental Permits” means as defined in Section 8.2(r).
- (x) “Escrow Agent” means First American Title Insurance Company, 2425 East Camelback Road, Suite 300, Phoenix, Arizona 85016, Attn: Cathy Criner.
- (y) “Excluded Liabilities” means as defined in Section 2.6.
- (z) “Exclusivity Deposit” means as defined in Section 2.3(a).
- (aa) “Extension Payment” means as defined in Section 5.1(c).
- (bb) “Extension Payment Dates” means as defined in Section 5.1(c).
- (cc) “Files and Records” means as defined in Section 2.2(g).
- (dd) “First Installment” means as defined in Section 2.3(d).
- (ee) “Governmental Authority” means any federal, state, local, or foreign legislative, executive, judicial, quasi-judicial, or other public authority, agency, department, bureau, division, unit, court or other public body, person or entity.
- (ff) “I.R.C.” means the Internal Revenue Code of 1986, as amended, and any successor statute.
- (gg) “Knowledge” means the current actual knowledge of the Receiver after reasonable inquiry, including current actual knowledge, past notice or knowledge, and knowledge one should have after reasonable investigation or inquiry.
- (hh) “Lien” means any mortgage, deed to secure debt, deed of trust, security interest, lien, pledge, charge, right of refusal, encumbrance or adverse claim of any kind and any other security arrangement of any nature whatsoever, including any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and the interest of a lessor or lessee under a lease treated as a capitalized lease under generally accepted accounting principles.
- (ii) “LOI” means as defined in the Recitals to this Agreement.
- (jj) “Materiality Threshold” means as defined in Section 6.5.
- (kk) “Mine Site” means as defined in the Recitals to this Agreement.
- (ll) “Nedbank” means Nedbank Limited, a limited liability company organized under the laws of the Republic of South Africa, as Administrative Agent.

(mm) “Nedbank Loan” means that certain loan in the original principal amount of \$25,000,000 made by Nedbank to Nord.

(nn) “Nedbank Loan Documents” means the documents listed on **Schedule 1.1(nn)** that evidence, secure and/or relate to the Nedbank Loan.

(oo) “Non-Applicable Earnest Money Deposit” means as defined in Section 2.3(c).

(pp) “Other Purchased Assets” means as defined in Section 2.2(i).

(qq) “Permits” means as defined in Section 2.2(h).

(rr) “Permitted Exceptions” means only (i) those exceptions to title set forth on Schedule B to the Title Commitment (including the Lien created by the Nedbank Loan Documents), and (ii) those matters that are deemed to constitute “Permitted Exceptions” pursuant to Section 4.2(c).

(ss) “Person” means any individual, sole proprietorship, partnership, joint venture, estate, trust, unincorporated organization, association, corporation, limited liability company, institution or other entity, including any that is a Governmental Authority.

(tt) “Personal Property” means as defined in Section 2.2(b).

(uu) “Plan” means any plan, program, policy or arrangement and all related amendments, modifications, supplements, waivers and consents.

(vv) “Product Inventory” means as defined in Section 2.2(d).

(ww) “Property” means as defined in the Recitals to this Agreement.

(xx) “Purchase Price” means as defined in Section 2.3.

(yy) “Purchased Assets” means as defined in Section 2.2.

(zz) “Purchased Land” means the patented claims/fee lands described on **Schedule 1(B)** which land is a portion of the Property.

(aaa) “Purchaser Removal Contribution” means as defined in Section 9.11.

(bbb) “Receivership Case” means as defined in the Recitals to this Agreement.

(ccc) “Receivership Order” means as defined in the Recitals to this Agreement.

(ddd) “Royalty Agreements” means, collectively: (i) the Grant of Production Payment (Johnson Camp), between Nord Copper Corporation, a Delaware corporation, and Arimetco, Inc., a Nevada corporation, dated June 8, 1999, recorded June 10, 1999, as Instrument No. 9906-18419 of Official Records of Cochise County, Arizona, (ii) the Royalty Deed and Assignment of Royalty, between Nord and IRC Nevada Inc., a Nevada corporation, dated March 31, 2009, recorded June 19, 2009, as Instrument No. 2009-14847

of Official Records of Cochise County, Arizona, and (iii) the Interest Owner Cooperation and Non-Disturbance Agreement, between Nedbank Limited, a company incorporated in South Africa, acting through its London branch, Nord and IRC Nevada Inc., a Nevada corporation, recorded June 19, 2009, as Instrument No. 2009-14848 of Official Records of Cochise County, Arizona.

(eee) “Sale Order” means that certain order of the Court entered in the Receivership Case that authorizes and directs the Receiver on Nord’s behalf to execute and perform under this Asset Purchase Agreement, and in which all provisions of this Asset Purchase Agreement shall be expressly incorporated.

(fff) “Second Installment” means as defined in Section 2.3(e).

(ggg) “Section 9.13 Satisfaction” means as defined in Section 2.3(b).

(hhh) “Special Agreements and Rights” means as defined in Section 6.2.

(iii) “Subsidiary” means, with respect to any person, a corporation, partnership, limited liability company, joint venture or other organization, whether incorporated or unincorporated, of which at least a majority of the securities or interests having by the terms thereof voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is at that time, directly or indirectly, owned or controlled by such person, or by one or more of its Subsidiaries, or by such person and one or more of its Subsidiaries.

(jjj) “Survey” and “Survey Defects” mean as defined in Section 4.2(b) and 4.2(c).

(kkk) “Tax” or “Taxes” means any (i) federal, state, local or foreign income, gross receipts, franchise, estimated, alternative minimum, add-on minimum, sales, use, transfer, registration, value added, excise, natural resources, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, personal property, capital stock, social security, unemployment, disability, payroll, license, employee or withholding, or other tax, charge, levy, assessment, or fee of any kind whatsoever, whether computed on a separate or consolidated, unitary or combined basis or in any other manner, including any interest, penalties, additions to tax, or additional amounts in respect of the foregoing, (ii) liability for the payment of any amounts of the type described in clause (i) arising as a result of being (or ceasing to be) a member of any affiliate (or being included (or required to be included) in any return relating thereto), and (iii) liability for the payment of any amounts of the type described in clause (i) as a result of any express or implied obligation, by contract or pursuant to Applicable Law, to indemnify or otherwise assume or succeed to the liability of any other person.

(lll) “This Agreement” includes this Agreement and any amendments or other modifications and supplements to this Agreement, and all exhibits, schedules and other attachments to it, as executed and delivered by the parties thereto.

(mmm) “Title Commitment” means that certain title insurance commitment for an ALTA 2006 extended coverage owner’s policy of title insurance issued by the Title

Company, File No. NCS-714263-PHX1 with an effective date of August 27, 2015 (Third Amended).

(nnn) “Title Company” means First American Title Insurance Company.

(ooo) “Title Transfer Documents” means as defined in Section 5.2(c).

(ppp) “Water Rights” means any and all rights to appropriate, withdraw or use water (whether appropriative, perfected, certificated, permitted, adjudicated or otherwise and whether or not appurtenant to the Property), surface water allocations, contracts for the delivery of water, and all rights to withdraw, usufruct or utilize groundwater for any beneficial purpose.

1.2 ***Certain Rules of Construction.*** The following rules of construction shall apply to this Agreement:

(a) *Including.* “Including” and other words or phrases of inclusion, if any, shall not be construed as terms of limitation, so that references to “included” matters shall be regarded as non-exclusive, non-characterizing illustrations and equivalent to the terms “including, but not limited to,” and “including, without limitation.”

(b) *Ordinary Course of Business.* The phrases “ordinary course of business” and “ordinary and regular course of business” specifically exclude any transactions with (i) any officer, director or shareholder of Nord or Purchaser, the spouse or children of any such person, any trust or other entity for the benefit (in part or in whole) of any of the foregoing, or any person controlled by any combination of the foregoing or (ii) any “affiliate” or “associate” (as such terms are defined in the rules and regulations of the Securities and Exchange Commission under the Securities Act of 1933, as amended) of Nord or Purchaser.

(c) *Negotiated Agreement.* The Receiver and Purchaser acknowledge that they have been advised and represented by counsel in the negotiation, execution and delivery of this Agreement and accordingly agree that if any ambiguity exists with respect to any provision of this Agreement, such provision shall not be construed against any party solely because such party or its representatives were the drafters of any such provision.

(d) *References.* Unless otherwise specifically stated, references to “Sections” and “Articles” are references to Sections and Articles of this Agreement. A reference to an Article includes all Sections and subsections within that Article, and a reference to a Section includes all subsections within that Section. Similarly, unless otherwise specifically stated, references to a “Schedule” or an “Exhibit” are references to a Schedule or an Exhibit attached to this Agreement.

(e) *Dollar References.* All references in this Agreement to \$ or dollars shall be deemed to refer to United States dollars.

ARTICLE 2

PURCHASE OF ASSETS

2.1 **General.** At the Closing provided for in ARTICLE 5 and in accordance with the terms and conditions of this Agreement, Receiver shall sell and assign and the Purchaser shall purchase the Purchased Assets.

2.2 **Purchased Assets.** On the terms and subject to the conditions herein expressed, Receiver agrees to sell, convey, transfer, assign, set over and deliver to Purchaser, as directed by the Purchaser, effective as of the Closing Date, the following assets (the “Purchased Assets”), free and clear of any and all Liens, other than the Permitted Exceptions:

- (a) All of Nord’s right, title and interest in the Property.
- (b) The machinery, equipment, tools, manufacturing plant, vehicles, furniture, fixtures, leasehold improvements, office equipment, and other tangible personal property that are used in the Business, owned by Nord, and located at the Mine Site as of the date hereof, including, without limitation, those set forth on **Schedule 2.2(b)** (the “Personal Property”).
- (c) All of Nord’s right, title and interest in the unpatented mining claims (a legal description of which is set forth on **Schedule 2.2(c)**).
- (d) All finished goods, inventories, raw materials, supplies (including fuel) and repair parts owned by Nord and located at the Mine Site (the “Product Inventory”) set forth on **Schedule 2.2(d)**.
- (e) Those certain certificates of deposit for the benefit of the utility company, Sulphur Springs Valley Electric Cooperative, Inc.; and the Arizona Department of Environmental Quality (the “Certificates of Deposit”), which shall be assigned and delivered to Purchaser as soon as practicable post-Closing; provided, however, if such Certificates of Deposit are not assigned and delivered as described above, Purchaser shall be entitled to offset the then current amounts of such Certificates of Deposit against the amounts payable by Purchaser under the Deferred Payment Documents.
- (f) All interests of Nord under the contracts, commitments, customer orders, and other agreements listed on **Schedule 2.2(f)** hereto, together with the benefit of any prepayments made pursuant to such agreements relating to the present or future operation of the Business (the “Assumed Contracts”).
- (g) All customer lists, customer files, supplier files; and all geologic or technical reports, surveys of real property, feasibility studies, engineering data, reports, drawings, maps, permit applications, environmental reports, mine safety records, operating and production reports, accounting books and records, and all other information (other than appraisals) relating to the Business and the Mine Site (the “Files and Records”). Nord may retain copies of the Files and Records.

(h) All regulatory, governmental, municipal, local, business and other licenses, authorizations and permits of Nord (as may be amended or agreed to be amended by the issuing agency prior to Closing) used in or relating to the Purchased Assets or the Business, including Environmental Permits, to the extent transferable or assignable by their terms or pursuant to Applicable Law as described on **Schedule 2.2(h)** (the “Permits”).

(i) Prepaid expenses and all other assets or interests to which Nord has any right by ownership, use or otherwise, or in which Nord has a conveyable or assignable interest on the Closing Date and which relate to the Business, and without which the Business could not be operated consistent with current and past practice (the “Other Purchased Assets”). For purposes of clarification, the Purchased Assets and Other Purchased Assets do include, to the extent applicable, any of Nord’s reclamation bonds or deposits, but specifically exclude all cash, accounts receivable, brokerage accounts and/or bank accounts (other than the Certificates of Deposit) owned by Nord.

2.3 Payment of Purchase Price; Deferred Payment Documents. The purchase price of the Purchased Assets shall be Eight Million Four Hundred Thousand Dollars (\$8,400,000) to be paid as follows (the “Purchase Price”):

(a) One Hundred Thousand and No/100 Dollars (\$100,000.00) (“Exclusivity Deposit”) previously paid to Receiver pursuant to the LOI. The Exclusivity Deposit will be applied to the funds due at Closing, as set forth in Section 2.3(c) and shall only be refundable to the Purchaser in accordance with Section 11.2 of this Agreement;

(b) One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the “Applicable Earnest Money Deposit”), to be deposited with the Escrow Agent within two (2) Business Days after the execution of this Agreement by Receiver and Purchaser. The Applicable Earnest Money Deposit will be disbursed from escrow to the Receiver immediately following the delivery by the Receiver to Escrow Agent and Purchaser of reasonable written evidence that the condition described in Section 9.13 has been satisfied (the “Section 9.13 Satisfaction”), will be applied to the funds due at Closing as set forth in Section 2.3(d), and shall only be refundable to the Purchaser in accordance with Section 11.2 of this Agreement;

(c) One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) (the “Non-Applicable Earnest Money Deposit”, and collectively with the Applicable Earnest Money Deposit, the “Earnest Money Deposit”), to be deposited with the Escrow Agent within two (2) Business Days after the execution of this Agreement by Receiver and Purchaser. The Non-Applicable Earnest Money Deposit will be held in escrow pending the entry of the Sale Order and the occurrence of the Section 9.13 Satisfaction. Following the entry of the Sale Order and the occurrence of the Section 9.13 Satisfaction, Escrow Agent shall disburse the Non-Applicable Earnest Money Deposit to the Receiver. The Non-Applicable Earnest Money Deposit will not be applied against the Purchase Price and shall only be refundable to the Purchaser in accordance with Section 11.2 of this Agreement;

(d) Five Million Two Hundred Thousand and No/100 Dollars (\$5,200,000.00) payable at Closing in immediately available funds;

(e) One Million and No/100 Dollars (\$1,000,000.00) payable on or before December 31, 2016 (the “First Installment”); and

(f) Two Million Two Hundred Thousand and No/100 Dollars (\$2,200,000.00) payable on or before December 31, 2017 (the “Second Installment”).

The Purchaser’s obligation to pay the First Installment and Second Installment shall be evidenced by documentation to be agreed upon and executed by Purchaser and Nedbank (the “Deferred Payment Documents”). The Deferred Payment Documents shall, among other things: (i) evidence the obligation of Purchaser to pay the First Installment and Second Installment, which, when paid, will be credited against the Purchase Price, (ii) provide for the accrual of interest at three percent (3%) per annum, with interest on the unpaid principal balance payable quarterly on January 1, April 1, July 1 and September 1 of each year until the First Installment and Second Installment have been paid in full, (iii) provide for the forbearance by Nedbank of enforcement of the Nedbank Loan Documents unless Purchaser fails to pay the First Installment, the Second Installment or interest thereon, as evidenced by a recordable instrument, (iv) provide for the assignment of the Nedbank Loan Documents to Purchaser or its designee upon payment in full of the First Installment, the Second Installment or interest thereon, (v) provide that the obligation to pay the amounts due under the Deferred Payment Documents shall be non-recourse to Purchaser, except to the extent that during the ownership of the Property by Purchaser: (a) real property taxes accrue and are not paid, or (b) there has been waste to the Property resulting from the intentional actions of Purchaser, (vi) provide for an account servicing arrangement to allow for payments due under the Deferred Payment Documents to be paid through a servicing agent and to allow for the servicing agent to hold in escrow duly executed assignment documents as contemplated under clause (iv) above, (vii) incorporate the offset rights described in Section 8.4 of this Agreement, and (viii) other matters to be agreed upon between Purchaser and Nedbank.

2.4 Prorations. The receivership estate and Purchaser shall apportion the following items with respect to the Purchased Assets as of the Closing Date:

(a) rents and other charges (other than royalties) to be received or paid with respect to the Purchased Assets, provided that no proration shall be made of any rents and other charges that are receivable or payable pursuant to Contracts that are Excluded Liabilities;

(b) real property and personal property taxes and assessments relating to the Purchased Assets, prorated upon the basis of the tax year for which assessed (unless undeterminable as of the Closing Date and then based upon the previous year’s real property and personal property taxes) and payable and apportioned upon the basis of the actual number of days in such year, with the receivership estate being responsible for all real property and personal property taxes (including, without limitation, any real property and personal property taxes that are currently delinquent as of the Effective Date, and any penalties and interest due thereon) for periods prior to the Closing Date, and Purchaser being responsible for real property and personal property taxes for periods from and after the Closing Date;

(c) utility charges, prorated upon the basis of the payment period and payable and apportioned on the basis of the actual number of days in such period (provided that, in

the event utility services are terminated by Receiver as of the Closing Date and initiated by Purchaser as of the Closing Date, no such apportionment shall be necessary or applicable unless either Purchaser or Receiver nevertheless receives invoices for periods prior to the Closing Date); and

(d) any improvement liens or similar assessments, either existing or proposed, will be paid in full by Receiver on or prior to Closing.

2.5 *Assumed Liabilities.* On the Closing Date, the Purchaser shall assume and agree to perform and discharge only the following specifically enumerated obligations and liabilities of Nord (collectively, the “Assumed Liabilities”) and no others:

(a) obligations of Nord arising after the Closing Date under the Assumed Contracts, and the Permits solely to the extent arising out of events or transactions occurring after the Closing Date; for clarification, the parties agree that the Purchaser does not assume any obligations and will not be liable, under any of the foregoing to the extent that payments were made, amounts were billed, obligations, losses, claims or liabilities were incurred, or any other benefit was received by Nord prior to the Closing Date.

(b) any reclamation obligations on the Mine Site which arise after the Closing Date solely as a result of Purchaser’s activities, including reclamation obligations resulting from changes in Applicable Law after the Closing Date with respect to activities by Purchaser after the Closing Date; provided, further, that the Purchaser does not assume any liability for defective, improper, or insufficient land reclamation, restoration, leveling or seeding on the Mine Site which has already been performed or omitted by Nord arising under laws in effect on or prior to the Closing Date.

2.6 *Excluded Liabilities.* Notwithstanding any other provision of this Agreement, except for the Assumed Liabilities expressly set forth in Section 2.5, the Purchaser will not assume, acquire, or be responsible for any liabilities (including, without limitation, environmental liabilities), obligations or expenses, whether fixed or contingent, known or unknown, disclosed or undisclosed, matured or unmatured, executory or non-executory, to the extent such liability or obligations arise out of occurrences, events or transactions on or prior to the Closing Date, even if they do not become known until after such date (collectively, the “Excluded Liabilities”). Receiver agrees that any costs, liabilities (including, without limitation, environmental liabilities), losses, or other obligations, whether secured or unsecured, incurred as a result of Nord’s ownership or operation of its business, the Mine Site or any of the Purchased Assets, or the Receiver’s supervision or control of Nord prior to the Closing Date, shall be Excluded Liabilities. Receiver agrees that any costs, liabilities, losses, or other obligations incurred as a result of any acts or omissions by Nord in connection with the employment and/or termination of its employees associated with the Business shall be Excluded Liabilities. Anything in this Agreement to the contrary notwithstanding, the Purchaser will not assume the Excluded Liabilities, which Excluded Liabilities will at and after the Closing Date remain the exclusive responsibility of Nord or the receivership estate as determined by the Receivership Order and other applicable law. Without limitation of the intentionally broad nature of the foregoing, Excluded Liabilities shall expressly include (i.e., the following shall constitute Excluded Liabilities) (i) any and all liabilities for Taxes (or the non-payment thereof) of, arising out of, or related to the period prior to and through the Closing Date, provided, however, the foregoing provisions of this sentence shall not be deemed to

release Receiver from the required payment of Taxes as described in Sections 2.4(b), 2.7 and 9.6, (ii) all of the matters set forth on **Schedule 8.2(t)**, and (iii) any royalties or other amounts due from Nord under the Royalty Agreements for periods prior to the Closing Date. This paragraph shall be expressly set forth in the Sale Order and in any motion the Receiver will file seeking entry of the Sale Order.

2.7 ***Delinquent Taxes.*** At the Closing, Receiver and Purchaser shall direct Escrow Agent to pay, from the proceeds paid into escrow by Purchaser, all transaction privilege, real estate, personal property, use, payroll, unemployment or similar taxes that are owed to Cochise County, the State of Arizona or any other governmental authority due for periods prior to the Closing and otherwise discharge all tax liens on the Purchased Assets relating to periods prior to the Closing.

ARTICLE 3

ESCROW

3.1 ***Establishment of Escrow; Escrow Instructions.*** Immediately upon execution of this Agreement by both parties, the parties will deliver a fully executed copy of this Agreement to Escrow Agent. An escrow for this transaction shall be established with Escrow Agent, and Escrow Agent is engaged to administer the escrow. This Agreement constitutes escrow instructions to Escrow Agent. Should Escrow Agent require the execution of its standard form printed escrow instructions, Purchaser and Receiver agree to execute same; however, such instructions shall be construed as applying only to Escrow Agent's engagement, and if there are conflicts between the terms of this Agreement and the terms of the printed escrow instructions, the terms of this Agreement shall control.

3.2 ***Acceptance; Escrow Agent Not a Party.*** By accepting this escrow, Escrow Agent agrees to be bound by the terms of this Agreement as they relate to the duties of Escrow Agent. However, such agreement does not constitute Escrow Agent as a party to this Agreement and no consent or approval from Escrow Agent shall be required to amend, extend, supplement, cancel or otherwise modify this Agreement except to the extent any such action increases the duties of Escrow Agent or exposes Escrow Agent to increased liability, in which case, such action shall not be binding on Escrow Agent unless Escrow Agent has consented to the same in writing.

3.3 ***Cancellation Charges.*** If the escrow fails to close because of the Receiver's default, the receivership estate shall be liable for all customary escrow cancellation charges, and such charges shall be paid out of the receivership estate prior to the payment of any other expenses of the estate. If the escrow fails to close because of Purchaser's default, the Purchaser shall be liable for all customary escrow cancellation charges. If the escrow fails to close for any other reason, the receivership estate and Purchaser shall each be liable for one-half of all customary escrow cancellation charges, with the estate's charges to be paid out of the receivership estate prior to the payment of any other expenses of the estate.

3.4 ***IRS Reporting.*** Escrow Agent agrees to be the designated "reporting person" under §6045(e) of the U.S. Internal Revenue Code of 1986 as amended (the "Code") with respect to the real estate transaction described in this Agreement and to prepare, file and deliver such

information, returns and statements as the U.S. Treasury Department may require by regulations or forms in connection with such requirements, including Form 1099-B.

ARTICLE 4

TITLE REVIEW PERIOD

4.1 ***Receiver Deliveries; Feasibility.*** Within three (3) Business Days following the execution of this Agreement, Receiver shall deliver to Purchaser all information in his possession and Receiver shall use best efforts to cause Nord to deliver to Purchaser all information in Nord's possession relating to Nord's ownership of the Purchased Assets and its operation of the Business, including without limitation historical tax bills and appeals information, a list of all capital improvements performed over the last 24 months, copies of any service contracts, copies of any plans or specifications, surveys, reserves reports, soils reports, property condition reports, environmental reports, all Contracts relating to the ownership, operation and maintenance of the Purchased Assets and the Business, Permits, and agreements reflecting all of Nord's Water Rights with respect to the Property. The Purchaser acknowledges and agrees that any information of any type prepared by a party other than the Receiver or Nord which Purchaser has received from the Receiver, Nord or Nord's agent is furnished on the express condition that the Purchaser shall make an independent verification of the accuracy of such information, all such third party information being furnished without any representation or warranty from Receiver whatsoever, express or implied.

4.2 ***Title and Survey.***

(a) ***Title Commitment.*** Purchaser acknowledges receipt of the Title Commitment and the documents referenced therein as exceptions.

(b) ***Survey.*** Purchaser may, at its option, also obtain an ALTA survey for all or any portion of the Mine Site (the "Survey"). If Purchaser elects not to obtain the Survey with respect to any portion of the Mine Site, then all references in this Agreement to extended coverage title insurance shall be deemed modified to be standard coverage title insurance with respect to the portions of the Mine Site for which Purchaser does not obtain a Survey.

(c) ***Identification of Unpermitted Exceptions.*** If (a) the Title Commitment is updated after the Effective Date to disclose any new exceptions to title that were not originally disclosed on the Title Commitment and that are not acceptable to Purchaser, or (b) if Purchaser obtains the Survey and the Survey discloses any matters that are not acceptable to Purchaser (each, a "Survey Defect"), the Purchaser shall provide the Receiver with written notice of such objections to title and Survey Defects (the "Objection Letter") upon the earlier to occur of (i) seven (7) days following receipt of the last of the Survey and the updated Title Commitment, or (ii) the Closing Date. (The new exceptions to title shown on the updated Title Commitment and any Survey Defects set forth in the Objection Letter are referred to collectively herein as the "Unpermitted Exceptions.") All new exceptions to title first disclosed in an updated Title Commitment and matters disclosed on the Survey not objected to by the Purchaser in the Objection Letter shall constitute "Permitted Exceptions." Notwithstanding the foregoing, (a) all real estate taxes and

assessments not yet due and payable as of the Closing Date shall be deemed to be Permitted Exceptions, (b) the Lien created by the Nedbank Loan Documents shall be deemed a Permitted Exception, and (c) any Liens relating to borrowed money, liens, security interests, mortgages, other contract interests, judgments, fines, penalties or similar items (other than the Lien created by the Nedbank Loan Documents) shall be deemed to be Unpermitted Exceptions.

(d) *Removal of Unpermitted Exceptions.* On or before the Closing Date, Receiver shall be required to cure the Unpermitted Exceptions by removing or correcting any Unpermitted Exceptions or by causing the Title Company to waive or commit to insure over the Unpermitted Exceptions. If Receiver is unable to cure any one or more of the Unpermitted Exceptions prior to the scheduled Closing Date, the Purchaser may exercise any of the following options:

(i) postpone the Closing for an additional period of time to be determined by the Parties to allow for the removal of the Unpermitted Exceptions; or

(ii) waive the removal of any such Unpermitted Exception as a condition to Closing, in which event such Unpermitted Exception shall be deemed an additional Permitted Exception hereunder; or

(iii) terminate this Agreement pursuant to Section 11.1(b) as a result of Receiver's breach of its covenant to cure the Unpermitted Exceptions.

ARTICLE 5

THE CLOSING

5.1 *Generally.*

(a) *The Closing.* The closing (the "Closing") of the transactions contemplated by this Agreement shall take place at the offices of Escrow Agent ten (10) days after the occurrence of the last of (i) the date upon which the Sale Order has become final and non-appealable, and (ii) the date that is thirty (30) days after the date upon which the Sale Order has been lodged (the "Closing Date"), unless (i) expressly agreed to by Receiver and Purchaser; or (ii) the delay is attributable to the issuance of the Title Policy. Notwithstanding the foregoing, Purchaser may extend the Closing Date (but in no event beyond December 31, 2015) by written notice to the Receiver given at least five (5) Business Days before the original Closing Date if all of the conditions precedent to Purchaser's obligation to close have not then been satisfied and if Purchaser is not then in default under this Agreement.

(b) *Conditions to Closing.* The Closing shall not occur unless and until all of the actions and conditions set forth in Sections 5.2 and, 5.3 and ARTICLES 9 and 10 shall have been taken, satisfied or waived. If all such actions are taken, satisfied or waived, then the Closing shall be deemed effective at 12:01 a.m. (Arizona time) on the Closing Date. To the extent within a party's reasonable control, that party shall use its commercially

reasonable efforts to cause the other party's conditions to Closing in ARTICLE 9 and ARTICLE 10, as applicable, to be satisfied.

(c) *Extension Payments.* If, for any reason (except for a default by the Receiver hereunder), the Closing has not occurred by November 16, 2015 or by any of the other Extension Payment Dates described below, Purchaser shall be required to pay into escrow Seventy-Five Thousand and No/100 Dollars (\$75,000.00) on each of the following dates (each, an "Extension Payment Date") in order to maintain this Agreement in full force and effect: November 16, 2015, December 1, 2015, December 15, 2015. Each such payment (an "Extension Payment"), once deposited into escrow, shall immediately be released from escrow to Receiver and none of such Extension Payments will be applicable to the Purchase Price.

5.2 *Deliveries by Receiver.* Receiver shall deliver or cause to be delivered, in addition to all other items specified elsewhere in this Agreement, the following to Purchaser at the Closing, each of which shall be in form and substance reasonably satisfactory to the Purchaser:

(a) *General Transfer Instruments.* Except for the assets covered by the motor vehicle title certificates and the Certificates of Deposit, which are addressed in Section 5.2(c) below, a general instrument or instruments of conveyance, consisting of bills of sale, deeds, an affidavit of value, endorsements, assignments, consents and other good and sufficient instruments of conveyance as are reasonably requested by the Purchaser to convey to and vest in Purchaser, as determined by the Purchaser, all title to and rights and interest in the Purchased Assets in accordance with the terms of this Agreement, duly executed by Receiver, together with releases or termination statements of all Liens on such property not permitted by this Agreement. The general transfer instruments shall include, without limitation, a bill of sale in the form set forth as **Schedule 5.2(a)(1)** (the "Bill of Sale"), a special warranty deed in the form set forth as **Schedule 5.2(a)(2)** (the "Deed"), and an assignment and assumption in the form set forth as **Schedule 5.2(a)(3)** (the "Assignment").

(b) *Transfer of Assumed Contracts.* Such documentation, duly executed by all parties thereto, other than the Purchaser, as may be necessary to, in addition to the Assignment, effectuate an assignment to Purchaser, as determined by Purchaser, of all Assumed Contracts.

(c) *Motor Vehicle Title Certificates and Certificates of Deposit.* Title certificates, registrations and other documentation necessary to transfer motor vehicles, vessels and other certificated assets, including the Certificates of Deposit included in the Purchased Assets, duly completed in favor of Purchaser in a manner acceptable to Purchaser and duly executed and, as applicable, acknowledged by Receiver (the "Title Transfer Documents"). The Certificates of Deposit will be delivered to Purchaser as soon as practicable post-Closing, and Receiver shall take all actions requested by Purchaser to cause the Certificates of Deposit to be transferred post-Closing.

(d) *IRC Section 1445 Affidavit.* An affidavit from any party or parties required pursuant to IRC Section 1445 and any regulations relating thereto, stating under penalty of perjury (i) that such party so swearing is not a "Foreign Person," (ii) the U.S. Taxpayer

Identification Number of such party, and (iii) such other information as may be required by any regulations promulgated in connection with IRC Section 1445, in order to permit Purchaser to not withhold any portion of the Purchase Price.

(e) *Inventory Certificate.* The Inventory Certificate described in Section 9.10.

(f) *Compliance Certificates.* Receiver shall have delivered to Purchaser a certificate certifying (A) that the representations and warranties of Receiver contained in this Agreement are true and correct at and as of the Closing; (B) Receiver has performed and complied in all respects with all agreements, covenants, terms, and conditions required by this Agreement to be performed or complied with by Receiver prior to or at the Closing, including the delivery of all items described in this Section 5.2.

(g) *Other.* Such other documents, instruments and certificates as the Purchaser may reasonably and timely request in order to document or to consummate more effectively the transactions contemplated by this Agreement or in order to evidence the compliance by the Receiver and/or Nord with any obligation in this Agreement.

5.3 Deliveries by Purchaser. The Purchaser shall deliver or cause to be delivered, in addition to all other items specified elsewhere in this Agreement, the following to the Receiver at the Closing, each of which shall be in form and substance reasonably satisfactory to the Receiver:

(a) *Compliance Certificates.* The Purchaser shall have delivered to the Receiver (i) one or more certificates, dated the Closing Date, certifying (A) that the representations and warranties of Purchaser contained in this Agreement are true and correct at and as of the Closing, and (B) that the Purchaser has performed and complied in all respects with all agreements, covenants, terms and conditions required by this Agreement to be performed or complied with by Purchaser prior to or at the Closing, including the delivery of all items described in this Section 5.3.

(b) *Inventory Certificate.* The Inventory Certificate described in Section 9.10.

(c) *Assignment and Title Transfer Documents.* The duly executed and, as applicable, acknowledged Assignment and Title Transfer Documents.

(d) *Transfer of Assumed Contracts.* Such documentation, duly executed by Purchaser, as may be necessary to, in addition to the Assignment, effectuate an assignment to Purchaser, as determined by Purchaser, of all Assumed Contracts.

(e) *Other.* Such other documents, instruments and certificates as the Receiver may reasonably and timely request in order to document or to consummate more effectively the transactions contemplated by this Agreement or in order to evidence the compliance by Purchaser with any obligation in this Agreement.

ARTICLE 6

OTHER AGREEMENTS

6.1 **Further Assurances.** The Receiver will from time to time after the Closing, and at the expense of the receivership estate, deliver to the Purchaser such further deeds, bills of sale and assignments, documents of title and other instruments reasonably necessary or desirable to perfect or clarify the transfer of the Purchased Assets and the other transactions contemplated by this Agreement and take such other actions that may be reasonably necessary or desirable to effect the transactions contemplated by this Agreement.

6.2 **Third Party Assignments.** To the extent that any of the Assumed Contracts or Permits that this Agreement contemplates will be assigned to Purchaser are not assignable without the consent of a third party (for purposes of this Section 6.2, “Special Agreements and Rights”), then the Sale Order shall provide for the assignment of such Special Agreements and Rights. If such provision cannot be obtained in the Sale Order, and if consent shall not be obtained prior to the Closing and the Purchaser elects to waive the condition set forth in Section 9.5, then the Receiver agrees to cooperate in any reasonable arrangement designed to provide to the Purchaser the benefits contemplated under any such Special Agreements and Rights and this Agreement.

6.3 **Post-Closing Assistance.** From time to time after the Closing, the Receiver and Purchaser will cooperate with each other, and Receiver shall use best efforts to cause Nord to cooperate, including: (i) where appropriate, granting access to and making available appropriate employees to provide the Purchaser with information and data (including work papers) reasonably requested which are necessary or useful to the other in connection with the transition of the Business to Purchaser, and (ii) taking all actions and executing all documents required by the terms of this Agreement to be performed after the Closing.

6.4 **Confidentiality; Public Announcements.** Receiver and Purchaser agree that the terms and conditions of the transactions contemplated in this Agreement are to remain confidential, except that a party and its affiliates may disclose the terms and provisions of this Agreement: (i) for any reason in the Receivership Case, including to creditors of Nord and other parties to the Receivership Case, and the Court, (ii) to the extent that any party or any of its affiliates is required by Applicable Law or by the rules of any securities exchange to make public disclosure and in this regard the Receiver acknowledges that the Purchaser is required by applicable Canadian securities laws to publically file a copy of this Agreement on SEDAR and to put out a public announcement upon its execution, or (iii) in any legal proceeding, including any audit, to the extent necessary to enforce any rights under this Agreement, in all cases, the disclosing party shall provide the other party with at least one Business Day’s prior notice of such disclosure and the content thereof. Any public disclosure concerning the transactions contemplated by this Agreement, excepting disclosure in accordance with the provisions of the preceding sentence, shall require the review and reasonable approval of the Receiver and Purchaser. Each party shall provide the other party with at least two Business Days to review any public disclosure concerning the transactions contemplated by this Agreement prior to dissemination of such public disclosure. The releasing party shall consider the comments from the other party, acting reasonably, but the releasing party shall have ultimate discretion over the final content of the public disclosure.

6.5 Maintenance of Mine Site; Risk of Loss. Receiver agrees to maintain the Mine Site and the Purchased Assets in the same condition and repair as they exist as of the Effective Date. The risk of any change in the condition and repair of the Mine Site and the Purchased Assets (including, without limitation, any such change as a result of loss or damage to the Mine Site and the Purchased Assets) between the Effective Date and the Closing and all liability to third persons related to the Business and the Purchased Assets until the Closing will be borne by Nord and the receivership estate. If there is any change in the condition of the Mine Site or the Purchased Assets after the Effective Date and before the Closing that results in the diminution in value of the Purchased Assets by more than \$25,000 (the “Materiality Threshold”) as reasonably determined and agreed upon by the parties, the Purchase Price shall be decreased (as reflected in the portion of the Purchase Price payable at Closing) by the amount of such diminution of value in excess of the Materiality Threshold, as reasonably determined and agreed upon by the parties, but Purchaser shall have no right to terminate this Agreement as a result of such change in condition.

6.6 Pre-Closing Assistance. Receiver will reasonably cooperate and Receiver shall use best efforts to cause Nord to cooperate with Purchaser in Purchaser’s due diligence activities, including, but not limited to, Purchaser’s efforts to obtain any necessary governmental approvals to the transfer of any of the Purchased Assets, the Business, or in connection with Purchaser’s economic and engineering feasibility studies, soils studies, environmental investigations, drilling to verify mineral reserves or other investigations of the Purchaser.

6.7 Non-Solicitation. Prior to the earlier of Closing or the termination of this Agreement pursuant to ARTICLE 11, the Receiver shall not and Receiver shall use best efforts to cause Nord and its managers, officers, directors, employees, representatives (including any financial or other advisor), members, parents, subsidiaries or other affiliates, under their control, to not directly or indirectly seek, solicit, discuss or accept any Acquisition Proposal (as defined herein) with any person that has made, indicated any interest to make or may reasonably be expected to make, an Acquisition Proposal. As used herein, “Acquisition Proposal” means (other than the transactions contemplated by this Agreement): any offer, proposal, expression of interest, or inquiry from any person (other than Purchaser and its Affiliates, consultants and legal counsel) relating to any acquisition or sale, direct or indirect, of all or any portion of the Purchased Assets or equity ownership interests in Nord. Unless and until this Agreement is terminated pursuant to ARTICLE 11, the Receiver shall not and Receiver shall use best efforts to cause Nord and its managers, officers, directors, employees, representatives (including any financial or other advisor), members, parents, subsidiaries or other affiliates, under their control, to not directly or indirectly:

- (a) solicit, initiate, facilitate or knowingly encourage (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals that could reasonably be expected to lead, in one transaction or a series of transactions, to an Acquisition Proposal;

- (b) participate in any discussions or negotiations with any person (other than the Purchaser and its Affiliates, consultants and legal counsel) regarding an Acquisition Proposal;

- (c) approve, accept, endorse or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal;

(d) accept or enter into or publicly propose to accept or enter into, any agreement, understanding or arrangement or other contract in respect of an Acquisition Proposal;

(e) provide any confidential information to any third party in connection with any Acquisition Proposal; or

(f) enter into any agreement or undertaking to do any of the foregoing.

6.8 Allocation of Purchase Price. The Purchase Price shall be allocated as specified in **Schedule 6.8**. After the Closing, the parties shall make consistent use of the allocation specified in **Schedule 6.8** for all Tax purposes and in all Tax returns. The Purchaser shall prepare and deliver a proposed IRS Form 8594 to the Receiver prior to or within thirty (30) days after the later of the Closing Date or the completion of any Purchase Price adjustment, as applicable. The Receiver shall review and, within ten (10) days thereafter, may propose reasonable modifications thereto. The Purchaser and the Receiver shall negotiate in good faith to resolve any differences. If the parties are unable to resolve their differences, the Purchaser and the Receiver shall be responsible for the preparation of their own IRS Forms 8594. Notwithstanding anything in this Section to the contrary, on any Tax return and in any proceeding related to the determination of any Tax (the parties acknowledge the Receiver has no role or obligation regarding any Tax Return or in any proceeding related to the determination of any Tax), neither of the Purchaser nor the Receiver shall take a position inconsistent with **Schedule 6.8** and all draft and final Forms 8594 shall be consistent with such Schedule. Nord and Purchaser shall give prompt notice to the other of the commencement of any Tax or reimbursement audit or the assertion of any proposed deficiency or adjustment by any Tax authority that challenges such allocation.

6.9 Termination of Employees. Purchaser shall have the right between the Effective Date and the Closing Date to interview all employees of the Business to consider whether to hire such employees. Purchaser shall have no obligation whatsoever to offer employment to or employ any such employees following the Closing. Receiver shall terminate the employment of all employees of the Business on or prior to the Closing. Nothing in this Section 6.11 shall affect or modify Receiver's obligations with respect to employees under Section 2.6.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to, and covenants with, the Receiver on the date of this Agreement (which such representations, warranties and covenants shall survive the Closing) as follows:

7.1 Organization and Standing of Purchaser.

(a) *Organization and Status.* Purchaser is a corporation duly organized, validly existing, and in good standing under the laws of the State of such entity's incorporation and is qualified to do business in the State of Arizona. Purchaser has all corporate power and authority necessary to own and operate its properties and otherwise to conduct its business as it is presently conducted and to enter into this Agreement and the other agreements to be

executed and delivered by it pursuant to this Agreement and to perform its obligations hereunder and thereunder.

(b) *Authority.* The execution and delivery of this Agreement and the other agreements to be executed and delivered by Purchaser pursuant to this Agreement and the consummation by Purchaser of the transactions contemplated by, and other compliance with or performance under, them have been duly authorized by all necessary action on the part of Purchaser.

7.2 ***No Violation.*** The execution and delivery by Purchaser of this Agreement and the other agreements to be executed and delivered by Purchaser pursuant to this Agreement and the consummation by Purchaser of the transactions contemplated hereby and thereby do not and will not (i) violate or conflict with any provision of the organizational documents of Purchaser, (ii) violate or conflict with, or result (with the giving of notice or lapse of time or both) in a violation of or constitute a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, license, agreement or other instrument or obligation to which Purchaser is a party or by which any of its assets may be bound, except for such violations or defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained, or (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Purchaser or any of its respective assets.

7.3 ***Brokers.*** Purchaser has not dealt with any broker in connection with this transaction. If any person asserts a claim to a finder's fee, brokerage commission or other compensation on account of alleged employment by Purchaser as a finder or broker or performance of services as a finder or broker in connection with this transaction, then the Purchaser will indemnify and hold the Receiver harmless for, from, and against any claims or actions related thereto. This indemnity will survive the Closing or the cancellation of this Agreement.

7.4 ***Enforceability.*** This Agreement and the agreements and instruments contemplated by this Agreement to which Purchaser is party or a signatory constitute the legal, valid, and binding obligations of such Purchaser, and are enforceable in accordance with their terms.

ARTICLE 8

REPRESENTATION, WARRANTIES, AND COVENANTS OF RECEIVER

8.1 ***Covenants of Receiver.*** The Receiver hereby covenants and agrees with Purchaser that between the date hereof and the Closing Date:

(a) *Preservation of Purchased Assets and Business.* As described in Section 6.5, Receiver shall maintain the Mine Site and the Purchased Assets in the same condition and repair as they exist as of the Effective Date and ensure their security. With respect to the Business, Receiver shall use its best efforts to preserve Nord's relationships with distributors, suppliers, customers and others having business relationships with Nord that are necessary to preserve the value of the Purchased Assets and the Business. Receiver will promptly notify Purchaser in writing of any material adverse change in the Business or the Purchased Assets, including without limitation, changes in distributors, suppliers or

customers and diminishment or cessation of operations or staffing in a manner that could jeopardize the status or value of any of the Purchased Assets. Receiver agrees to seek any court orders or injunctions necessary or desirable to compel compliance with these and other obligations created by this Agreement, and shall do so at the sole expense of the receivership estate.

(b) *Acknowledgements.* In each case where any properties, agreements, leases, contracts or other rights or commitments of Nord are to be transferred to Purchaser but are either not transferable or assignable to such Purchaser, or cannot be purchased or assumed by such Purchaser pursuant to this Agreement, without the consent of another party, the Receiver will at expense of the receivership estate obtain, prior to the Closing Date, all such acknowledgements or consents of such other party to the transfer of such properties, agreements, leases, contracts, rights and commitments to such Purchaser pursuant to this Agreement.

(c) *Minimum Notice of Sale; Sale Order.* The Receiver shall, at the sole expense of the receivership estate, file a motion or application (the “Application”) in the Receivership Case requesting the Court to enter the Sale Order approving this Agreement and the transaction contemplated herein. The form of Application and in particular the form of Sale Order attached to the Application shall be approved by Purchaser before filing with the Court. The Receiver shall provide reasonable notice of the Application, as approved by the Court, and any hearing on the Application via method of notice approved by the Court to at least the following persons:

- (i) All creditors of Nord;
- (ii) All current vendors or lessors of Nord;
- (iii) All employees, officers, and directors of Nord;
- (iv) All holders of equity of greater than five percent (5%) in Nord;
- (v) The counterparties to the Royalty Agreements;
- (vi) All parties appearing in the Receivership Case; and
- (vii) All parties in actions pending against Nord or the receivership estate known to the Receiver.

(collectively, the “Notice List”). If the Receiver is aware of any claim by any person on the Notice List against Nord or the receivership estate that exceeds the sum of \$50,000.00, the Receiver shall provide such person with notice of the Application and any hearing via certified mail or overnight courier, signature return requested.

The Application or notice thereof, as supplemented prior to entry of the Sale Order, shall, at a minimum, include a summary of the transaction contemplated by this Agreement, a schedule or summary indicating which liabilities of Nord and the receivership estate will be paid with the proceeds of the proposed sale, and shall indicate the likelihood that Nord and the receivership estate lack funds to pay any other claims against Nord or the receivership

estate. Additionally, the Application or notice thereof shall mandate a date certain by which any objections to the Application must be filed with the Court, and shall provide the address where any such objections may be filed. The Application or notice thereof shall prominently provide in a capitalized, underlined, or bold font that Purchaser shall not be and shall not be deemed to be liable for any debt of Nord or the receivership estate. The Receiver may elect to provide broader or more detailed notice of the Application but must, at a minimum, comply with the requirements set forth in this Section 8.1(c). The Receiver shall provide Purchaser with copies of any filings concerning the Application or the proposed Sale Order concurrently with making such filings and within one (1) Business Day of receiving any filings not made by Receiver.

(d) *Truthfulness of Representation and Warranties.* The Receiver shall promptly notify Purchaser in writing and in reasonable and specific detail if, after execution of this Agreement but prior to the Closing, Receiver has any Knowledge of any change in any information contained in the Schedules or any fact or other information is learned by Receiver that would make the information contained in one or more of the representations and warranties or the Schedules untrue, inaccurate, or incomplete. In such a situation, the Purchaser may at its option, either: (a) consent to the Receiver updating the affected representations and warranties and/or Schedule(s) to be corrected to make the affected representations and warranties and/or Schedule(s) true, accurate, and complete; (b) cancel this transaction pursuant to Section 11.1(b); or (c) close the transaction and pursue its remedies elsewhere provided in this Agreement.

8.2 *Representation and Warranties of Receiver.* Receiver hereby represents and warrants to, and covenants with the Purchaser on the date of this Agreement and as of the Closing Date as follows:

(a) *Authority.* Subject to entry by the Court of the Sale Order and the Sale Order becoming final and non-appealable, Receiver has the requisite power and authority to enter into this Agreement and the other agreements to be executed and delivered by it pursuant to this Agreement and to perform Receiver's obligations hereunder and thereunder except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in a material adverse effect on the transaction contemplated by this Agreement.

(b) *Enforceability.* Subject to entry by the Court of the Sale Order and the Sale Order becoming final and non-appealable, (i) this Agreement and the agreements and instruments contemplated by this Agreement to which Receiver is party or a signatory constitute the legal, valid, and binding obligations of such Receiver, and are enforceable in accordance with their terms, and (ii) the transfer documents executed and delivered by Receiver pursuant to this Agreement effectively convey to, and vest in, Purchaser the full right, title and interest of Receiver in and to the Purchased Assets, subject only to the Permitted Exceptions.

(c) *No Violation.* Subject to entry by the Court of the Sale Order and the Sale Order becoming final and non-appealable, the execution and delivery by Receiver of this Agreement and the other agreements to be executed and delivered by it pursuant to this Agreement and the consummation by Receiver of the transactions contemplated hereby and

thereby do not and will not (i) violate or conflict with any provision of the Receivership Order, (ii) violate or conflict with, or result (with the giving of notice or lapse of time or both) in a violation of or constitute a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of the Assumed Contracts, the Permits, the Water Rights or any other note, license, agreement or other instrument or obligation to which Nord is a party or by which any of its assets (including the Purchased Assets) may be bound, except for such violations or defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained, or (iii) violate any order, writ, injunction, decree, statute, rule or regulation applicable to any of the Purchased Assets, including any order entered in the Receivership Case.

(d) *Liabilities and Liens.* To the extent provided by law and other than Permitted Exceptions, none of the Purchased Assets is subject to any liabilities or Liens of any nature, whether accrued, absolute, contingent, or otherwise, or arising out of transactions entered into, or any state of facts existing prior to the Effective Date, including tax liabilities or special assessments; and in all events, the Sale Order shall provide that Purchaser shall have no liabilities, whether accrued, absolute, contingent, or otherwise, or arising out of transactions Nord or the Receiver entered into, or any state of facts existing prior to the Closing Date, except as may be otherwise expressly stated in the Sale Order.

(e) *Personal Property.* All of the Purchased Assets are owned either by Nord or the receivership estate. As of the Closing Date, either Nord or the receivership estate will have good title to the Purchased Assets, free and clear of all Liens, other than the Permitted Exceptions, it being understood that proceeds from the sale contemplated by this Agreement may be used by Receiver to comply with this requirement on the Closing Date.

(f) *Mine Site Reclamation.* Except as disclosed on **Schedule 8.2(f)**, Nord and the Receiver have complied with and the Mine Site is in compliance with all applicable reclamation requirements, regulations, and laws imposed upon Nord, the Receiver and the Mine Site.

(g) *Mine Site Title.*

(i) Nord has good and marketable fee simple title to the Purchased Land, including, in each case, all existing rights of access to public highways adjacent thereto. Except for the Permitted Exceptions, there are no (A) Liens on the Purchased Land or on the Mine Site, or (B) leases, instruments or other contracts granting any interest in the Mine Site.

(ii) No person is encroaching upon any of the Mine Site, and none of the activities of Nord on the Mine Site is encroaching upon the property of others or easements or rights of way in favor of others.

(iii) There are no pending or contemplated condemnation or eminent domain proceedings affecting the Mine Site.

(iv) All maintenance payments due with respect to unpatented mining claims that are included as part of the Property have been paid in full.

(h) *Archaeological.* Except as disclosed on **Schedule 8.2(h)**, there are no historic or archaeological sites on the Mine Site.

(i) *Zoning.* (a) The Property is in compliance with all applicable building, zoning, land use or other similar statutes, laws, ordinances, regulations, permits or other requirements with respect to the Business and the Mine Site and neither Nord nor the Receiver has received any notice alleging such a violation; (b) there are no non-conforming uses, zoning or building code variances or any other use restrictions (whether written or oral) or special permits not set forth in the local zoning laws and building codes with respect to the Business or the Mine Site; (c) any operations on or uses of the Mine Site that constitute nonconforming uses have been conducted with sufficient continuity so as to preserve the right to continue the existing operations and uses; and (d) neither Nord nor the Receiver has received any notice of (i) any pending or contemplated rezoning proceeding affecting the Mine Site, or (ii) any pending or contemplated proceedings or public improvements which could or might result in the levy of any special tax or assessment against the Mine Site.

(j) *MSHA.* There is no significant and substantial mining safety or health hazard, as defined by the Mine Safety and Health Administration, at the Business and/or the Mine Site.

(k) *Brokers.* Neither Receiver nor Nord has dealt with any broker in connection with this transaction. If any person asserts a claim to a finder's fee, brokerage commission or other compensation on account of alleged employment by Receiver or Nord as a finder or broker or performance of services as a finder or broker in connection with this transaction, Purchaser shall be entitled to offset any amounts incurred by Purchaser against the amounts payable by Purchaser under the Deferred Payment Documents, which right shall survive the Closing.

(l) *Water Rights.* All contracts, charges, filings, registrations, payments and assessments relating to the Water Rights of Nord with respect to the Mine Site have been made, paid and are current, as applicable.

(m) *Access.* The Property currently has legal vehicular access from the Mine Site to Interstate 10 via public roadway.

(n) *Documents Delivered.* The documents delivered by Receiver to Purchaser pursuant to Section 4.1 constitute all information in Receiver's and Nord's possession relating to Nord's ownership of the Purchased Assets and its operation of the Business, including without limitation historical tax bills and appeals information, a list of all capital improvements performed over the last 24 months, copies of any service contracts, copies of any plans or specifications, surveys, reserves reports, soils reports, property condition reports, environmental reports, all Contracts relating to the ownership, operation and maintenance of the Purchased Assets and the Business, Permits, and agreements reflecting all of Nord's Water Rights with respect to the Property.

(o) *Contracts.* **Schedule 8.2(o)** sets forth as of the date hereof those written and verbal contracts for the sale of products from the Business made by Nord which have not

been fully performed by Nord and for which some act must be performed after the Closing Date, copies of which have been made available to Purchaser. There are no Contracts pertaining to any of the Purchased Assets or the Business other than Contracts and quotations for the sale of products listed on **Schedule 8.2(o)**. Receiver has delivered to Purchaser true and accurate copies of all Contracts listed on **Schedule 8.2(o)** (or a written summary of the terms of any oral Contracts listed on **Schedule 8.2(o)**), together with all amendments, modifications and supplements thereof and waivers and consents thereunder.

(p) *Litigation.* Except as disclosed in **Schedule 8.2(p)**, there is no litigation, action, claim, proceeding, or governmental investigation pending or threatened against Nord or the Receiver (i) relating to the Business or the Purchased Assets, or (ii) which may affect the Receiver's ability to perform its obligations under this Agreement or under any agreement or instrument contemplated by this Agreement, and there is no basis for any such action.

(q) *Business Operation.* Except as identified in **Schedule 8.2(q)**, Nord has in all material respects, conducted the Business in accordance with all Applicable Laws and Nord has not received any written notice to the contrary. Nord is not charged with, in receipt of any notice or warning of, or under investigation with respect to any failure or alleged failure to comply with any provision of any Applicable Law with respect to the Business or the Purchased Assets.

(r) *Environmental Permits.* **Schedule 8.2(r)** contains a true and complete description of all current environmental (including mining) licenses, permits, and regulatory and reclamation plans of Nord pertaining to the Business and the Mine Site ("Environmental Permits"), together with the expiration and renewal dates thereof, and Receiver has delivered a true and correct copy of each of such items to Purchaser. Receiver has provided Purchaser with copies of all environmental assessments and audits of the Purchased Assets or the Business in Receiver's possession.

(s) *No Contamination.* Except as disclosed in **Schedule 8.2(s)**, none of the Purchased Assets nor the Mine Site have been contaminated with any hazardous wastes, hazardous substances, or other hazardous or toxic materials as defined in the Environmental Laws so as to constitute a violation of any of the Environmental Laws or so as to trigger any required corrective or remedial action under the Environmental Laws. None of the Purchased Assets or the Mine Site has had any leakage of any hazardous wastes, hazardous substances, or other hazardous or toxic materials as defined in the Environmental Laws onto or underneath any other property so as to constitute a violation of any of the Environmental Laws or so as to trigger any required corrective or remedial action under the Environmental Laws. There are no transformers, capacitors or other equipment included in the Purchased Assets or located on the Mine Site which contain polychlorinated biphenyls ("PCBs"). No portion of the Mine Site is a wetland as defined in 33 C.F.R. 328.3. Nord has not placed, located, or identified any underground storage tanks on or under any of the Mine Site. No underground storage tanks exist on or under the Mine Site.

(t) *Environmental Compliance.* Except as disclosed in **Schedule 8.2(t)**, Nord is in compliance with all Environmental Laws and all Environmental Permits with respect to

the Business. **Schedule 8.2(t)** describes all violations, compliance orders and citations received by Nord relating to violations of any Environmental Laws or Environmental Permits with respect to the Business issued or received by Nord on or since Nord acquired title to the Purchased Assets. Except as described on **Schedule 8.2(t)**, there are no past or present events, conditions, circumstances or activities, which may interfere with or prevent continued compliance with the Environmental Laws, or which may give rise to any common law or legal liability, or otherwise form the basis of any claim or action, proceeding, hearing, study, or investigation, based on or related to the manufacture, processing, use, storage, disposal, or handling, or the release or threatened release into the environment, of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substances or waste (as defined in the Environmental Laws) with regard to the Purchased Assets (including the Mine Site). Except as disclosed in **Schedule 8.2(t)**, there are no pending or threatened, civil or criminal litigation, notice of violation or administrative proceeding relating in any way to the Environmental Laws involving the Business or the Mine Site, and there is no basis for any such litigation, notice or proceeding that could have a material adverse effect on the Purchased Assets or the financial condition or results of operation of the Business.

(u) *Fines and Penalties.* Either (i) any and all fines, penalties and interest imposed by any governmental agency (including, without limitation, the Arizona Department of Environmental Quality) as a result of any prior failures by Nord, the Receiver or any predecessor of Nord or the Receiver to comply with Environmental Laws applicable to the Property or any other Applicable Laws or to comply with or perform any obligations required under the Permits, the Environmental Permits or any orders of any governmental agency or court (collectively, the “Fines and Penalties”) have been paid in full or will have been paid in full on or before the Closing by Receiver, or (ii) Purchaser and its successors and assigns will have no successor liability for any of the Fines and Penalties and none of the Fines and Penalties will result in a Lien against the Purchased Assets after the Closing.

(v) *Consents.* Except for the Sale Order and other contracts as set forth on **Schedule 8.2(v)**, no consent, approval, order or authorization of, or registration, declaration or filing with any Governmental Authority or other person on the part of Receiver or Nord is required in connection with the execution or delivery of, or the performance of its obligations under this Agreement, the agreements to be executed and delivered pursuant to this Agreement, the consummation of any transaction contemplated hereby or thereby, or the assignment to Purchaser of any of the Assumed Contracts. The parties acknowledge and agree that Purchaser reserves the right to supplement **Schedule 8.2(v)** in connection with its review of diligence materials to include any Assumed Contracts not already listed on **Schedule 8.2(v)** but which, in Purchaser’s reasonable discretion, Purchaser believes to require a third party consent in order to validly assign such Assumed Contract.

(w) *Employment Matters.* There are presently no workers compensation claims, employment discrimination claims or worker safety claims under OSHA, MSHA or otherwise pending against Nord with respect to employees of the Business. Except as set forth on **Schedule 8.2(w)**, Nord has complied in all material respects with all of its obligations under any Employee Benefit Plans and all provisions of ERISA, the IRC, and any and all other laws, releases and other official pronouncements applicable to the

Employee Benefit Plans. Purchaser will not assume and will not have any liabilities for unpaid compensation or fringe benefits (including without limitation accrued sick leave or vacation pay) under any Employee Benefit Plans as of the Closing Date.

(x) *Taxes.* Except for taxes assessed on the net income of the Business, all Taxes of any type owed by Nord or the Receiver, payable in connection with the operation of the Business or assessed on the Purchased Assets, and all penalties and interest due thereon, have been paid in full or will have been paid in full on or before the Closing. Except for income tax returns, all returns due in connection with such Taxes have been filed or will be filed on or before the Closing.

8.3 *Survival of Representations and Warranties.* Except for the Non-Surviving Representations, Receiver's representations and warranties set forth in this Agreement and any document delivered hereunder shall survive the Closing of the transaction contemplated hereunder until the date that is thirty (30) days after the due date for the Second Installment, except that the warranties contained in the Deed shall survive indefinitely. The Non-Surviving Representations shall be merged with the Deed at the Closing and shall not survive the Closing. For purposes of this Agreement, the term "Non-Surviving Representations" shall mean the representations and warranties set forth in (i) Sections 8.2(f), 8.2(s), and 8.2(t), and (ii) Section 8.2(q), but Section 8.2(q) shall only be a Non-Surviving Representation to the extent the term "Applicable Laws" as used in Section 8.2(q) includes Environmental Laws, and for all other purposes Section 8.2(q) shall survive the Closing as described above.

8.4 *Offset Rights.* In addition to Purchaser's offset rights in Sections 2.2(e), 8.2(k) and 9.13, in the event that any of Receiver's representations and warranties (other than the Non-Surviving Representations) are not true as of the Effective Date or as of the Closing Date, in addition to all other rights and remedies available at law or in equity, Purchaser shall be entitled to offset its actual damages as a result of such representations and warranties being untrue against the amounts due under the Deferred Payment Documents.; provided, however, that as respects only those offset rights arising by reason of a breach of Receiver's representations and warranties (other than the Non-Surviving Representations), Purchaser shall only be entitled to assert such offset right if and to the extent that a breach of a Receiver's representations and warranties (other than the Non-Surviving Representations) results in actual damages in excess of \$100,000.

ARTICLE 9

CONDITIONS TO CLOSING APPLICABLE TO PURCHASER

The obligations of the Purchaser to close the transactions and consummate the purchase herein contemplated are subject to the following conditions precedent, which shall be determined by Purchaser in its sole and absolute discretion; and none of such actions or conditions shall be deemed to have been taken or satisfied unless and until all of them have been taken, satisfied or waived:

9.1 *Deliveries.* The Receiver shall have complied with all of the delivery requirements set forth in Section 5.2.

9.2 **Title Policy.** At the Closing, the Title Company shall be irrevocably committed to issue to the Purchaser an ALTA 2006 extended coverage owner's title insurance policy insuring that Purchaser has a valid fee title interest in the Purchased Land, title to all patented mining claims, and easement rights in and to all appurtenant easements, all as described in the Title Commitment, as of the Closing Date, in the full amount of the Purchase Price, with gap coverage through the date of recording, subject only to the Permitted Exceptions (the "Title Policy"), together with such endorsements as may be required by Purchaser. The receivership estate will pay the entire premium for the Title Policy that is attributable to standard coverage. Purchaser shall pay any additional premium required for the Title Policy that is attributable to extended coverage and the cost of any endorsements required by Purchaser.

9.3 **No Undisclosed Liabilities, etc.** On the Closing Date, Nord shall not have any material liability of any nature, whether accrued, absolute, contingent, or otherwise, relating to the Business other than those disclosed in the Schedules hereto and other than the Nedbank Loan.

9.4 **No Proceedings.** Other than as disclosed by the Purchaser, no proceeding or formal investigation shall have been commenced by any governmental or regulatory agency or by any other person or entity with respect to any of the transactions contemplated by this Agreement.

9.5 **Consents.** The Receiver shall have obtained and delivered to Purchaser all of the written consents identified on **Schedule 8.2(v)**.

9.6 **Liens.** The Receiver shall have paid in full and discharged any and all Liens of record on the Purchased Assets other than the Permitted Exceptions. Without limiting the foregoing all past due transaction privilege, real estate, personal property, use, payroll, unemployment or similar taxes that are owed to Cochise County, the State of Arizona or any other governmental authority for periods prior to the Closing shall be paid from the proceeds of the Purchase Price at Closing and all tax Liens on the Purchased Assets relating to periods prior to the Closing shall be discharged in full by Receiver at Closing.

9.7 **Proof of Notice and Sale Order.** Receiver shall have filed with the Court an affidavit or declaration certifying full compliance with the minimum noticing requirements set forth in Section 8.1(c) hereof and any additional requirements of the Court. The Court shall have entered the Sale Order, which shall have become a final, non-appealable order, and shall be in all respects satisfactory to Purchaser.

9.8 **Representations and Warranties.** All of the representations and warranties of Receiver and Nord contained in this Agreement shall be true and correct at and as of the Closing, and Receiver shall have performed and complied in all respects with all agreements, covenants, terms, and conditions required by this Agreement to be performed or complied with by Receiver prior to or at the Closing.

9.9 **Regulatory Approvals.** Purchaser, Nord and the Receiver, or their affiliates, shall have made all legal, regulatory or other filings required to be made by it or them and all requisite approvals shall have been obtained in order to consummate the transactions contemplated herein or, as may be determined by Purchaser in its sole discretion, the parties shall be diligently pursuing such legal, regulatory, stock exchange, filings, or approvals, to be completed in a reasonable time following Closing. Purchaser shall have also have obtained all regulatory, stock exchange,

governmental, municipal, local, business and other licenses, authorizations and permits or transfers of existing Permits (with either such modifications to the existing Permits as may be determined necessary by Purchaser in its sole and absolute discretion or if such modification cannot be had prior to the Closing, in lieu of such modifications attendant to the existing Nord aquifer protection program permit, a letter evidencing the issuing Agency's binding agreement to modify the existing aquifer protection program permit as required by Purchaser in its sole and absolute discretion) that Purchaser deems necessary in its sole and absolute discretion to have obtained prior to Closing to permit the use and operation of the Purchased Assets after the Closing by Purchaser, provided, however, that if the transfer of the existing Permits requires proof of the consummation of the transactions contemplated hereunder, then such transfer shall be accomplished after the Closing, so long as Purchaser is satisfied in its sole and absolute discretion that (i) all actions have been taken prior to the Closing that can be taken with respect to the modification and transfer of the Permits, and (ii) the approval of such transfer is solely conditioned on the consummation of the transactions contemplated hereunder and is not discretionary on the part of the governmental authority that will approve the transfer.

9.10 ***Product Inventory.*** Receiver and Purchaser or their designated representatives shall mutually execute a certificate attesting to the inventories of raw materials and related materials existing at the Mine Site as of the date which is one (1) day prior to the Closing (the "Inventory Certificate"), which amounts must reflect the same inventories set forth on **Schedule 2.2(d)**.

9.11 ***Removal of Personal Property.*** Subject to the Purchaser Removal Contribution (as defined below), Receiver shall, at the expense of the receivership estate, remove or cause to be removed prior to Closing all personal property located at or on the Mine Site that is not owned by Nord (and thus not part of the Personal Property or the Purchased Assets), unless Purchaser provides written notice to Receiver within 15 days after the mutual execution of this Agreement that Purchaser does not require certain items of personal property to be removed from the Mine Site, in which case such items of personal property shall be left on the Mine Site; provided, however, that with respect to the existing 24 oil barrels owned by Fisher Industries currently located on the Mine Site (the "Barrels"), Purchaser will reimburse the Receiver at Closing for 50% of the cost to remove and dispose of such Barrels (the "Purchaser Removal Contribution"), but in no event will the Purchaser Removal Contribution exceed \$2,500.

9.12 ***Deferred Payment Documents.*** Purchaser and Nedbank shall have executed and delivered the Deferred Payment Documents on or prior to the Closing, which Deferred Payment Documents, as between the parties to this Agreement, shall be in form and substance acceptable to Purchaser in its sole and absolute discretion.

9.13 ***Nedbank Operating Deficit Funding Obligations.*** On or after the Effective Date, Nedbank shall have paid into the Receiver's account immediately available funds in the amount of \$158,000 (the "Budgeted Operating Shortfall Amount") for use by the Receiver to fund operations at the Mine Site and the Business for the period between the Effective Date and the Closing. The parties acknowledge that the Budgeted Operating Shortfall Amount was calculated as an estimate of the shortfall of budgeted operating expenses for the period from the Effective Date until November 15, 2015 net of the Earnest Money Deposit. Receiver shall, as, when and if necessary, fund all shortfalls in operating expenses for the Mine Site and the Business from the Effective Date until the Closing to the extent such shortfalls are not met by the Budgeted Operating Shortfall

Amount (the “Additional Shortfall Amounts”). If the Receiver fails to comply with its obligations under the immediately preceding sentence, Purchaser may, but shall not be required to, fund all or a portion of the Additional Shortfall Amounts by paying such amounts to the Receiver. In the event Purchaser elects to fund all or a portion of the Additional Shortfall Amounts, Purchaser shall be entitled to offset a sum equal to the Additional Shortfall Amounts actually funded by Purchaser, plus interest at twenty percent (20%) per annum, against the amounts payable by Purchaser under the Deferred Payment Documents.

ARTICLE 10

CONDITIONS TO CLOSING APPLICABLE TO THE RECEIVER

The obligations of the Receiver hereunder (including the obligation to close the transactions herein contemplated) are subject to the following conditions precedent:

10.1 ***Deliveries.*** The Purchaser shall have complied with all of the delivery requirements set forth in Section 5.3 and shall have delivered the Deferred Payment Documents signed by Purchaser to Nedbank.

10.2 ***No Proceedings.*** Other than as disclosed by the Receiver, no proceeding or formal investigation shall have been commenced by any governmental or regulatory agency or by any other person or entity with respect to any of the transactions contemplated in this Agreement.

10.3 ***Purchase Price and Other Payments.*** Purchaser shall have deposited into escrow in immediately available funds: (i) an amount equal to the Purchase Price, minus the \$100,000 Exclusivity Deposit, minus the \$150,000 Applicable Earnest Money Deposit, minus the \$1,000,000 First Installment and the \$2,200,000 Second Installment, and plus or minus, as applicable, the prorations contemplated under this Agreement; (ii) the Non-Applicable Earnest Money Deposit; and (iii) any Extension Payments due and payable under Section 5.1(c).

10.4 ***Regulatory Approvals.*** The Purchaser, or its affiliates, shall have made all legal, regulatory or other filings required to be made by it and all requisite approvals shall have been obtained in order to consummate the transactions contemplated herein.

ARTICLE 11

TERMINATION AND REMEDIES

11.1 ***Termination.*** This Agreement may be terminated at any time prior to the Closing:

- (a) By mutual written consent of the Purchaser and the Receiver; or
- (b) By either party if the other breaches any of its material representations, warranties, or covenants contained herein; or
- (c) By either party if the party’s conditions to Closing as set forth in Section 5.1(b) (other than the condition in Section 9.9) have not been taken, satisfied or waived by the Closing Date; or

(d) By Purchaser as provided in Section 12.5.

11.2 *Effect of Termination; Remedies.* Except as provided further below in this Section 11.2, in the event of termination of this Agreement as provided in Section 11.1, this Agreement will become void and there will be no liability or further obligation hereunder on the part of the Receiver or the Purchaser or their respective shareholders, members, managers, officers, or directors except with respect to Section 6.4 (confidentiality) and Section 12.3 (legal fees). Notwithstanding the foregoing, if Receiver terminates this Agreement pursuant to Section 11.1(b), Receiver's sole remedy shall be to retain the Exclusivity Deposit, the Earnest Money Deposit, and any Extension Payments previously deposited into escrow, not as a penalty but as liquidated damages. Notwithstanding the foregoing, if Purchaser terminates this Agreement pursuant to Section 11.1(b), Purchaser shall be entitled to obtain a refund of the Exclusivity Deposit, the Earnest Money Deposit, and any Extension Payments previously deposited into escrow. If Receiver breaches any of its material representations, warranties, or covenants contained herein prior to Closing, and if Purchaser elects not to terminate this Agreement as described above, then Purchaser may (a) seek specific performance from the Court or any other court having jurisdiction, and/or (b) pursue all other remedies available at law or in equity against the Receiver and/or Nord. If Purchaser terminates this Agreement pursuant to Section 11.1(c) or 11.1(d), Purchaser shall be entitled to receive a refund of the Exclusivity Deposit, the Earnest Money Deposit, and any Extension Payments previously deposited into escrow.

11.3 *Cure Periods.* Notwithstanding anything to the contrary contained in this Agreement, neither party hereunder may exercise any of the remedies described in this Article 11 by reason of an alleged breach of this Agreement by the other, unless and until notice of the alleged breach is provided to the other party and such alleged breach is not cured within two (2) Business Days following delivery of such notice.

ARTICLE 12

GENERAL PROVISIONS

12.1 *Notices.* All notices, requests, demands, and other communications hereunder shall be in writing, and shall be deemed to have been duly given if (i) delivered in person, (ii) made by email, or (iii) sent by overnight courier service (with all fees prepaid), as follows:

Notices to Receiver: Christopher G. Linscott
33 N. Stone Ave.
Suite 1100
Tucson, AZ 85701
Email: clinscott@klkcpa.com

with a copy to: Michael McGrath
Mesch, Clark & Rothschild
259 N Meyer Ave
Tucson, AZ 85701
Email: mmcgrath@mcranzlaw.com

Notices to Purchaser: Stephen Twyerould
Concord Place
2999 North 44th Street, Suite 300
Phoenix, Arizona 85018
Email: stwyerould@excelsiormining.com

with a copy to: Olen Aasen
c/o King & Bay West Management Corp.
1240-1140 West Pender Street
Vancouver, BC, Canada V6E 4G1
Email: oaasen@kingandbay.com

with a copy to: Mark Patton
Lewis Roca Rothgerber LLP
One South Church Avenue, Suite 700
Tucson, Arizona 85701
Email: MPatton@LRRLaw.com

Any such notice, request, demand or other communication shall be deemed to be given if delivered in person, on the date delivered, if made by email, on the date transmitted, or, if sent by overnight courier service, on the date sent as evidenced by the date of the bill of lading; and shall be deemed received if delivered in person, on the date of personal delivery, if made by email, upon confirmation of receipt (including electronic confirmation), or if sent by overnight courier service, on the first Business Day after the date sent. Any party sending a notice, request, demand, or other communication by email shall also send a hard copy of such notice, request, demand, or other communication by one of the other means of providing notice set forth in this Section 12.1, unless a recipient of the notice waives the requirement to also deliver a hard copy. Any notice, request, demand, or other communication shall be given to such other representative or at such other address as a party to this Agreement may furnish to the other parties in writing pursuant to this Section 12.1. Legal counsel for Receiver and Purchaser may give notices on their behalf.

12.2 Expenses. Except as provided herein each party shall pay its own legal fees and other costs and expenses incurred in connection with the transactions contemplated hereby and the performance of its obligations hereunder regardless of whether the transactions are ultimately consummated. The receivership estate shall bear any state or local sales, income, transaction privilege tax, speculative builders tax, or transfer taxes and fees applicable to the transactions contemplated hereunder.

12.3 Legal Fees. A party who prevails in enforcing rights and remedies under this Agreement in an action brought to enforce the same shall (in addition to any other relief hereunder) be paid by the other party all costs, fees and expenses, including reasonable attorneys' fees, incurred by the prevailing party in enforcing such rights and remedies.

12.4 Consent to Jurisdiction; Waiver of Jury Trial. The Receiver, Nord and the Purchaser agree that they will bring and resolve any action or proceeding for the enforcement of any right, remedy obligation or liability arising under or in connection with this Agreement solely in the Court located in Pima County, Arizona in which the Receivership Case is pending. Each party hereby irrevocably waives its right to bring any action or proceeding against the other except

in accordance with the preceding sentences. **Each of the parties irrevocably waives any right to a jury trial with respect to any matter arising out of or in connection with this Agreement.**

12.5 **Condemnation.** If any portion of the Mine Site is condemned (or sold and conveyed in lieu of condemnation) prior to the Closing, Purchaser may cancel this Agreement. If Purchaser so elects to cancel, the Agreement will be canceled and Purchaser shall receive a refund of the Exclusivity Deposit and the Earnest Money Deposit. If Purchaser elects to close this transaction notwithstanding the condemnation, Purchaser will receive all awards or payments made by the condemning authority to which the Receiver would otherwise be entitled and Purchaser will proceed to close this transaction and pay the total Purchase Price.

12.6 **Successors in Interest.** This Agreement shall be binding upon the parties to this Agreement and their respective successors and assigns, shall inure to the benefit of the parties to this Agreement and their respective permitted successors and assigns (and to or for the benefit of no other person or entity, whether an employee or otherwise, whatsoever), and any reference to a party to this Agreement shall also be in reference to a successor or assign. Nothing in this Agreement shall be construed to give any person other than the parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provisions of this Agreement. Purchaser shall be entitled to assign this Agreement to any Affiliate of Purchaser without the need to obtain Receiver's consent.

12.7 **Construction.** This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona.

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

12.9 **Severability.** If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all of the terms and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner or adverse to any party hereto.

12.10 **Exhibits and Schedules.** Each Exhibit and Schedule referred to in this Agreement, each attachment to any exhibit or schedule, and each other attachment to this Agreement is hereby incorporated by reference into this Agreement and is made a part of this Agreement as if set out in full in the first place that reference is made to it.

12.11 **Entire Agreement.** This Agreement, which is deemed to include all Exhibits, Schedules, and certificates delivered pursuant to the terms hereof, embodies the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, whether expressed or implied, by any officer, employee or representative of any party hereto with respect thereto. This Agreement supersedes and replaces the LOI in its entirety.

12.12 **Amendment; Waiver.** This Agreement may not be amended, and any provision hereof waived without the approval of the Court, Receiver and Purchaser. The granting of any waiver with respect to any failure to comply with any provision of this Agreement shall not

operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply with any provision of this Agreement.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

RECEIVER:

By: /s/ Christopher G Linscott

CHRISTOPHER G. LINSOTT, (as court-
appointed receiver for the assets of NORD
RESOURCES CORPORATION)

PURCHASER:

EXCELSIOR MINING JCM, INC.,
an Arizona corporation

By: /s/ Carlo Valente

Name: Carlo Valente

Title: Treasurer

SCHEDULES TO ASSET PURCHASE AGREEMENT
Dated October 7, 2015

BY AND BETWEEN

CHRISTOPHER G. LINSOTT,
(as court-appointed receiver for the assets of NORD RESOURCES CORPORATION)

AND

EXCELSIOR MINING JCM, INC.

Schedule 1(A)

Property

The Johnson Camp Mine includes the following real property and property rights, all situated in Cochise County, Arizona, together with all extralateral rights, water rights, and appurtenances, and all fixtures, stockpiles, leach heaps, dumps and tailings situated thereon:

Part I - Patented Mining Claims:

Parcel 1

Arizona, Blue Grass, Puzzle, Enough, and Carlton patented lode mining claims, Mineral Survey No. 4340, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 1143496, recorded in the records of Cochise County at Docket 100, Page 283,

EXCEPT all that portion of the ground within the boundaries of Ross, Dewey, and True Blue, Mineral Survey No. 1717, and North Star, Mineral Survey No. 3242; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

containing 66.721 acres, more or less.

Parcel 2

Afterthought, Burro, Burro No. 3, Coronado, Coronado No. 2, and Mason No. 1 patented lode mining claims, Mineral Survey No. 4571, embracing portions of Sections 25, 26, and 35, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 02-63-0060, recorded in the records of Cochise County at Docket 315, Page 561,

EXCEPT all that portion of the ground within the boundaries of Republic, Mineral Survey No. 324; Golden Shield, Mineral Survey No. 325; Chicora, Mineral Survey No. 326; Southern, Mineral Survey No. 327; Mayflower, Mineral Survey No. 2764; Calumet, Mineral Survey No. 4197; Tenderfoot, Mineral Survey No. 4314; and Section 36, Township 15 South, Range 22 East; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

containing 89.005 acres, more or less.

Parcel 3

St. George patented lode mining claim, Mineral Survey No. 1966, embracing a portion of Section 36, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 42949, recorded in the records of Cochise County at Book 20, Deeds of Mines, Page 312,

containing 17.732 acres, more or less.

Parcel 4

Mayflower (aka May Flower) patented lode mining claim, Mineral Survey No. 2764, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M., in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No: 298716, recorded in the records of Cochise County at Docket 12, Page 581,

containing 19.414 acres, more or less.

Parcel 5

Acorn, A-Number One, A-Number Two, Chicago, Cochise, Copper Thread, Johnson, Little Johnnie, Rough Rider, Tenderfoot, and United Fraction patented lode mining claims, Mineral Survey No. 4314, embracing portions of Sections 23, 25, and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 1141449, recorded in the records of Cochise County at Docket 93, Page 620,

EXCEPT all that portion of the ground within the boundaries of Blue Lead Extension, Dwarf, Esmeralda, and Copper Chief, Mineral Survey No. 3242; Copper Bell, Mineral Survey 1717; Highland Mary, Mineral Survey No. 284; Copper King, Mineral Survey No. 285; Republic, Mineral Survey No. 324; Golden Shield, Mineral Survey No. 325; Mayflower, Mineral Survey No. 2764; Tycoon, Mineral Survey No. 329; and Gingham No. 3, unsurveyed; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

FURTHER EXCEPT those portions of Cochise and United Fraction, containing 0.026 and 0.387 acres, more or less, respectively, being those portions lying in the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) and the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David Rae, Grantee, recorded in the Cochise County records as document No. 870102364,

containing 106.572 acres, more or less.

Parcel 6

Blue Lead, North Star, Little Bush, Copper Chief, Southern Cross, Blue Lead Extension, Dwarf, and Esmeralda patented lode mining claims, Mineral Survey No. 3242, embracing portions of Sections 23 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 610053, recorded in the records of Cochise County at Book 29, Deeds of Mines, Page 92,

containing 92.563 acres, more or less.

Parcel 7

Anaconda, Last Chance, Delta, and Sara patented lode mining claims, Mineral Survey No. 1525, embracing portions of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 036147, recorded in the records of Cochise County at Book 15, Deeds of Mines, Page 236,

containing 54.14 acres, more or less.

Parcel 8

Southern patented lode mining claim, Lot 45, Mineral Survey No. 327, embracing portions of Sections 25, 26, and 36, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 9043 (or 9143), recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 459,

containing 18.79 acres, more or less.

Parcel 9

Mi-an-te-no-mah patented lode mining claim, Lot 48, Mineral Survey No. 330, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 10723, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 455,

containing 19.28 acres, more or less.

Parcel 10

Peabody patented lode mining claim, Lot 39, Mineral Survey No. 286, embracing portions of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6424, recorded in the records of Cochise County at Book 12, Deeds of Mines, Page 433,

containing 17.36 acres, more or less.

Parcel 11

Donna Anna patented lode mining claim, Lot 40, Mineral Survey No. 287, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6423, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 427,

containing 20.66 acres, more or less.

Parcel 12

Highland Mary patented lode mining claim, Lot 37, Mineral Survey No. 284, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6474, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 431,

EXCEPT all that portion of Highland Mary containing 0.064 acres, more or less, being that portion lying in the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364,

containing 20.596 acres, more or less.

Parcel 13

Copper King patented lode mining claim Lot 38, Mineral Survey No. 285, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6475, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 435,

containing 20.11 acres, more or less.

Parcel 14

Golden Shield patented lode mining claim, Lot 43, Mineral Survey No. 325, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8891, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 439,

containing 19.51 acres, more or less.

Parcel 15

Republic patented lode mining claim, Lot 42, Mineral Survey No. 324, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 9045, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 471,

containing 20.66 acres, more or less.

Parcel 16

Chicora patented lode mining claim, Lot 44, Mineral Survey No. 326 embracing a portion of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District Cochise County, Arizona, U.S. Patent No. 9044, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 443,

containing 15.60 acres, more or less.

Parcel 17

Tycoon patented lode mining claim, Lot 47, Mineral Survey No. 329, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8888, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 467,

containing 16.88 acres, more or less.

Parcel 18

Mammoth patented lode mining claim, Lot 49, Mineral Survey No. 331, embracing portions of Sections 23 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U. S. Patent No. 8889, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 463,

containing 19.28 acres, more or less.

Parcel 19

Clondike, Blue Jacket, Keystone, Blue Bell, Copper Bell, Dewey, True Blue, and Ross patented lode mining claims, Mineral Survey No. 1717, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 42087, recorded in the records of Cochise County at Book 20, Deeds of Mines, Page 542,

containing 147.266 acres, more or less.

Parcel 20

Hillside, Pittsburg, and Teaser patented lode mining claims, Mineral Survey No. 3306, embracing a portion of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 648851, recorded in the records of Cochise County at Docket 634, Page 478,

EXCEPT all that portion of Hillside and Pittsburg containing 1.235 and 0.381 acres, more or less, respectively, being that portion lying in the South Half of the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) and the East Half of the Southwest Quarter (E1/2SW1/4) of Section 24, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364,

containing 49.852 acres, more or less.

Parcel 21

San Jacinto patented lode mining claim, Lot 46, Mineral Survey No. 328, embracing a portion of Section 27, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8890, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 475,

containing 19.15 acres, more or less.

Part II - Fee Lands:

The following parcels of fee land are all situated in Township 15 South, Range 22 East, G&SRB&M, Cochise County, Arizona:

Parcel 1

Section 26: Lots 8, 9, 10, and 11

EXCEPT all coal and other minerals as reserved in the patent from the United States of America,

containing 139.00 acres, more or less.

Parcel 2

Section 26: Those portions of the King and Wolfrime Queen patented lode mining claims lying within the Southeast Quarter (SE1/4) as shown on Mineral Survey No. 1800, U.S. Patent No. 40087, recorded in the records of Cochise County at Book 26, Deeds of Mines, Page 251,

containing 1.00 acres, more or less.

Parcel 3

Section 24: Lot 16

Section 25: Lots 11, 13, 14, 16, 17, 18, 20, and 21

EXCEPT any portion of Section 25 lying in the Southeast Quarter of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

EXCEPT a right-of-way for ditches and canals constructed by the authority of the United States as reserved in the patent from the United States of America.

containing 53.444 acres, more or less.

Parcel 4

Section 23: Lots 11, 12, 13, 15, and 16

Section 24: Lots 11, 12, and 13

EXCEPT any portion lying within the South Half of the Southeast Quarter of the Northwest Quarter ($S^{1/2}SE^{1/4}NW^{1/4}$) and the East Half of the Southwest Quarter ($E^{1/2}SW^{1/4}$) of Section 24, Township 15 South, Range 22 East, G&SRB&M conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

Section 25: Lot 12

EXCEPT any portion lying within the Southeast Quarter of the Northwest Quarter ($SE^{1/4}NW^{1/4}$) and the Northeast Quarter of the Southwest Quarter ($NE^{1/4}SW^{1/4}$) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

Section 26: Lots 4, 14, 15, 16, 17, 18, and 19; Southwest Quarter of the Northwest Quarter ($SW^{1/4}NW^{1/4}$)

EXCEPT a right-of-way for ditches and canals constructed by the authority of the United States as reserved in the patent from the United States of America.

containing 307.47 acres, more or less.

Section 25: Lot 15 consisting of 37.53 acres, more or less; and

Lot 16 consisting of 38.26 acres, more or less; and

Lot 19 consisting of 40 acres, more or less, subject to ownership of those portions of unpatented claims Gladys R and Erika that lie North of the Southern boundary of Lot 19; and

Those portions of Lots 20 and 21 that lie East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor; and

Those portions of the Cochise Lode Claim and the United Fraction Lode Claim that lie East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor; and

That portion of the Highland Mary Lode Claim lying East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor.

All described lands, in sum, containing 116.267 acres, more or less.

Part III - Unpatented Mining Claims:

The following unpatented lode mining claims situated in the Cochise (Johnson) Mining District in Sections 13, 14, 22, 23, 24, 25, 26, 27, 34, 35 and 36, Township 15 South, Range 22 East; and Section 31, Township 15 South, Range 23 East; G&SRB&M; Cochise County, Arizona, the names of which, and the serial number assigned by the Arizona State Office of the Bureau of Land Management, are as follows:

<u>Serial No.</u>	<u>Claim Name/Number</u>	<u>Lead Serial No.</u>	<u>Disposition</u>
AMC403667	ADDIE R	AMC403667	ACTIVE
AMC403668	ALAMOSA	AMC403667	ACTIVE
AMC403669	BEE R2	AMC403667	ACTIVE
AMC403670	BEE R1	AMC403667	ACTIVE
AMC403671	BEE R3	AMC403667	ACTIVE
AMC403672	BEE R4	AMC403667	ACTIVE
AMC403673	BEE R5	AMC403667	ACTIVE
AMC403674	BEE R11	AMC403667	ACTIVE
AMC403675	BEE R12	AMC403667	ACTIVE
AMC403676	BONANZA	AMC403667	ACTIVE
AMC403677	BUMBLE BEE	AMC403667	ACTIVE
AMC403678	BURRO L	AMC403667	ACTIVE
AMC403679	BURRO 4	AMC403667	ACTIVE
AMC403680	BURRO 5	AMC403667	ACTIVE
AMC403681	BURRO 6	AMC403667	ACTIVE
AMC403682	BURRO 7	AMC403667	ACTIVE

AMC403683	BURRO 8	AMC403667	ACTIVE
AMC403684	BURRO NO 9	AMC403667	ACTIVE
AMC403685	BURRO 19	AMC403667	ACTIVE
AMC403686	CALUMET	AMC403667	ACTIVE
AMC403687	CHARLES	AMC403667	ACTIVE
AMC403688	CHELSIE FRACTION	AMC403667	ACTIVE
AMC403689	COLORADO	AMC403667	ACTIVE
AMC403690	DEFENDER	AMC403667	ACTIVE
AMC403691	DORA	AMC403667	ACTIVE
AMC403692	E-5 FRACTION	AMC403667	ACTIVE
AMC403693	ECHO NO 1	AMC403667	ACTIVE
AMC403694	ECHO R2	AMC403667	ACTIVE
AMC403695	ECHO R3	AMC403667	ACTIVE
AMC403696	ELEPHANT	AMC403667	ACTIVE
AMC403697	ELLA	AMC403667	ACTIVE
AMC403698	ELLENOR	AMC403667	ACTIVE
AMC403699	ERICKA	AMC403667	ACTIVE
AMC403700	ERNEST	AMC403667	ACTIVE
AMC403701	EULA BELLE	AMC403667	ACTIVE
AMC403702	GLADYS R	AMC403667	ACTIVE
AMC403703	GUSTAVE	AMC403667	ACTIVE
AMC403704	HAGERMAN	AMC403667	ACTIVE
AMC403705	IMOGENE	AMC403667	ACTIVE
AMC403706	INA	AMC403667	ACTIVE
AMC403707	INDICATOR	AMC403667	ACTIVE
AMC403708	KATIE	AMC403667	ACTIVE
AMC403709	KENTUCKY	AMC403667	ACTIVE
AMC403710	LAST CHANCE	AMC403667	ACTIVE
AMC403711	LAURA J	AMC403667	ACTIVE
AMC403712	LIME NO 1	AMC403667	ACTIVE
AMC403713	LIME NO 2	AMC403667	ACTIVE
AMC403714	LIME NO 3	AMC403667	ACTIVE
AMC403715	LIME NO 4	AMC403667	ACTIVE
AMC403716	LINDA SUE	AMC403667	ACTIVE
AMC403717	LOUIE	AMC403667	ACTIVE
AMC403718	MARY	AMC403667	ACTIVE
AMC403719	MARY EILENE	AMC403667	ACTIVE
AMC403720	MASON	AMC403667	ACTIVE
AMC403721	MESCAL NO 5	AMC403667	ACTIVE
AMC403722	MILLINGTON	AMC403667	ACTIVE
AMC403723	MIRIAM	AMC403667	ACTIVE
AMC403724	MOORE #1	AMC403667	ACTIVE
AMC403725	MOORE #2	AMC403667	ACTIVE
AMC403726	MOORE #3	AMC403667	ACTIVE
AMC403727	NELDA LANE	AMC403667	ACTIVE

AMC403728	PORTLAND	AMC403667	ACTIVE
AMC403729	PRIMROSE	AMC403667	ACTIVE
AMC403730	PRIMROSE BEE	AMC403667	ACTIVE
AMC403731	PUZZLE NO 2	AMC403667	ACTIVE
AMC403732	S-10	AMC403667	ACTIVE
AMC403733	S-12	AMC403667	ACTIVE
AMC403734	S-14	AMC403667	ACTIVE
AMC403735	S-16	AMC403667	ACTIVE
AMC403736	S-18	AMC403667	ACTIVE
AMC403737	S-26	AMC403667	ACTIVE
AMC403738	S-28	AMC403667	ACTIVE
AMC403739	S-30	AMC403667	ACTIVE
AMC403740	S-32	AMC403667	ACTIVE
AMC403741	S-34	AMC403667	ACTIVE
AMC403742	SHARIE LYNN	AMC403667	ACTIVE
AMC403743	SHIRLEY LOUISE	AMC403667	ACTIVE
AMC403744	ULTIMO	AMC403667	ACTIVE
AMC403745	WOLFRIME	AMC403667	ACTIVE
AMC405106	BRENDA KAYE	AMC405106	ACTIVE
AMC405107	BURRO A	AMC405106	ACTIVE
AMC405108	BURRO B	AMC405106	ACTIVE
AMC405121	BURRO 17	AMC405106	ACTIVE
AMC405122	BURRO 18	AMC405106	ACTIVE
AMC405123	BURRO 20	AMC405106	ACTIVE
AMC405124	CHARLENE	AMC405106	ACTIVE
AMC405126	FRANCINE	AMC405106	ACTIVE
AMC405127	JANE RAE	AMC405106	ACTIVE
AMC408182	BURRO C	AMC408180	ACTIVE
AMC408183	BURRO D	AMC408180	ACTIVE
AMC408184	BURRO E	AMC408180	ACTIVE
AMC408185	BURRO G	AMC408180	ACTIVE
AMC408186	BURRO H	AMC408180	ACTIVE
AMC408187	BURRO I	AMC408180	ACTIVE
AMC408188	BURRO 11	AMC408180	ACTIVE
AMC408189	BURRO 12	AMC408180	ACTIVE
AMC408190	BURRO 13	AMC408180	ACTIVE
AMC408191	BURRO 14	AMC408180	ACTIVE
AMC408192	BURRO 15	AMC408180	ACTIVE
AMC408193	BURRO 16	AMC408180	ACTIVE
AMC408194	CORNADO NO 1	AMC408180	ACTIVE
AMC408195	ROSIE R	AMC408180	ACTIVE
AMC408909	J SULLY #6	AMC408904	ACTIVE
AMC408911	J SULLY #8	AMC408904	ACTIVE
AMC408914	J SULLY #11	AMC408904	ACTIVE
AMC408915	J SULLY #12	AMC408904	ACTIVE

AMC408916	J SULLY #13	AMC408904	ACTIVE
AMC408917	J SULLY #14	AMC408904	ACTIVE
AMC408918	J SULLY #15	AMC408904	ACTIVE
AMC408919	SULLY #16	AMC408904	ACTIVE
AMC416211	ASHLEY	AMC416211	ACTIVE
AMC416212	J-TRAVASSOS	AMC416211	ACTIVE
AMC416213	N-TRAVASSOS	AMC416211	ACTIVE
AMC416214	SUMMERTIME	AMC416211	ACTIVE
AMC416215	SUNSET	AMC416211	ACTIVE
AMC416216	T-ACKEN	AMC416211	ACTIVE
AMC416217	WILDFIRE	AMC416211	ACTIVE

Part IV - Rights of Way:

BLM Right of Way No. A-22976

A 50 foot wide right—of-way, designated as BLM Right-of-way Number A-22976, for a road crossing the Ella, Dora, Wolfrime, Mary, Charles, Hagerman, and Erika unpatented lode mining claims, BLM Serial Numbers A MC 43587, 43578, 43675, 43605, 43574, 43595, and 043588, respectively, the same being located in the Southeast Quarter of the Southwest Quarter ($SE\frac{1}{4}SW\frac{1}{4}$) of Section 25 and the East Half of the Northwest Quarter ($E\frac{1}{2}NW\frac{1}{4}$) of Section 36, Township 15 South, Range 22 East, G&SRB&M, Cochise County, Arizona, and containing 3.4980 acres more or less, which is more fully described as follows:

Beginning at adot stationing 895 + 99.3, Thence North 27 degrees 25' 15" West 306.32 feet to a curve with an arc of 34 degrees 15' 52", a radius of 300', a tangent of 92.48' and a length of 179.41';

Thence North 61 degrees 41' 07" West 701.98 feet to a curve with an arc of 58 degrees 34' 32", a radius of 400', a tangent of 224.36' and a length of 408.93';

Thence North 3 degrees 06' 35" West 251.47 feet to the southern boundary line of the Ella lode claim, the true point of beginning;

Thence from the true point of beginning, 1,972.03 feet to a curve with an arc of 13 degrees 08' 56", a radius of 400', a tangent of 46.10 feet, and a length of 91.80';

Thence North 2 degrees 02' 21" East 233.66 feet to a curve with an arc of 10 degrees, a radius of 400', a tangent of 35.23' and a length of 70.29';

Thence North 0 degrees 08' 13" East 679.68' to the point where the centerline of the road intersects the northern boundary of the Erika unpatented lode mining claim, BLM Serial Number A MC 43588.

BLM Right-of-Way No. A-9621

Right-of-way for a pipeline, powerline, and access road over and across Lot 4 of Section 24, Township 15 South, Range 22 East, G&SRB&M, which right-of-way crosses a portion of the Bee R12 and the Echo R3 unpatented lode mining claims, BLM Serial Numbers A MC 43532 and 43581, respectively.

State of Arizona Right-of-Way No. 18-95162

A 50-foot wide right-of-way for a road crossing State of Arizona surface lying directly south of and abutting the Ella unpatented lode mining claim, BLM Serial Number A MC 43587, and more particularly described as follows:

Beginning at ADOT station 895 + 99.3, Thence North 27 degrees 25' 15" West 306.32 feet to a curve with an arc of 34 degrees 15' 52", a radius of 300 feet, a tangent of 92.48 feet and a length of 179.41 feet;

Thence North 61 degrees 41' 07" West 701.98 feet to a curve with an arc of 58 degrees 34' 32", a radius of 400 feet, a tangent of 224.36 feet and a length of 408.93 feet to the true point of beginning.

Thence from the true point, of beginning North 3 degrees 06' 35" West 251.47 feet to the southern boundary line of the Ella unpatented lode mining claim, which point lies South 69 degrees 17' 35" East 167.92 feet from the southwest corner of the Ella unpatented lode mining claim.

Right-of-Way as Reserved from David Rae

A right-of-way across an existing roadway in the East Half of the West Half ($E\frac{1}{2}W\frac{1}{2}$) of Section 25, Township 15 South, Range 22 East, G&SRB&M as reserved in Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 8701-02364, as further described below:

BEGINNING at a point on the centerline of the road at its intersection with the section line of Sections 25 and 36, Township 15 South, Range 22 East, G&SRB&M, Cochise County, Arizona, which point is South 89 degrees 50' 33" West, 414.85 feet from the quarter section corner of Sections 25 and 36:

Thence North 00 degrees 30' 06" West, 678.30 feet;

Thence North 10 degrees 27' 11" West, 981.02 feet;

Thence North 14 degrees 40' 20" West, 171.79 feet;

Thence North 29 degrees 16' 00" West, 128.66 feet;

Thence North 34 degrees 47' 37" West, 638.55 feet;

Thence North 37 degrees 21' 57" West, 109.64 feet;

Thence North 45 degrees 39' 35" West, 126.85 feet;

Thence North 49 degrees 59' 15" West, 127.59 feet to the intersection of the road with the west sixteenth section line of Section 25, which point is North 00 degrees 00' 40" East, 66.19 feet from the west center sixteenth section corner of Section 25.

Access Road Right of Way

A right-of-way for ingress and egress over and across an existing roadway extending from the West Half (W1/2) of Lot 20 in Section 25, and running thence through portions of the Northeast Quarter (NE1/4) of Section 25, the Southeast Quarter (SE1/4) of Section 23 and the Southwest Quarter (SW1/4) of Section 23, all in Township 15 South, Range 22 East, G&SRB&M, as further described below:

BEGINNING at a point lying North 49 degrees 59' 15" West, 127.59 feet to the intersection of the road with the west sixteenth section line of Section 25, which point is North 00 degrees 00' 40" East, 66.19 feet from the west center sixteenth section corner of Section 25;

Thence North 49 degrees 59' 15" West, 798.44 feet;

Thence North 53 degrees 14' 47" West, 221.39 feet;

Thence North 60 degrees 43' 02" West, 194.54 feet;

Thence North 64 degrees 21' 44" West, 145.27 feet;

Thence North 65 degrees 49' 06" West, 257.90 feet to the intersection of the road with the section line between Sections 25 and 26, which point is south 00 degrees 00' 43" West, 1660.30 feet from the section corner of Sections 23, 24, 25, and 26;

Thence North 65 degrees 49' 06" West, 89.93 feet;

Thence North 61 degrees 10' 22" West, 232.91 feet;

Thence North 72 degrees 14' 31" West, 609.33 feet;

Thence North 59 degrees 29' 13" West, 409.07 feet;

Thence North 53 degrees 11' 26" West, 669.07 feet;

Thence North 48 degrees 10' 06" West, 176.99 feet;

Thence North 41 degrees 05' 19" West, 562.84 feet;

Thence North 48 degrees 15' 42" West, 246.72 feet;

Thence North 50 degrees 38' 20" West, 25.91 feet to the intersection of the road with the line between Sections 23 and 26, which point is South 89 degrees 54' 08" East, 194.54 feet from the quarter section corner of Sections 23 and 26;

Thence North 50 degrees 38' 20" West, 312.68 feet;

Thence North 27 degrees 54' 00" West, 152.67 feet;

Thence North 27 degrees 57' 35" West, 177.57 feet;

Thence North 27 degrees 47' 54" West, 155.73 feet;

Thence North 20 degrees 07' 26" West, 194.99 feet;

Thence North 48 degrees 22' 21" West, 158.51 feet;

Thence North 56 degrees 34' .27" West, 143.29 feet;

Thence North 56 degrees 39' 39" West, 296.31 feet;

Thence North 64 degrees 44' 49" West, 276.84 feet;

Thence South 89 degrees 42' 38" West, 184.52 feet;

Thence North 64 degrees 28' 24" West, 339.24 feet to a point on the East end line (line 2-3) of the Enough lode, common with line 2-3 of the Arizona lode, both of Mineral Survey No. 4340, which point is South 32 degrees 27' West, 266.03 feet from Corner No. 2 of the Enough lode, identical with Corner No. 3 of the Arizona lode.

Part V - Water Rights, Wells, and Agreements:

State of Arizona Well Registrations

State of Arizona, Department of Water Resources, Water Well Registrations and associated water wells located in portions of Sections 23 and 25, Township 15 South, Range 22 East, G&SRB&M, Cochise County, Arizona, as further described below:

Well Registration No.	Location of Well
36-66376	Township 15 South, Range 22 East, G&SRB&M Section 23: SE ¹ / ₄ SW ¹ / ₄
36-66377	Township 15 South, Range 22 East, G&SRB&M Section 25: SW ¹ / ₄ NW ¹ / ₄
36-66378	Township 15 South, Range 22 East, G&SRB&M Section 23: NW ¹ / ₄ SE ¹ / ₄

Access and Water Use Agreement

Access and Water Use Agreement dated the 26th day of January, 1987 between David A. Rae and Cyprus Mines Corporation, the same being recorded as Document No. 870102368, Cochise County, Arizona, which agreement covers the unrestricted use by Cyprus of that certain water well, State of Arizona Department of Water Resources Well Registration No. 36-66379, located in Northwest Quarter of the Northwest Quarter (NW1/4NW1/4) of Section 19, Township 15 South, Range 23 East, G&SRB&M.

Schedule 1(B)

Purchased Land

PATENTED AND FEE PROPERTY:

The Johnson Camp Mine includes the following real property and property rights, all situated in Cochise County, Arizona, together with all extralateral rights, water rights, and appurtenances, and all fixtures, stockpiles, leach heaps, dumps and tailings situated thereon:

Part I - Patented Mining Claims:

Parcel 1

Arizona, Blue Grass, Puzzle, Enough, and Carlton patented lode mining claims, Mineral Survey No. 4340, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 1143496, recorded in the records of Cochise County at Docket 100, Page 283,

EXCEPT all that portion of the ground within the boundaries of Ross, Dewey, and True Blue, Mineral Survey No. 1717, and North Star, Mineral Survey No. 3242; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

containing 66.721 acres, more or less.

Parcel 2

Afterthought, Burro, Burro No. 3, Coronado, Coronado No. 2, and Mason No. 1 patented lode mining claims, Mineral Survey No. 4571, embracing portions of Sections 25, 26, and 35, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 02-63-0060, recorded in the records of Cochise County at Docket 315, Page 561,

EXCEPT all that portion of the ground within the boundaries of Republic, Mineral Survey No. 324; Golden Shield, Mineral Survey No. 325; Chicora, Mineral Survey No. 326; Southern, Mineral Survey No. 327; Mayflower, Mineral Survey No. 2764; Calumet, Mineral Survey No. 4197; Tenderfoot, Mineral Survey No. 4314; and Section 36, Township 15 South, Range 22 East; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

containing 89.005 acres, more or less.

Parcel 3

St. George patented lode mining claim, Mineral Survey No. 1966, embracing a portion of Section 36, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 42949, recorded in the records of Cochise County at Book 20, Deeds of Mines, Page 312,

containing 17.732 acres, more or less.

Parcel 4

Mayflower (aka May Flower) patented lode mining claim, Mineral Survey No. 2764, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M., in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No: 298716, recorded in the records of Cochise County at Docket 12, Page 581,

containing 19.414 acres, more or less.

Parcel 5

Acorn, A-Number One, A-Number Two, Chicago, Cochise, Copper Thread, Johnson, Little Johnnie, Rough Rider, Tenderfoot, and United Fraction patented lode mining claims, Mineral Survey No. 4314, embracing portions of Sections 23, 25, and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 1141449, recorded in the records of Cochise County at Docket 93, Page 620,

EXCEPT all that portion of the ground within the boundaries of Blue Lead Extension, Dwarf, Esmeralda, and Copper Chief, Mineral Survey No. 3242; Copper Bell, Mineral Survey 1717; Highland Mary, Mineral Survey No. 284; Copper King, Mineral Survey No. 285; Republic, Mineral Survey No. 324; Golden Shield, Mineral Survey No. 325; Mayflower, Mineral Survey No. 2764; Tycoon, Mineral Survey No. 329; and Gingham No. 3, unsurveyed; and further except all veins, lodes, and ledges, throughout their entire depth, the tops or apexes of which lie inside the said excluded ground,

FURTHER EXCEPT those portions of Cochise and United Fraction, containing 0.026 and 0.387 acres, more or less, respectively, being those portions lying in the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) and the Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David Rae, Grantee, recorded in the Cochise County records as document No. 870102364,

containing 106.572 acres, more or less.

Parcel 6

Blue Lead, North Star, Little Bush, Copper Chief, Southern Cross, Blue Lead Extension, Dwarf, and Esmeralda patented lode mining claims, Mineral Survey No. 3242, embracing portions of Sections 23 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 610053, recorded in the records of Cochise County at Book 29, Deeds of Mines, Page 92,

containing 92.563 acres, more or less.

Parcel 7

Anaconda, Last Chance, Delta, and Sara patented lode mining claims, Mineral Survey No. 1525, embracing portions of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 036147, recorded in the records of Cochise County at Book 15, Deeds of Mines, Page 236,

containing 54.14 acres, more or less.

Parcel 8

Southern patented lode mining claim, Lot 45, Mineral Survey No. 327, embracing portions of Sections 25, 26, and 36, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 9043 (or 9143), recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 459,

containing 18.79 acres, more or less.

Parcel 9

Mi-an-te-no-mah patented lode mining claim, Lot 48, Mineral Survey No. 330, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 10723, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 455,

containing 19.28 acres, more or less.

Parcel 10

Peabody patented lode mining claim, Lot 39, Mineral Survey No. 286, embracing portions of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6424, recorded in the records of Cochise County at Book 12, Deeds of Mines, Page 433,

containing 17.36 acres, more or less.

Parcel 11

Donna Anna patented lode mining claim, Lot 40, Mineral Survey No. 287, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6423, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 427,

containing 20.66 acres, more or less.

Parcel 12

Highland Mary patented lode mining claim, Lot 37, Mineral Survey No. 284, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6474, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 431,

EXCEPT all that portion of Highland Mary containing 0.064 acres, more or less, being that portion lying in the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364,

containing 20.596 acres, more or less.

Parcel 13

Copper King patented lode mining claim Lot 38, Mineral Survey No. 285, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 6475, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 435,

containing 20.11 acres, more or less.

Parcel 14

Golden Shield patented lode mining claim, Lot 43, Mineral Survey No. 325, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8891, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 439,

containing 19.51 acres, more or less.

Parcel 15

Republic patented lode mining claim, Lot 42, Mineral Survey No. 324, embracing a portion of Section 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 9045, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 471,

containing 20.66 acres, more or less.

Parcel 16

Chicora patented lode mining claim, Lot 44, Mineral Survey No. 326 embracing a portion of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District Cochise County, Arizona, U.S. Patent No. 9044, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 443,

containing 15.60 acres, more or less.

Parcel 17

Tycoon patented lode mining claim, Lot 47, Mineral Survey No. 329, embracing portions of Sections 25 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8888, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 467,

containing 16.88 acres, more or less.

Parcel 18

Mammoth patented lode mining claim, Lot 49, Mineral Survey No. 331, embracing portions of Sections 23 and 26, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U. S. Patent No. 8889, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 463,

containing 19.28 acres, more or less.

Parcel 19

Clondike, Blue Jacket, Keystone, Blue Bell, Copper Bell, Dewey, True Blue, and Ross patented lode mining claims, Mineral Survey No. 1717, embracing a portion of Section 23, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 42087, recorded in the records of Cochise County at Book 20, Deeds of Mines, Page 542,

containing 147.266 acres, more or less.

Parcel 20

Hillside, Pittsburg, and Teaser patented lode mining claims, Mineral Survey No. 3306, embracing a portion of Sections 23 and 24, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 648851, recorded in the records of Cochise County at Docket 634, Page 478,

EXCEPT all that portion of Hillside and Pittsburg containing 1.235 and 0.381 acres, more or less, respectively, being that portion lying in the South Half of the Southeast Quarter of the Northwest Quarter (SE1/4NW1/4) and the East Half of the Southwest Quarter (E1/2SW1/4) of Section 24, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364,

containing 49.852 acres, more or less.

Parcel 21

San Jacinto patented lode mining claim, Lot 46, Mineral Survey No. 328, embracing a portion of Section 27, Township 15 South, Range 22 East, G&SRB&M, in the Cochise Mining District, Cochise County, Arizona, U.S. Patent No. 8890, recorded in the records of Cochise County at Book 31, Deeds of Mines, Page 475,

containing 19.15 acres, more or less

Part II - Fee Lands:

The following parcels of fee land are all situated in Township 15 South, Range 22 East, G&SRB&M, Cochise County, Arizona:

Parcel 1

Section 26: Lots 8, 9, 10, and 11

EXCEPT all coal and other minerals as reserved in the patent from the United States of America,

containing 139.00 acres, more or less.

Parcel 2

Section 26: Those portions of the King and Wolfrime Queen patented lode mining claims lying within the Southeast Quarter (SE1/4) as shown on Mineral Survey No. 1800, U.S. Patent No. 40087, recorded in the records of Cochise County at Book 26, Deeds of Mines, Page 251,

containing 1.00 acres, more or less.

Parcel 3

Section 24: Lot 16

Section 25: Lots 11, 13, 14, 16, 17, 18, 20, and 21

EXCEPT any portion of Section 25 lying in the Southeast Quarter of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

EXCEPT a right-of-way for ditches and canals constructed by the authority of the United States as reserved in the patent from the United States of America.

containing 53.444 acres, more or less.

Parcel 4

Section 23: Lots 11, 12, 13, 15, and 16

Section 24: Lots 11, 12, and 13

EXCEPT any portion lying within the South Half of the Southeast Quarter of the Northwest Quarter ($S^{1/2}SE^{1/4}NW^{1/4}$) and the East Half of the Southwest Quarter ($E1/2SW^{1/4}$) of Section

24, Township 15 South, Range 22 East, G&SRB&M conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

Section 25: Lot 12

EXCEPT any portion lying within the Southeast: Quarter of the Northwest Quarter ($SE\frac{1}{4}NW\frac{1}{4}$) and the Northeast Quarter of the Southwest Quarter ($NE\frac{1}{4}SW\frac{1}{4}$) of Section 25, Township 15 South, Range 22 East, G&SRB&M, conveyed by Special Warranty Deed dated January 26, 1987 from Cyprus Mines Corporation, Grantor, to David A. Rae, Grantee, recorded in the Cochise County records as Document No. 870102364.

Section 26: Lots 4, 14, 15, 16, 17, 18, and 19; Southwest Quarter of the Northwest Quarter ($SW\frac{1}{4}NW\frac{1}{4}$)

EXCEPT a right-of-way for ditches and canals constructed by the authority of the United States as reserved in the patent from the United States of America.

containing 307.47 acres, more or less.

Section 25: Lot 15 consisting of 37.53 acres, more or less; and

Lot 16 consisting of 38.26 acres, more or less; and

Lot 19 consisting of 40 acres, more or less, subject to ownership of those portions of unpatented claims Gladys R and Erika that lie North of the Southern boundary of Lot 19; and

Those portions of Lots 20 and 21 that lie East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor; and

Those portions of the Cochise Lode Claim and the United Fraction Lode Claim that lie East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor; and

That portion of the Highland Mary Lode Claim lying East of the survey line dated April 23, 1989 completed by H.W. Smith, Registered Land Surveyor.

All described lands, in sum, containing 116.267 acres, more or less.

Schedule 1.1(nn)

List of Nedbank Loan Documents

- Credit Agreement, dated as of June 28, 2007, among Nord, as borrower, Cochise Aggregates and Materials, Inc., a Nevada corporation (“Cochise”), as guarantor, the lenders from time to time party hereto (“Lenders”), and Nedbank, as administrative agent and sole lead arranger.
- Second Amended and Restated Credit Agreement, dated as of March 31, 2009, among Nord, as borrower, Cochise, as guarantor, Lenders and Nedbank, as administrative agent and sole lead arranger.
- Forbearance Agreement and Loan Modification, dated as of September 9, 2014, among Nord, as borrower, Cochise, as guarantor, and Nedbank, as administrative agent and lender.
- Deed of Trust and Security Agreement and Fixture Financing Statement with Assignment of Leases and Rents, dated as of July 31, 2007, by Nord, as trustor, to First American Title Insurance Company, a California corporation (“First American”), as trustee, for the use and benefit of Nedbank, as beneficiary, recorded on August 6, 2007, as Fee No. 070825945, Official Records of Cochise County, Arizona.
- Amended and Restated Deed of Trust, Assignment of Leases, Rents and Contracts, Security Agreement and Fixture Filing, dated as of September 9, 2014, by Nord, as trustor, to First American, as trustee, for the use and benefit of Nedbank, as beneficiary, recorded on September 9, 2014, as Fee No. 2014-15946, Official Records of Cochise County, Arizona.
- UCC Financing Statement naming Nord, as debtor, and Nedbank, as Administrative Agent, as secured party, filed with the Delaware Secretary of State on August 1, 2007, as File No. 2007 2922507 (the “Initial UCC Financing Statement”).
- UCC Financing Statement Amendment filed September 9, 2014, as File No. 2014 3601077, which amends the Initial UCC Financing Statement.
- Amended and Restated Collateral Account Agreement, dated as of March 31, 2009, among Nord, as borrower, Nedbank, as administrative agent for Lenders and account charge bank, and Wells Fargo Bank, N.A. (the “Bank”), as depositary agent.
- Restricted Account and Securities Account Control Agreement (Access Restricted after Instructions), dated August 3, 2007, among Nord, Nedbank, and the Bank.
- International Swaps & Derivatives Association, Inc. (ISDA) Master Agreement, dated as of July 24, 2007, between Nedbank and Nord.

- Confirmation, dated September 5, 2007, from Nedbank to Nord regarding Commodity OTC Options – 3580688 – 3580699.

Schedule 2.2(b)

Personal Property

Any and all of the following assets located at or used in connection with the Johnson Camp Mine, Cochise County, Arizona, including, but not limited to:

1. Mobile Equipment

Miller Bobcat Welder
Miller Gold Star 452 500 AMP Shop
Gardner Denver 125hp Screw Compressor
Toyota 4,000 lb Forklift
1963 Cat Model 16 Grader
Ingersoll Rand DM45E Blast Hole Drill
60Kw Portable Generator Plant
4" fusion machine for fusing piping
16" McElroy 618 fusion machine for fusing piping
Caterpillar 980G Loader - 2KP02433
Caterpillar Skid Steer Model 246B - CATA0246BPPAT04281

2. Office Building and Warehouse Office

Transworld/Wyepower
Calcomp Digitizing Tablet
Compaq Vertical Server Cabinet
Leica GHT56
Lucent Partner Phone System
Geologic data, Map cabinets etc.
Misc. Furniture desks, conference table, filing cabinets

Warehouse

Various small supplies operations

3. Sample Preparation Facility Outside

Jaw crusher Auster Brown
Pulverizer Morse Bros.

4. Plant Maintenance & Lab Building

Lab

Perkin Elmer 100 Atomic Absorption machine
Misc equipment and supplies

SXMechanic Shop

Plasmarc Arc cutter machine PCM70

Power Drive I wire feed welder
Small plasmarc Arc cutter power con
Themodynamics 100 Plasma Cutter
1-Ton Jib crane
Band Saw and Misc. hand tools

5. Truck Shop

3-ton crane
Misc. hand tools.

6. Change Room Building

7. Solvent Extraction

Four extraction mixer/settler units with two-stage mixers (one primary and one secondary)
Two stripper units with two-stage mixers
Hazelton Vertical Pump 100hp (qty 2)
Diluents Tank
20,000 gallon Acid Tank
Crud Cleaning System

8. Electro-Winning Circuit

Tank house consists of two separate rectifier/cell circuits.
Original circuit consists of 56 CTI polymer concrete Unicells
13,000 amp power supply
1176 cathodes
1232 anodes
Two transformer/rectifiers were manufactured by ABB.
The expansion consists of 16 CTI Unicells and 16 Novenco cells total (32)
17,000 amp power supply
1152 cathodes
1184 anodes.
The two transformer/rectifiers are water cooled with a dedicated DI water pump and heat exchanger.
Weigh Tronix Cathode Scale
12,500 Gallon Water Tank

9. Tank Farm

The tank farm consists of four surge tanks to facilitate the operation of the SXIEW circuits. The tanks are constructed of 316SS rubber lined steel. Piping is HDPE or 316 stainless steel. All were purchased and installed in 2008.
Gamet- anthracite filters
30,000 Gallon Mild Steel Tank- Rubber Lined
8,000 Gallon 316SS Tank
16,000 Gallon 316SS Tank (qty 2) Gould 20hp Pumps (qty 4) Air Compressor 50HP
Gardner Denver AC 8x6x10 75hp Pumps (qty 3)

10. Substation Transformer and Control Panel

69,000V/4160V

11. Acid pumps and Distribution Lines

3-200 hp pumps (2,000 gpm each) at ILS pond

2-200 hp pumps (2,000 gpm each) at PLS #2 Sump

2' sump pumps

Pumps at Pond 1, 2 and 3

12" distribution piping and 4" distribution piping from ponds to heaps

Wobbler and Rainbirds on heaps

12. Core Storage Building

Core samples

13. Water Tank and Wells

Pumps at four well sites, Moore, and Smith #1, Smith #2 Section 19, Township 15 South, Range 23 East.

14. Other

4 - Diaphragm pumps at SX Plant purchased in 2000

Misc. pumps, piping, and supplies

15. Processing Facilities

Crushing & Conveying - A crushing and conveying plant was constructed in mid to late 2008. The primary crusher consists of a used refurbished semi-mobile Allis Chalmers 4265 gyratory crusher including a dump hopper and Krupp apron feeder. The primary crusher feeds a 40K ton stock pile (10K live load). The coarse ore is reclaimed via vibratory feeders and fed to two scalping screens. The undersize is screened off with the oversize of + inch and a half and fed to two Sandvik 6800 hydro-cone crushers. The fine ore is then fed to a 40K ton fine ore stockpile (10K live load). The fine ore is reclaimed and fed to a Feeco 10x35 agglomerator with the addition of sulfuric acid and raffinate and then conveyed to the leach pad where it is stacked in 20 ft lifts with a series of jump conveyors and a 150 ft radial tele-stacker. All of the equipment after the primary crusher including conveyors, feeders, screens, secondary crushers and Agglomerator were purchased new in 2007-2008. The throughput capacity of the crushing system is approximately 1200-1500 tph with a stacking capacity through the Agglomerator of 1100 tph.

SX-EW - The SX-EW facility was completely refurbished in 2007-2008 with a 20% expansion to the EW bringing the annual capacity to 25M lbs. The SX includes two trains that include two extractors and one stripper per train. The SX is configured to allow it to run in series or parallel extraction. In series, the flow capacity is 2500 gpm and in parallel the capacity is 4850 gpm. The two different configurations allow maximum production at a lower flow with a high PLS grade (1.50 - 3.00 gpl) or a higher flow with a lower PLS grade (.15 - 1.50). The EW consists of two separate cell blocks with separate rectifiers supplying each block. Cell block 1 consists of 56 polymer concrete cells holding 22 anodes and 21 cathodes each and cell block 2 consists of 32

polymer concrete cells with 37 anodes and 36 cathodes each. In 2008, during the rehabilitation and expansion a fully automated Mesco cathode stripping machine was installed, along with a new overhead crane and cathode wash tank.

SCHEDULE OF ADDITIONAL PERSONAL PROPERTY

- (a) All personal property (including, without limitation, all goods, supplies, equipment, furniture, furnishings, fixtures, machinery, inventory, and construction materials and software embedded in any of the foregoing) in which Nord or the Receiver now or hereafter acquires an interest or right, which is now or hereafter located on or affixed to the Property or the Improvements or used or useful in the operation, use, or occupancy thereof or the construction of any Improvements thereon, together with any interest of Nord or the Receiver in and to personal property which is leased or subject to any superior security interest, and all books, records, documents, and instruments of whatever kind or character, relating to the Property, Improvements, or such personal property;
- (b) All fees, income, rents, issues, profits, earnings, receipts, royalties, and revenues which, after the date hereof, may accrue from such personal property or any part thereof or from the Property, the Improvements or any other part of the Property, or which may be received or receivable by Nord or the Receiver from any hiring, using, letting, leasing, subhiring, subletting, subleasing, occupancy, operation, or use thereof;
- (c) All of Nord's or the Receiver's present and future rights to receive payments of money, services, or property, including, without limitation, rights to all deposits from tenants of the Property or Improvements, rights to receive capital contributions or subscriptions from Nord's or the Receiver's partners or shareholders, amounts payable on account of the sale of the capital stock of Nord or the Receiver, accounts and other accounts receivable, deposit accounts maintained with Beneficiary and its affiliates, chattel paper (whether tangible or electronic) notes, drafts, contract rights, instruments, general intangibles, all as defined in Section 9-101 et. seq. of the Arizona Uniform Commercial Code, as presently or hereafter in effect, and principal, interest and payments due on account of goods sold or leased, services rendered, loans made or credit extended, together with title to or interest in all agreements, documents, and instruments, evidencing, securing or guarantying the same;
- (d) All of Nord's or the Receiver's fixtures, equipment, goods (as extracted and other), inventory, as-extracted collateral, accounts, deposits, intellectual property, instruments, deposit accounts, investment property, contracts, general intangibles, and the proceeds and products thereof, owned and hereafter acquired by Nord or the Receiver, including the Certificates of Deposit;
- (e) All other intangible property (and related software) and rights relating to the Property, the Improvements, the personal property described in Paragraph (a) above or the operation, occupancy, or use thereof, including, without limitation, all names under or by which the Property or Improvements may at any time be operated or known, all rights to carry on business under any such names, or any variant thereof, all trade names and trademarks

relating in any way to the Property or the Improvements, and all good will and software in any way relating to the Property or the Improvements;

- (f) All as-extracted collateral produced from or allocated to the Property, including, without limitation, gold, silver, copper, and other precious and base metals, oil, gas and other minerals, and their intermediate products such as mineral bearing ores and concentrates.
- (g) All of Nord's or the Receiver's rights in the unpatented mining claims listed on Schedule 2.2(c) to the extent the same are not deemed as real property.
- (h) Nord's or the Receiver's rights under all insurance policies covering the Property, the Improvements, the Personal Property, and the other parts of the Property and any and all proceeds, loss payments, and premium refunds payable regarding the same;
- (i) All reserves, deferred payments, deposits, refunds, cost savings, and payments of any kind relating to the construction of any Improvements on the Property;
- (j) All water stock relating to the Property;
- (k) All causes of action, claims, compensation, and recoveries for any damage to, destruction of, or condemnation or taking of the Property, the Improvements, the Personal Property, or any other part of the Property, or for any conveyance in lieu thereof, whether direct or consequential, or for any damage or injury to the Property, the Improvements, the Personal Property, or any other part of the Property, or for any loss or diminution in value of the Property, the Improvements, the Personal Property, or any other part of the Property;
- (l) All architectural, structural, mechanical, and engineering plans and specifications prepared for construction of Improvements or extraction of minerals, gravel or decorative rock from the Property and all studies, data, and drawings related thereto; and also all contracts and agreements of Nord or the Receiver relating to the aforesaid plans and specifications or to the aforesaid studies, data, and drawings or to the construction of Improvements on the Property;
- (m) All commercial tort claims Nord or the Receiver now has or hereafter acquires relating to the Property;
- (n) All letter of credit rights (whether or not the letter of credit is evidenced by a writing) Nord or the Receiver now has or hereafter requires relating to the Property;
- (o) All proceeds and products of any of the collateral and all supporting obligations ancillary thereto or arising in any way in connection therewith;
- (p) All of Nord's or the Receiver's rights in any plan of operations and every other relevant agreement, license or document with respect to the exploitation of mining claims included in the Property;

- (q) All of Nord's or the Receiver's rights in any and all warranties and guaranties with respect to any goods, materials, supplies, chattels, fixtures, equipment, machinery, building materials, and work in progress attached to or placed in or on any part of the Property, or used in connection with any construction on the Property;
- (r) All of Nord's or the Receiver's rights in all plans, specifications, plats, agreements, assessments, reports, and surveys related to the Property;

As used above in this Schedule of Additional Personal Property, the following terms have the following meanings:

"Improvements" means any and all buildings and other improvements now or hereafter erected on the Property including, without limitation, fixtures, attachments, appliances, equipment, machinery, and other personal property attached to such buildings and other improvements;

"Leases" means all leasehold estate, leasehold interests, mineral leases, leasehold benefits, income and royalties, all right, title and interest of Nord or the Receiver in and to all leases or subleases covering the Property or the Improvements or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Nord or the Receiver thereunder including, without limitation, all rights of Nord or the Receiver against guarantors thereof, all cash or security deposits, advance rentals, and deposits or payments of similar nature

"Personal Property" means all right, title, and interest of Nord or the Receiver in all personal property now or hereafter owned by Nord or the Receiver that is now or hereafter located on or used in connection with the Property or the Improvements, (iii) all other rights and interests of Nord or the Receiver now or hereafter held in personal property that is now or hereafter located on or used in connection with the Property or the Improvements, (iv) all personal property and rights and interests in personal property of similar type or kind hereafter acquired by Nord or the Receiver, and (v) all proceeds thereof;

"Rents" means all rents, issues, profits, claims, royalties, mining claims and income or proceeds from all mining claims, income and other benefits now or hereafter derived from the Property and the Improvements.

Schedule 2.2(c)

Unpatented Mining Claims

The following unpatented lode mining claims situated in the Cochise (Johnson) Mining District in Sections 13, 14, 22, 23, 24, 25, 26, 27, 34, 35 and 36, Township 15 South, Range 22 East; and Section 31, Township 15 South, Range 23 East; G&SRB&M; Cochise County, Arizona, the names of which, and the serial number assigned by the Arizona State Office of the Bureau of Land Management, are as follows:

<u>Serial No.</u>	<u>Claim Name/Number</u>	<u>Lead Serial No.</u>	<u>Disposition</u>
AMC403667	ADDIE R	AMC403667	ACTIVE
AMC403668	ALAMOSA	AMC403667	ACTIVE
AMC403669	BEE R2	AMC403667	ACTIVE
AMC403670	BEE R1	AMC403667	ACTIVE
AMC403671	BEE R3	AMC403667	ACTIVE
AMC403672	BEE R4	AMC403667	ACTIVE
AMC403673	BEE R5	AMC403667	ACTIVE
AMC403674	BEE R11	AMC403667	ACTIVE
AMC403675	BEE R12	AMC403667	ACTIVE
AMC403676	BONANZA	AMC403667	ACTIVE
AMC403677	BUMBLE BEE	AMC403667	ACTIVE
AMC403678	BURRO L	AMC403667	ACTIVE
AMC403679	BURRO 4	AMC403667	ACTIVE
AMC403680	BURRO 5	AMC403667	ACTIVE
AMC403681	BURRO 6	AMC403667	ACTIVE
AMC403682	BURRO 7	AMC403667	ACTIVE
AMC403683	BURRO 8	AMC403667	ACTIVE
AMC403684	BURRO NO 9	AMC403667	ACTIVE
AMC403685	BURRO 19	AMC403667	ACTIVE
AMC403686	CALUMET	AMC403667	ACTIVE
AMC403687	CHARLES	AMC403667	ACTIVE
AMC403688	CHELSIE FRACTION	AMC403667	ACTIVE
AMC403689	COLORADO	AMC403667	ACTIVE
AMC403690	DEFENDER	AMC403667	ACTIVE
AMC403691	DORA	AMC403667	ACTIVE
AMC403692	E-5 FRACTION	AMC403667	ACTIVE
AMC403693	ECHO NO 1	AMC403667	ACTIVE
AMC403694	ECHO R2	AMC403667	ACTIVE
AMC403695	ECHO R3	AMC403667	ACTIVE
AMC403696	ELEPHANT	AMC403667	ACTIVE
AMC403697	ELLA	AMC403667	ACTIVE
AMC403698	ELLENOR	AMC403667	ACTIVE
AMC403699	ERICKA	AMC403667	ACTIVE
AMC403700	ERNEST	AMC403667	ACTIVE
AMC403701	EULA BELLE	AMC403667	ACTIVE

AMC403702	GLADYS R	AMC403667	ACTIVE
AMC403703	GUSTAVE	AMC403667	ACTIVE
AMC403704	HAGERMAN	AMC403667	ACTIVE
AMC403705	IMOGENE	AMC403667	ACTIVE
AMC403706	INA	AMC403667	ACTIVE
AMC403707	INDICATOR	AMC403667	ACTIVE
AMC403708	KATIE	AMC403667	ACTIVE
AMC403709	KENTUCKY	AMC403667	ACTIVE
AMC403710	LAST CHANCE	AMC403667	ACTIVE
AMC403711	LAURA J	AMC403667	ACTIVE
AMC403712	LIME NO 1	AMC403667	ACTIVE
AMC403713	LIME NO 2	AMC403667	ACTIVE
AMC403714	LIME NO 3	AMC403667	ACTIVE
AMC403715	LIME NO 4	AMC403667	ACTIVE
AMC403716	LINDA SUE	AMC403667	ACTIVE
AMC403717	LOUIE	AMC403667	ACTIVE
AMC403718	MARY	AMC403667	ACTIVE
AMC403719	MARY EILENE	AMC403667	ACTIVE
AMC403720	MASON	AMC403667	ACTIVE
AMC403721	MESCAL NO 5	AMC403667	ACTIVE
AMC403722	MILLINGTON	AMC403667	ACTIVE
AMC403723	MIRIAM	AMC403667	ACTIVE
AMC403724	MOORE #1	AMC403667	ACTIVE
AMC403725	MOORE #2	AMC403667	ACTIVE
AMC403726	MOORE #3	AMC403667	ACTIVE
AMC403727	NELDA LANE	AMC403667	ACTIVE
AMC403728	PORTLAND	AMC403667	ACTIVE
AMC403729	PRIMROSE	AMC403667	ACTIVE
AMC403730	PRIMROSE BEE	AMC403667	ACTIVE
AMC403731	PUZZLE NO 2	AMC403667	ACTIVE
AMC403732	S-10	AMC403667	ACTIVE
AMC403733	S-12	AMC403667	ACTIVE
AMC403734	S-14	AMC403667	ACTIVE
AMC403735	S-16	AMC403667	ACTIVE
AMC403736	S-18	AMC403667	ACTIVE
AMC403737	S-26	AMC403667	ACTIVE
AMC403738	S-28	AMC403667	ACTIVE
AMC403739	S-30	AMC403667	ACTIVE
AMC403740	S-32	AMC403667	ACTIVE
AMC403741	S-34	AMC403667	ACTIVE
AMC403742	SHARIE LYNN	AMC403667	ACTIVE
AMC403743	SHIRLEY LOUISE	AMC403667	ACTIVE
AMC403744	ULTIMO	AMC403667	ACTIVE
AMC403745	WOLFRIME	AMC403667	ACTIVE
AMC405106	BRENDA KAYE	AMC405106	ACTIVE

AMC405107	BURRO A	AMC405106	ACTIVE
AMC405108	BURRO B	AMC405106	ACTIVE
AMC405121	BURRO 17	AMC405106	ACTIVE
AMC405122	BURRO 18	AMC405106	ACTIVE
AMC405123	BURRO 20	AMC405106	ACTIVE
AMC405124	CHARLENE	AMC405106	ACTIVE
AMC405126	FRANCINE	AMC405106	ACTIVE
AMC405127	JANE RAE	AMC405106	ACTIVE
AMC408182	BURRO C	AMC408180	ACTIVE
AMC408183	BURRO D	AMC408180	ACTIVE
AMC408184	BURRO E	AMC408180	ACTIVE
AMC408185	BURRO G	AMC408180	ACTIVE
AMC408186	BURRO H	AMC408180	ACTIVE
AMC408187	BURRO I	AMC408180	ACTIVE
AMC408188	BURRO 11	AMC408180	ACTIVE
AMC408189	BURRO 12	AMC408180	ACTIVE
AMC408190	BURRO 13	AMC408180	ACTIVE
AMC408191	BURRO 14	AMC408180	ACTIVE
AMC408192	BURRO 15	AMC408180	ACTIVE
AMC408193	BURRO 16	AMC408180	ACTIVE
AMC408194	CORNADO NO 1	AMC408180	ACTIVE
AMC408195	ROSIE R	AMC408180	ACTIVE
AMC408909	J SULLY #6	AMC408904	ACTIVE
AMC408911	J SULLY #8	AMC408904	ACTIVE
AMC408914	J SULLY #11	AMC408904	ACTIVE
AMC408915	J SULLY #12	AMC408904	ACTIVE
AMC408916	J SULLY #13	AMC408904	ACTIVE
AMC408917	J SULLY #14	AMC408904	ACTIVE
AMC408918	J SULLY #15	AMC408904	ACTIVE
AMC408919	SULLY #16	AMC408904	ACTIVE
AMC416211	ASHLEY	AMC416211	ACTIVE
AMC416212	J-TRAVASSOS	AMC416211	ACTIVE
AMC416213	N-TRAVASSOS	AMC416211	ACTIVE
AMC416214	SUMMERTIME	AMC416211	ACTIVE
AMC416215	SUNSET	AMC416211	ACTIVE
AMC416216	T-ACKEN	AMC416211	ACTIVE
AMC416217	WILDFIRE	AMC416211	ACTIVE

Schedule 2.2(d)

Product Inventory (finished goods, inventory, raw materials, supplies and parts)

Attached hereto and incorporated herewith by this reference.

(WILL BE COMPLETED AT OR NEAR CLOSING)

Schedule 2.2(f)

Assumed Contracts

- Temporary License Agreement to Acquire Water from C Bar Ranch Partnership dated August 1, 2010.
- Contract Power Agreement between Sulphur Springs Valley Electric Cooperative, Inc. and Nord dated June 11, 2009.

Schedule 2.2(h)

Licenses and Permits

- ADEQ Notice to Grant Amendment to the Nord Resources Corporation Aquifer Protection Permit dated December 21, 2011.
- ADEQ Aquifer Protection Permit dated November 15, 2010.
- ADEQ Air Quality Permit dated December 18, 2013.
- BLM Right of Way AZA 032355.
- BLM Surface Mgmt. Permit AZA 034871 and \$2,200 Cash Bond.

Schedule 5.2(a)(1)

Form Bill of Sale

Attached hereto and incorporated herewith.

BILL OF SALE

This Bill of Sale is made and entered into as of _____, 2015, by and between CHRISTOPHER G. LINSOTT, as Court-appointed Receiver for the assets of NORD RESOURCES CORPORATION, a Delaware corporation (“Seller”), and EXCELSIOR MINING JCM, INC., an Arizona corporation (“Purchaser”) and provides as follows:

WHEREAS, Purchaser and Seller are parties to that certain Asset Purchase Agreement dated October __, 2015 (the “Agreement”), pursuant to which Seller agreed to sell to Purchaser, among other things, the Personal Property, Product Inventory, Files and Records, and Other Purchased Assets (as those terms are defined in the Agreement); and

WHEREAS, Seller desires to transfer and convey all of its right, title and interest in such property to Purchaser, and Purchaser desires to accept the transfer and conveyance of such property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Purchaser covenant and agree as follows:

1. Transfer and Assignment. Seller hereby transfers and conveys to Purchaser all of the right, title and interest of Seller in and to the Personal Property, Product Inventory, Files and Records, and Other Purchased Assets. Purchaser accepts the transfer and conveyance of the right, title and interest of Seller in and to the Personal Property, Product Inventory, Files and Records, and Other Purchased Assets.

2. Representations and Warranties of Seller. The representations and warranties of Seller contained in the Agreement are incorporated herein, as if set forth fully herein, to the extent that such representations and warranties survive the Closing (as that term is defined in the Agreement) as provided in Section 8.3 of the Agreement.

3. Covenant of Seller. Seller covenants and agrees with Purchaser to hereafter furnish to Purchaser such further conveyance documents and consents as Purchaser may reasonably require in furtherance of this Bill of Sale or to carry out the intent hereof.

4. Condition of the Personal Property. Except as otherwise provided in Section 2 above, (i) all of the Personal Property is transferred from Seller to Purchaser “AS IS,” and (ii) Seller makes no implied warranty of merchantability and no warranty, either express or implied, concerning the condition of the Personal Property, the Product Inventory, the Files and Records and the Other Purchased Assets, except that Seller warrants to Purchaser that the Personal Property, Product Inventory, Files and Records and Other Purchased Assets are free and clear of all liens, claims and encumbrances other than the Permitted Exceptions (as defined in the Agreement) and other than any liens, claims and encumbrances expressly described in the Agreement. Seller shall defend the title to the Personal Property, Product Inventory, Files and Records and Other Purchased Assets against all acts of Seller and not otherwise.

5. Governing Law. This Bill of Sale shall be governed by and construed according to the laws of the State of Arizona.

6. Successors. This Bill of Sale shall be binding upon, and shall inure to the benefit of, the parties hereto and their heirs, personal representatives, successors and assigns.

7. Counterparts. This Bill of Sale may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one agreement, and the signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart. Facsimile, portable document format (PDF) or electronic signatures may be relied upon as originals.

(Signatures on following page.)

IN WITNESS WHEREOF, Seller and Purchaser have executed this Bill of Sale as of the date set forth above.

SELLER:

By: _____
Christopher G. Linscott, as Court-Appointed
Receiver for the assets of NORD
RESOURCES CORPORATION, a
Delaware corporation

PURCHASER:

EXCELSIOR MINING JCM, INC.,
an Arizona corporation

By: _____
Name: _____
Its: _____

Schedule 5.2(a)(2)

Form Special Warranty Deed

Attached hereto and incorporated herewith.

Lewis D. Schorr
Lewis Roca Rothgerber LLP
One S. Church Ave., Ste. 700
Tucson, AZ 85701

For valuable consideration, receipt of which is hereby acknowledged, Christopher G. Linscott, as Court-Appointed Receiver for the assets of NORD RESOURCES CORPORATION, a Delaware corporation (“Grantor”), hereby conveys to EXCELSIOR MINING JCM, INC., an Arizona corporation (“Grantee”), all Grantor’s right, title and interest in and to the real property situated in Cochise County, Arizona, that is more particularly described on attached Exhibit “A,” which is incorporated herein, together with all improvements thereon and all rights and privileges appurtenant thereto (hereinafter referred to as the “Property”).

DATED this ____ day of _____, 2015.

By: _____
Christopher G. Linscott, as Court-Appointed
Receiver for the assets of NORD RESOURCES
CORPORATION, a Delaware corporation

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this ____ day of September, 2015, by Christopher G. Linscott, as Court-Appointed Receiver for the assets of Nord Resources Corporation, a Delaware corporation, on behalf of said corporation.

6621828_8

EXHIBIT A

Legal Description of Property

EXHIBIT B

Permitted Exceptions

Schedule 5.2(a)(3)

Assignment and Assumption Agreement

Attached hereto and incorporated herewith.

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the “Assignment”) is made and entered into as of the ____ day of _____, 2015, by and between Christopher G. Linscott, as Court-Appointed Receiver for the assets of NORD RESOURCES CORPORATION, a Delaware corporation, whose address is One W. Wetmore, Ste. 203, Tucson, AZ 85705 (hereinafter called “Assignor”), and EXCELSIOR MINING JCM, INC., an Arizona corporation, whose address is 2999 North 44th Street, Suite 300, Phoenix, AZ 85018-7246 (hereinafter called “Assignee”).

RECITALS

A. Assignor and Assignee entered into that Asset Purchase Agreement (the “Agreement”) dated October __, 2015, under which Assignor has agreed to sell, transfer, assign and deliver the Assumed Contracts, Permits, Certificates of Deposit, and Other Purchased Assets (as those terms are defined in the Agreement).

B. Assignor desires to transfer and assign to Assignee all of its right, title and interest in and to the Assumed Contracts, Permits, Certificates of Deposit, and Other Purchased Assets, and Assignee desires to assume the Assumed Liabilities (as that term is defined in the Agreement).

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Purchaser covenant and agree as follows:

SECTION 1. ASSIGNMENT AND ASSUMPTION.

1.1 Assignor does hereby irrevocably grant, sell, convey, assign, transfer, set over and deliver unto Assignee all of Assignor’s right, title and interest in and to the Assumed Contracts, Permits, Certificates of Deposit, and Other Purchased Assets.

1.2 Assignee hereby assumes and agrees to perform only the Assumed Liabilities. For the avoidance of doubt, Purchaser does not assume any of the Excluded Liabilities and does not assume any Contracts other than the Assumed Contracts (as those terms are defined in the Agreement).

SECTION 2. MISCELLANEOUS.

2.1 This Assignment is delivered in conjunction with the Deed and Bill of Sale, each as defined in the Agreement, and is intended to pertain to such property that comprises the Purchased Assets that is not otherwise conveyed by the Deed and/or the Bill of Sale.

2.2 The parties shall execute such additional documents and do such other acts as may be reasonably necessary to fully implement the intent of this Assignment.

2.3 This Assignment shall be governed by and construed according to the laws of the State of Arizona.

2.4 This Assignment shall be binding upon, and shall inure to the benefit of, the parties hereto and their heirs, personal representatives, successors and assigns.

2.5 This Assignment may be executed in multiple counterparts, all of which shall constitute one agreement, and the signature of any party to any counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart. This Agreement may be executed by the exchange of faxed or e-mailed signatures.

(Signatures on following page.)

IN WITNESS WHEREOF, this Assignment is executed as of the date indicated above.

ASSIGNOR:

By: _____
Christopher G. Linscott, as Court-Appointed
Receiver for the assets of NORD RESOURCES
CORPORATION, a Delaware corporation

ASSIGNEE:

EXCELSIOR MINING JCM, INC.,
an Arizona corporation

By: _____
Stephen C. Twyerould, Its President/CEO

Schedule 6.8

Allocation of Purchase Price*

Asset	Percentage Allocated	Amount Allocated
Land	_____ %	\$ _____
Buildings & Improvements	_____ %	\$ _____
Machinery & Equipment	_____ %	\$ _____
Liquid Assets	_____ %	\$ _____
Total	100%	\$8,400,000

* To be designated by Purchaser prior to Closing, subject to approval by the Receiver, not to be unreasonably withheld, delayed or conditioned.

Schedule 8.2(f)

Mine Site Reclamation

In 2011 a Reclamation Plan was submitted to the State of Arizona Mine Inspector's Office. It was deemed incomplete and no plan has been approved and no bond has been issued. Nord is not in compliance with reclamation requirements, regulations or laws.

Schedule 8.2(h)

Historic or Archaeological Sites on the Mine Site.

- **NONE**

Schedule 8.2(o)

Contracts, Commitments, Customer Orders, Other Agreements

- Office Lease between Issa and Henrietta Hallaq, landlords, and Nord Resources Corporation, tenant, dated January 5, 2006.
- Addendum to Office Lease between Issa and Henrietta Hallaq, landlords, and Nord Resources Corporation, tenant, dated June 1, 2011 (**Currently on month to month agreement**).
- Processing Agreement with Texas Canyon Rock & Sand, Inc., dated October 31, 2008.
- Royalty Deed and Assignment of Royalty dated as of March 31, 2009, from Nord Resources Corporation to IRC Nevada Inc as recorded in Instrument 2009-14847, Cochise County Recorder's Office.
- Temporary License Agreement to Acquire Water from C Bar Ranch Partnership dated August 1, 2010.
- Grant of Production Payment by and between Nord Copper Corporation and Arimetco, Inc. dated June 8, 1999 as assigned to Styx Partners, L.P, in that Assignment of Grant of Production Payment recorded in Instrument 2013-232967.
- Processing Agreement (the "Agreement") with Texas Canyon Rock & Sand, Inc. dated October 31, 2008, as amended on October 22, 2009 ("First Amendment"), April 1, 2010 ("Second Amendment"), July 26, 2013 ("Third Amendment") and April 14, 2014 ("Fourth Amendment").
- Modspace-Lease of Administration building at Johnson Camp Mine, **month-to-month**, dated September. 2011.
- Mobile Mini-Lease of Guard Shack at Johnson Camp Mine, **month-to-month**, dated August, 2008.
- Canon Financial - 60 month lease of Canon copier dated March 2011.
- Pacific Office Automation- Copier maintenance, service and supply agreement dated March 2011 for a term of 60 months.
- Pitney Bowes- Lease of postage meter, renewed in April 2015 for a term of 24 months.
- Mintec Inc.- Minesight Engineering software package, annual subscription beginning in September 30, 2010. Current subscription scheduled to expire November 1, 2015.
- Fisher Industries – 45,339 tons of aggregate decorative rock material as of March 31, 2015 held by Nord Resources Corporation for Fisher Industries at Johnson Camp Mine. Fisher Industries previously paid for all of the material and removes it as needed each month.
- Contract Power Agreement between Sulphur Springs Valley Electric Cooperative, Inc. and Nord dated June 11, 2009.

Schedule 8.2(p)

Litigation (Lawsuits, Consent Order)

- ADEQ Revised Aquifer Consent Order Effective June 23, 2014.
- Empire Southwest, LLC v. Nord Resources, Maricopa County Case No. CV2013-013314, filed October 2, 2013.
- RR Donnelley v. Nord Resources, Pima County Case No. C20144920, filed September 12, 2014.
- Farwest Pump Company v. Nord Resources and Morrison, Pima County Case No. C20145467, filed October 15, 2014.
- Heideman Associates, Inc., dba Apex Engineering Automation v. Nord Resources, Maricopa County Case No. CV2014-012749, filed October 15, 2014.

All items are collection actions for unpaid bills, other than the ADEQ Consent Order which deals with regulatory non-compliance at the mine.

Schedule 8.2(q)

Exceptions to Applicable Laws

- Past due MSHA Violations

Violator	Citation/ Order No.	Case No.	Date Issued	Final Order Date	Section of Act	Date Terminated	Citation/ Order	S & S	Standard	Proposed Penalty	Citation/ Order Status	Current Penalty	Interest
Nord Resources Corporation	8827912	000384233	4/28/15	9/2/15	104(a)	4/28/15	C	N	56.4104(b)	100.00	Delinquent	100.00	4.33
Nord Resources Corporation	8827913	000384233	4/28/15	9/2/15	104(a)	4/29/15	C	N	56.4130(b)	100.00	Delinquent	100.00	0.00
Nord Resources Corporation	875952	000353852	4/29/14	7/31/14	104(a)	4/29/14	C	N	50.20(a)	100.00	Delinquent	100.00	75.57
Nord Resources Corporation	875960	000348132	2/19/14	5/31/14	104(a)	2/20/14	C	Y	56.4101	176.00	Delinquent	176.00	76.48

- State of Arizona Mine Inspector Reclamation Bond - In 2011 a Reclamation Plan was submitted to the State of Arizona Mine Inspector's Office. It was deemed incomplete and no plan has been approved nor bond not been issued.
- ADEQ Violations as outlined in Schedule 8.2(t).

Schedule 8.2(r)

Environmental (including mining) licenses, permits, and regulatory plans

- ADEQ Aquifer Protection Permit No. P-100514 dated October 15, 2010 (issued for the life of the mine).
- ADEQ Notice to Grant Amendment to the Nord Resources Corporation Aquifer Protection Permit dated December 21, 2011.
- ADEQ Air Quality Permit No. 57694 dated December 18, 2013, expiring on December 17, 2018.
- Perpetual BLM Right of Way AZA 032355.
- BLM Surface Mgmt. Permit AZA 034871 and \$2,200 Cash Bond expiring on March 21, 2015.

Schedule 8.2(s)

Contamination

See Summary of Environmental Tasks, Liabilities, Risks and Costs prepared by John Travassos and dated October 5, 2015, incorporated herein by this reference.¹

¹ Purchaser acknowledges having received and reviewed the above-referenced summary, but nothing contained in the Agreement or on this Schedule shall be deemed to constitute Purchaser's agreement with any of the statements or conclusions contained in such summary.

Schedule 8.2(t)

Environmental Law and Environmental Permit Violations, Compliance Orders, and Citations issued since Nord acquired Title to the Property

See Summary of Environmental Tasks, Liabilities, Risks and Costs prepared by John Travassos and dated October 5, 2015, incorporated herein by this reference.²

² Purchaser acknowledges having received and reviewed the above-referenced summary, but nothing contained in the Agreement or on this Schedule shall be deemed to constitute Purchaser's agreement with any of the statements or conclusions contained in such summary.

Schedule 8.2(v)

Sale Order and other contracts

- Assignment of ADEQ Aquifer Protection Permit No. P-100514 dated November 15, 2010.
- Assignment of ADEQ Notice to Grant Amendment to the Nord Resources Corporation Aquifer Protection Permit No. P-100514 dated December 21, 2011.
- Assignment of ADEQ Air Quality Permit No. 57694 dated December 18, 2013.
- Assignment of Perpetual BLM Right of Way AZA 032355
- Assignment of BLM Surface Mgmt. Permit AZA 034871 and \$2,200 Cash Bond.
- Temporary License Agreement to Acquire Water from C Bar Ranch Partnership dated August 1, 2010.
- Contract Power Agreement between Sulphur Springs Valley Electric Cooperative, Inc. and Nord dated June 11, 2009.

Schedule 8.2(w)

Exceptions to Employee Matters

- **NONE**