



STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

MINING RECLAMATION BOND (PERSONAL BOND)

The Miner, Alaska Gold Company LLC, a corporation existing under the laws of the State of Alaska, whose address is P.O. Box 640, Nome, Alaska 99762, as Obligor, is firmly bound unto the State of Alaska Department of Natural Resources ("the State") in the sum of Eight Million, Five Hundred Ninety Five Thousand, Two Hundred and Thirty Five U.S. Dollars (\$8,595,235.00), lawful money of the United States, for the payment of which the Obligor hereby binds itself, its successors, and assigns.

Contemporaneously with the execution and delivery of this Personal Bond, the Obligor delivers to the State as collateral to secure the obligation described herein, Irrevocable Standby Letter of Credit issued by the Wells Fargo Bank, N.A. and numbered NZS578405 Amendment Number 003, pursuant to 11 AAC 97.410.

Whereas, the Obligor has submitted and received approval of a reclamation plan and is, by reference, incorporated fully herein in all its terms and made a part of this bond; and

Table 1

Table with 3 columns: Plan Approval, Permit, ADL, Cert. #; USD Amount; Description. Row 1: Rock Creek Mine Reclamation Plan Approval (F20159578), \$8,595,235.00, Rock Creek Mine Reclamation Plan - Amended (April 2015)

Whereas, the Obligor is required to post a performance bond with the State to ensure complete compliance with AS 27.19, 11 AAC 97 and the reclamation plan; and

Whereas, the Obligor has chosen to post this Personal Bond with the State to ensure the Obligor's complete compliance with the requirements of the reclamation plan (AS 27.19, and attendant regulations at 11 AAC 97), and

Whereas, in accordance with 11 AAC 97.430, Obligor is liable for the full costs of reclamation to the standards of AS 27.19, the requirements of 11 AAC 97, and the reclamation plan regardless of the amount of the reclamation bond; and

Whereas, the Obligor agrees that unless the Obligor has replaced this bond with another personal bond or with another form of financial assurance authorized and approved under 11 AAC 97.400 providing security for compliance with all terms of the reclamation plan, coverage under this bond shall extend to and include the reclamation plan, and any amendments approved by the State.

Now, therefore, the terms of this Personal Bond are as follows:

Upon a determination by the State that the Obligor has satisfactorily complied with the reclamation plan in accordance with the standards of AS 27.19.020, and 11 AAC 97.200-250, the obligations of this personal

bond and accompanying instrument shall terminate and the State shall release this bond and the accompanying instruments.

This personal bond and accompanying instruments shall remain in full force and effect until their release is approved in writing by the State (1) in accordance with 11 AAC 97.410(b), or (2) upon delivery of substitute financial assurance acceptable to the State.

The State may approve replacement of this personal bond or the collateral securing it in accordance with 11 AAC 97.400. In the event of replacement, the substitute bond must assume all remaining reclamation obligations and liabilities.

If the State determines that the Obligor has violated or permitted a violation of the reclamation plan and failed to comply with a lawful order of the State, the Obligor forfeits this personal bond or the relevant portion thereof in accordance with AS 27.19. Upon the Obligor's receipt of a notice of the Obligor's default from the State, the Obligor shall promptly pay the face value of this personal bond to the State or forfeit the funds secured by the Letter of Credit (LOC) referenced below:

- Wells Fargo Bank, N.A. LOC No. NZS578405 Amendment Number 003

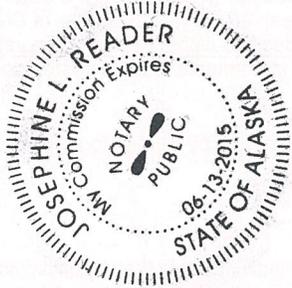
All correspondence pertaining to the Personal Bond shall be sent to:

State of Alaska, Department of Natural Resources
Division of Mining Land and Water
550 West 7th Avenue, Suite 900D
Anchorage, AK 99501-3577
Attention: Mining Section Chief

OBLIGOR

Date June 11, 2015
(Affix seal)

Obligor: **Alaska Gold Company, LLC**
P.O. Box 640
Nome, Alaska 99762



By: [Signature]
(Authorized Officer's Signature)

Vice President
(Printed Title)

Jerald Brown
(Printed Name)

ACKNOWLEDGMENT OF OBLIGOR

The foregoing instrument was acknowledged before me by Jerald Brown,
this 11th day of June 2015

Witness my hand and official seal.

My Commission Expires: 6/13/15 (Notary Public or other authorized officer)

[Signature: Josephine L. Reader]

**APPROVAL AND ACCEPTANCE BY STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES**

By: [Signature: Brent Goodrum]
Brent Goodrum, Director, Division. of Mining, Land and Water

Date 6/22/2015

INSTRUCTIONS

- This form shall be used whenever the commissioner has approved the use of a personal bond in connection with a Division of Mining, Land and Water plan of operations and reclamation plan with the posting of an instrument or property such as cash or gold to secure the personal bond.
- Property pledged to secure the personal bond must be owned by the Obligor and must not be subject to any liens or prior security agreements. The property/instrument posted may be in the form of cash or gold in escrow; a Certificate of Deposit made payable to the State of Alaska Department of Natural Resources; an Irrevocable Letter of Credit issued by a bank authorized to do business in the United States with the Department specified as beneficiary. The value of pledged instruments must equal or exceed the amount of the bond. A combination of instruments may be posted so long as the aggregate value equals or exceeds the amount of the bond.
- Instruments such as Certificates of Deposit or Cash in Escrow must be accompanied by a State form entitled: Assignment of Negotiable Instrument.
- A Letter of Credit must be in a form acceptable to the State.
- When this bond is executed by a partnership, all partners must sign the bond individually in the space provided or by securely attaching an addendum with the recital that they are partners comprising the firm by name. All members of the partnership shall execute the bond.
- When this bond is executed by a corporation, the bond must be executed by a duly authorized corporate officer who must submit evidence of his/her authority to act for the corporation. This certified authorization must be attached to the bond.
- When any of the parties executes this bond through an authorized agent, a Power of Attorney or other evidence of authority must accompany the bond.

This form is to be used in accordance with the regulations of the Department of Natural Resources regarding bonds and bonding requirements.

Alaska Gold Company, LLC

BOARD OF DIRECTORS RESOLUTION

Resolution #05-20-15-03

A Resolution for General Authority

WHEREAS, Alaska Gold Company, LLC ("AGC") is an Alaska corporation;

WHEREAS, AGC conducts business which includes ownership of property, purchases and sale of property, financing, environmental remediation, construction and all related activities; and

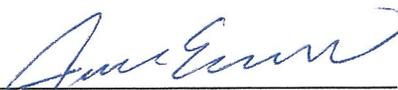
WHEREAS, the Board has determined that the most expeditious manner to conduct such business is to authorize Gail Schubert, President, and Jerald Brown, Vice President, to negotiate, approve, execute and deliver all documents related to the business of AGC, including without limitation contracts, purchase and sale agreements, financing documents, guarantees, bonds, letters of credit and all other instruments.

NOW, THEREFORE, BE IT RESOLVED that Gail Schubert, President, and Jerald Brown, Vice President, are hereby authorized, empowered and directed, for and on behalf of, and in the name of, AGC to negotiate, approve, execute and deliver all documents related the Business of AGC, including without limitation contracts, purchase and sale agreements, financing documents, guarantees, bonds, letters of credit and all other instruments, and further to take all such other actions and execute and deliver such other documents in connection with such matters.

ADOPTED by the Board of Directors at a duly called meeting held this 20th day of May, 2015.

Passed at a meeting held: 5/20/15

ATTEST:



President or Secretary

