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MAY 18 2015

MINERALS & MINING PROGRAM

Present operator: OTTEMA, DOUGLAS
Address: 1218 EASY ST
WHITEWOOD SD 57793-2126
Telephone number: (605) 717-2028
Legal description: Section 20; T5N-R1E
County: Lawrence

EXNI number: 393

Permit to be transferred to: **Beartown Hill Placer LLC**
Address: 1218 Easy Street
Whitewood, SD 57793
Telephone Number: (605) 717-2028
Name and address of Resident Agent if you are an out-of-state corporation:

INSTRUCTIONS:

This transfer form must be accompanied by a fee of \$250 pursuant to SDCL 45-6C-53 and a replacement surety.

I Douglas Ottema agree to the transfer of permit EXNI 393 **Beartown Hill Placer LLC**
Signature of Present Operator **Douglas Ottema, Owner/Manager**
New Operator

This transfer releases **OTTEMA, DOUGLAS** of all liability with regard to reclamation of the affected area. I understand that the surety submitted to cover reclamation will be released only upon approval of the transfer by the Board of Minerals and Environment.

Date: May 12, 2015

STATE OF South Dakota

COUNTY OF Lawrence

On this 12 day of May 2015 before me personally appeared Douglas Ottema

who acknowledged that he is authorized to execute the transfer of this exploration permit.

[Signature]
Notary Public

My Commission Expires: 9/17/16

I Beartown Hill Placer LLC agree to the transfer of permit EXNI 393 from **OTTEMA, DOUGLAS**.
Signature of New Operator

This transfer releases **OTTEMA, DOUGLAS** of all liability with regard to reclamation of the affected area. I understand that in agreeing to this transfer Beartown Hill Placer LLC is assuming all responsibility and liability for this

exploration permit and reclamation of the area affected under this permit. I understand that a replacement surety must be provided prior to the transfer. It is also understood that only the exploration work authorized under this exploration permit may be conducted and that all terms and conditions established in this permit shall be followed.

Date: May 12, 2015

STATE OF South Dakota

COUNTY OF Lawrence

On this 12 day of May 2015 before me personally appeared Douglas Ottema Agent

who acknowledged that he is authorized to execute the transfer of this exploration permit.

[Signature]
Notary Public

My Commission Expires: 9/17/16

FOR DEPARTMENT USE ONLY

Date Approved: _____

EXNI number: 393

Chairman, Board of Minerals and Environment

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MINERALS & MINING PROGRAM

TRANSFER OF OPERATIONS FOR MINING ACTIVITIES ON NATIONAL FOREST SYSTEMS LANDS EXPLORATION PERMIT

Present Operator: Douglas Ottema
Address: 1218 Easy Street
Whitewood, SD 57793-2126
Telephone #: (605) 717-2028
Township/Range: T5N-R1E
Legal Description: SW1/4 NW1/4, NW1/4 SW1/4 & SW1/4 SW1/4 Section 20;
County: Lawrence County, SD

Transfer to: Beartown Hill Placer LLC
Address: 1218 Easy Street
Whitewood, SD 57793-2126
Tele: (605) 717-2028
Resident Agent: Douglas Ottema

Name and address of surface owner:

Name and address of mineral Owner:

United States Department of Agriculture
Black Hills National Forest
2014 North Main Street
Spearfish, SD 57783

Beartown Hill Placer LLC
1218 Easy Street
Whitewood, SD 57793

I, Douglas Ottema agree to transfer of the Plan of Operations for Mining Activities on National Forest Systems Lands known as exploration permit dated July 10, 1998 (SD exploration permit # EXNI 393) to Beartown Hill Placer LLC, (Douglas Ottema, Owner/Manager). This transfer releases Douglas Ottema of all liability with regard to reclamation of the affected area. I understand that the surety submitted to cover reclamation will be transferred to Beartown Hill Placer LLC and only upon approval of the transfer by the USFS agent.

Date: 4/21/15

STATE OF SOUTH DAKOTA)
COUNTY OF LAWRENCE) ss

On this 21 day of April 2015 before me personally appeared Douglas Ottema who acknowledged that he is authorized to execute the transfer of this mine permit

Notary Public [Signature]

My commission Expires: 9/17/16

I, Douglas Ottema agree to the transfer of USFS exploration permit dated July 10, 1998 (SD exploration permit # 393) from Douglas Ottema. This transfer releases Douglas Ottema of all liability with regard to reclamation of the affected area. I understand that in agreeing to this transfer Beartown Hill Placer LLC (Douglas Ottema, Owner/Manager) is assuming all responsibility and liability for this exploration permit and reclamation of the area affected under this permit. I understand that a replacement surety must be provided prior to the transfer. It is also understood that any changes to the existing operating or reclamation plans of this permit must be submitted to the USFS for approval. All terms and conditions established in this permit shall be followed.

Date 4/21/15

STATE OF SOUTH DAKOTA)
COUNTY OF LAWRENCE) ss

On this 21 day of April 2015 before me personally appeared Douglas Ottema who acknowledged that he is authorized to execute the transfer of this exploration permit.

Notary Public [Signature]

My commission Expires: 9/17/16

FOR UNITED STATES FOREST SERVICE ONLY

USFS Agent [Signature] Date Approved: 4/28/15

State of South Dakota



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OFFICE OF THE SECRETARY OF STATE

Certificate of Organization Domestic LLC

ORGANIZATIONAL ID# DL042099

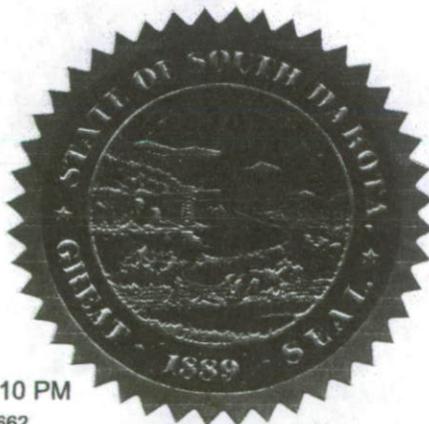
I, **Shantel Krebs**, Secretary of State of the State of South Dakota, hereby certify that the Articles of Organization of

Beartown Hill Placer LLC

duly signed and verified, have been received in this office and are found to conform to law.

ACCORDINGLY, and by virtue of the authority vested in me by law, I hereby issue this Certificate of Organization and attach hereto a duplicate of the Articles of Organization.

IN TESTIMONY WHEREOF,
I have hereunto set my hand and
affixed the Great Seal of the
State of South Dakota, at Pierre,
the Capital, this 01/28/2015.



Shantel Krebs

Shantel Krebs
Secretary of State

2/10/2015 2:51:10 PM
Change ID: 1225662

RECEIVED
JUN 24 2015

MINERALS & MINING PROGRAM

STATE OF SOUTH DAKOTA
BEFORE THE SECRETARY OF

THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

IN THE MATTER OF THE)
APPLICATION OF)

Bear Town Hill Placer LLC)

STATE OF South Dakota)

COUNTY OF Lawrence)

CERTIFICATION OF
APPLICANT

I, Douglas Ottum, the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

I have read and understand South Dakota Codified Law Section 1-40-27 which provides:

"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:

- (1) The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner, or resident general manager of the facility for which application has been made:
 - (a) Has intentionally misrepresented a material fact in applying for a permit;
 - (b) Has been convicted of a felony or other crime involving moral turpitude;
 - (c) Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;
 - (d) Has had any permit revoked under the environmental laws of any state or the United States; or
 - (e) Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or
- (2) The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.

All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review, recommendation or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification,

consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

I certify pursuant to 1-40-27, that as an applicant, officer, director, partner, or resident general manager of the activity or facility for which the application has been made that I; a) have not intentionally misrepresented a material fact in applying for a permit; b) have not been convicted of a felony or other crime of moral turpitude; c) have not habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage; (d) have not had any permit revoked under the environmental laws of any state or the United States; or e) have not otherwise demonstrated through clear and convincing evidence of previous actions that I lack the necessary good character and competency to reliably carry out the obligations imposed by law upon me. I also certify that this application does not substantially duplicate an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Further;

"I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct."

Dated this 2nd day of June, 20 15.

Douglas Otterman Council Manager Bear Town Hill Place
Applicant (print)

Douglas Otterman
Applicant (signature)

Subscribed and sworn before me this 2 day of June, 20 15.

[Signature]
Notary Public (signature)

My commission expires: 9/17/16

(SEAL)

PLEASE ATTACH ANY ADDITIONAL INFORMATION NECESSARY TO DISCLOSE ALL FACTS AND DOCUMENTS PERTAINING TO SDCL 1-40-27 (1) (a) THROUGH (e). ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION