

MAC/TAK

M 1994-117

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MEMORANDUM OF AGREEMENT

THIS AGREEMENT is entered into this ^{21st} day of March, 2012 by and between Gold Hill Mines, Inc. (hereinafter "Successor Permittee"), and AGC Resources, LLC (hereinafter "AGC Resources") through Edward B. Cordes of Cordes & Company, Receiver ("Transferor"):

Division of Reclamation,
Mining & Safety

WHEREAS, AGC Resources was the permitted operator under certain permits, including: Colorado Division of Reclamation, Mining and Safety ID# (1) M-1994-117 regarding the Gold Hill Mill; and (2) M-1983-141 regarding the Cash and Who DO Mines (hereinafter the "Permits"); and,

WHEREAS, AGC Resources was the prospector under Notice of Intent to Prospect No. P-2010-018 (the "NOI"); and,

WHEREAS, by the Judgment dated January 27, 2012, in the case of Gold Hill Mines, Inc. v. AGC Resources, et al., 2011 CV 1105, Boulder County District Court, Gold Hill Mines, Inc. was determined to be entitled to any Permits and bonds associated with the Permits in the name of AGC Resources, and Cordes & Company was appointed as receiver of AGC Resources to accomplish said transfers;

NOW THEREFORE, in compliance with and under the authority of the above-referenced Court Judgment and the Order Appointing Receiver dated March 9, 2012 in case number 2011 CV 1105, Boulder County District Court (attached hereto as Exhibit A), it hereby agreed as follows:

1. Successor Permittee agrees to file with the Mined Land Reclamation Board an Application for Transfer of Mineral Permit and Succession of Operators regarding the above-defined Permits within five (5) days of the execution of this Memorandum of Understanding, and in conjunction therewith to file appropriate statements of Financial Warranty.

2. AGC Resources hereby conveys, transfers and assigns to Gold Hill Mines, Inc. all of its right, title and interest to the Permits, subject to the determination of the Colorado Division of Reclamation Mining and Safety ("Division") that such a transfer complies with applicable laws, regulations, and Mined Land Reclamation Board policy.

3. It is understood that governing law and regulations do not allow the transfer of the NOI, that Successor Permittee will not have the ability to prospect under the NOI, but that AGC Resources hereby authorizes Successor Permittee to complete reclamation of the prospect on its behalf.

4. AGC Resources hereby conveys, transfers and assigns to Gold Hill Mines, Inc. all of its right, title and interest to the bonds associated with the Permits and the NOI ("Bonds"), and agrees that funds on deposit with the Division under the Permits and NOI may be transferred to the Successor Permittee. The Bonds include:

- (1) Financial Warranty, Check No. 1006, in the amount of \$47,243, dated March 10, 2011, relating to Permit M 1994-117;
- (2) Financial Warranty, Check No. 1005, in the amount of \$175,900, dated March 10, 2011 relating to Permit M 1983-141; and
- (3) Prospecting Financial Warranty No. 1008, in the amount of \$2,000.00, dated August 5, 2010; and,
- (4) Prospecting Financial Warranty No. 1010, in the amount of \$22,070.00, dated August 23, 2010.

3. Upon the release of all or any part of any of the Bonds, the Successor Permittee shall be entitled to any released funds.

4. The Successor Permittee will execute replacement Financial Warranties and the Bonds may be credited to the name of the Successor Permittee as allowed by the Division.

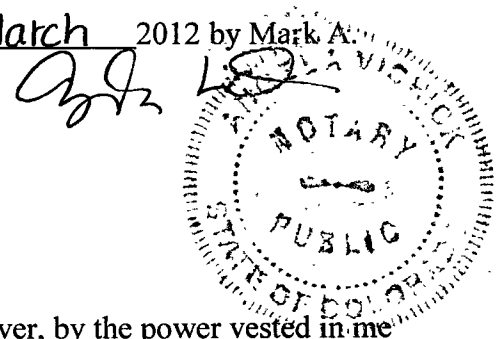
Gold Hill Mines, Inc.

Mark A. Steen
By: Mark A. Steen, President

STATE OF COLORADO)
) ss.
COUNTY OF BOULDER)

Subscribed and sworn to before me this 29th day of March 2012 by Mark A. Steen, President of Gold Hill Mines, Inc.

Witness my hand and official seal.
My commission expires: 1/12/2015



I, Edward B. Cordes, President of Cordes & Company, as Receiver, by the power vested in me by that certain Order of Appointment of Receiver in Gold Hill Mines, Inc. v. AGC Resources, LLC, Case No. 2011 CV 1105, Boulder County District Court, do hereby convey, transfer and assign to Gold Hill Mines, Inc., a Colorado corporation, all the right title and interest of AGC Resources, LLC in the Permits and the Bonds, as previously defined.

Dated this 29th day of March, 2012.

AGC Resources, LLC by
Cordes & Company

E B Cordes

Edward B. Cordes, President
5299 DTC Blvd., Suite 815
Greenwood Village, CO 80111

STATE OF COLORADO)

Arapahoe) ss.
COUNTY OF ~~DENVER~~)

Subscribed and sworn to before me this 29th day of March 2012 by Edward B. Cordes, President of Cordes & Company.

Witness my hand and official seal.

My commission expires 7-13



My Commission Expires 03/07/2013

Denise L. Davis
Notary Public

Exhibit A

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Division of Reclamation,

Mining & Safety

FILED Document

CO Boulder County District Court 20th JD

Filing Date: Mar 9 2012 1:51PM MST

Filing ID: 42996643

Review Clerk: N/A

Boulder County District Court STATE OF COLORADO 1777 6 th Street Boulder, CO 80306	▲ COURT USE ONLY ▲
PLAINTIFF: Gold Hill Mines, Inc., a Colorado corporation v. DEFENDANT: AGC Resources, LLC, a Colorado limited liability company.	Case No. 2011 CV 1105 Div: 5
ORDER APPOINTING RECEIVER FOR LIMITED PURPOSE PURSUANT TO C.R.C.P. 66(a)(2) and (3) and RULE 70	

THIS MATTER, having come before the Court on the Ex Parte Motion for Appointment of Post-Judgment Receiver for a Particular Pursuant to C.R.C.P. 66(a)(2) and (3) and Rule 70, filed by Gold Hill Mines, Inc. and the Court having reviewed the matter and being advised in the premises, the Court finds:

1. The Complaint in this case stated a cause of action for specific performance of an option to purchase certain property. Judgment entered on January 27, 2012 granting specific performance and transferring the following described property:

The OSCAR LODE mining claim (U.S. Mineral Survey Number 17992), as set forth in the Patent recorded October 20, 1910, in Book 339 Page 70, and the GOOD ENOUGH LODE mining claim (U.S. Mineral Survey Number 15838), as set forth in the Patent recorded August 18, 1904, in Book 237 Page 141, both claims embracing a portion of Section 12, Township 1 North, Range 72 West of the 6th P.M. in the Gold Hill Mining District, County of Boulder, State of Colorado, together with all structures, equipment and improvements located thereon, and all rights of way, roads, privileges, leases, licenses, or rights belonging or in any way appertaining thereto.

(hereinafter referred to as the "Property").

2. The Property is specifically defined in the Judgment to include:

-- The "privileges, leases, licenses, or rights belonging or in any way appertaining thereto" referenced in the description of the Property included, *inter alia*, permits and bonds associated with the mining and milling operations, to wit: Colorado Division of Reclamation, Mining and Safety ID# (1) M-1994-117 regarding the Gold Hill Mill; (2) M-1983-141 regarding the Cash and Who DO Mines; (3) Notice of Intent to Prospect No. P-2010-018; and, (4) CDPS Permit No. COR 040000- Certification No. COR 040225 (hereinafter the "Permits").

-- Any mining and milling equipment which was transferred to AGC by assignment in 2010 and identified by a Bill of Sale recorded on June 18, 2010 in the books and records of the Clerk and Recorder for the County of Boulder, State of Colorado as reception number 03081150.

3. Plaintiff has asked for appointment of a receiver pursuant to Colo. R. Civ. Pro. Rule 66(a)(2) and(3) and/or Rule 70 and for Cordes & Company to be appointed as receiver for the specific and limited purpose of executing documents to transfer and dispose of the Property according to the judgment.

4. The Court finds that the equitable nature of the remedy of specific performance and the nature of the assets to be transferred, including mining permits, bonds and titled vehicles, makes the appointment of a receiver reasonably necessary to effectuate the judgment by granting the receiver the power to sign for the Defendant, AGC Resources, LLC, all documents necessary to effectuate the transfers.

5. The Court further finds that Defendant has already been served with the Complaint in this case, which contained a request, in the alternative, for a receiver. Evidence exists that giving actual notice to the Defendant of the Motion is impracticable and time is of the essence, making an *ex parte* appointment appropriate.

IT IS THEREFORE ORDERED THAT:

1. Conditioned only upon the filing of the bond and oath described below, Cordes & Company ("Receiver") is appointed as Receiver and granted the right to execute documents on behalf of AGC Resources, LLC, for the limited purpose of disposing of the Property according to the Judgment, including, but not limited to, the following powers, which may be exercised without further order of the Court:

a) Executing transfer of the certificate of title to any vehicle falling within the description of Property above from AGC Resources, LLC to Gold Hill Mines, Inc.;

b) Executing any document necessary to transfer or assign the permits and bonds identified in the Property above, including specifically the documents (or similar documents as may be required by the relevant governmental agencies) attached to the Motion as Exhibits A and B.

c) Executing any document necessary or required by a title insurance company to transfer the real property or improvements described in the Property above; and

d) Executing any other document necessary to effectuate or enforce any other Order of this Court with regard to Defendant AGC Resources, LLC.

2. The signature of the Receiver on such instruments shall have the like effect as if done by AGC Resources, LLC.

3. The form of oath as filed is approved. The Receiver shall execute and file forthwith the oath of receiver in conformity with the proposed oath filed with the Motion.

4. The form and amount of Bond are approved. The Receiver shall enter upon and file its bond in the sum of \$5000 conditioned upon the faithful performance of its duties in conformity with the proposed bond filed with the Motion.

5. The Plaintiff shall forthwith serve the Defendant by mailing a copy of the Order, Oath and Bond in the following manner and shall file a return of service with the Court:

Registered Mail return receipt requested to address on file with Secretary of State:

AGC Resources, LLC
Level 1, Baarerstrasse 10
Zug 6304
Switzerland

And by **Certified Mail** return receipt requested to:

AGC Resources, LLC
4450 Arapahoe Ave.
Ste 100
Boulder, CO 80303

6. The Receiver shall serve any request for relief or approval of any action required by this Order on the Plaintiff or its counsel, and any other party filing an entry of appearance in this proceeding. The Court may grant any such relief requested by the Receiver, without any further notice of hearing, unless an objection to the requested relief is filed with the Court and served on the Receiver, his counsel, if any, and counsel for the Plaintiff within fifteen (15) days after filing and service of the Receiver's request. In the event of any objection to any Receiver's proposed action requiring the Court approval hereunder, then the Court shall promptly hold a hearing on such objection upon at least three (3) days' prior written notice to all objecting parties.

7. The Receiver's Bond and the Oath of Receiver may be filed via LexisNexis and this Order shall become effective upon the Court's receipt of such filing.

8. The Plaintiff or the Receiver may from time to time request that the Court enter additional orders to supplement, clarify or amend this Order.

9. Any notice required hereunder shall be deemed served on the date it is deposited in the United States mail, first class postage pre-paid, to counsel of record for any party, or directly to any party not represented by counsel, and any computation of time for purposes of this Order shall be governed by the provisions of Colorado Rules of Civil Procedure, Rule 6.

10. The Receiver shall endeavor to wind up the Receivership expeditiously in cooperation with Plaintiff or otherwise at the direction of the Court. If no objections to the final report and motion for discharge have been delivered to the Court, the Receiver, and other parties having entered their appearance in this proceeding, by first class mail to such address as is reflected in the Court records within fifteen (15) days after the final report and motion for discharge are filed with the Court, the final report will be accepted by the Court, and the Court will enter an order terminating the Receivership and discharging the Receiver. The Receiver's bond shall be dismissed following the approval of the final report and entry of the discharge order.

11. The Receiver shall be entitled to charge at the following rates:

Edward Cordes \$385/hr.

Mark Wagner \$200/hr.

Para Professionals \$40-\$145/hr.

12. Any debt, liabilities or obligations incurred by the Receiver in the course of this receivership, including the operation or management of the Property, whether in the name of the Receiver, the Defendant, AGC Resources, LLC, the Property, or the Receivership estate, shall be the debt, liability, and obligation of the receivership estate only and not of the Receiver or any employee or agent personally.

13. The Receiver is to dispose and transfer the Property in accordance with the Judgment only and does not have the authority to itself engage in any mining or milling activities as operator of the Property, but only to facilitate (by executing the consent of AGC Resources, LLC as operator) to the transfer of the identified permits and bonds for Plaintiff to become the operator.

Dated this 9th day of March, 2012.

BY THE COURT:


Judge Andrew R. Macdonald

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Division of Reclamation,
Mining & Safety

Boulder County District Court STATE OF COLORADO 1777 6 th Street Boulder, CO 80306	▲ COURT USE ONLY ▲
PLAINTIFF: Gold Hill Mines, Inc., a Colorado corporation v. DEFENDANT: AGC Resources, LLC, a Colorado limited liability company.	
Cynthia T. Kennedy, Esq. Kennedy Law Firm 308 ½ E. Simpson Street Lafayette, CO 80026 (303) 604-1600 fax: (303) 604-1601 ctk@kennedylawyer.com Reg: #11668 Attorney for Plaintiff	Case No. 2011 CV 1105 Div: 5
OATH OF RECEIVER	

Cordes & Company, by its President, Edward B. Cordes, hereby affirms that Cordes & Company will faithfully perform the duties and discharge the trust of the office of Receiver of the real, personal, and other property in this suit. Cordes & Company will account for all money and property which may come into the Receiver's hands as a result of being appointed Receiver of the property involved in this suit, as the Court may direct, and Cordes & Company will obey the orders of the Court.

Dated this 7 day of June 2012.

Cordes & Company

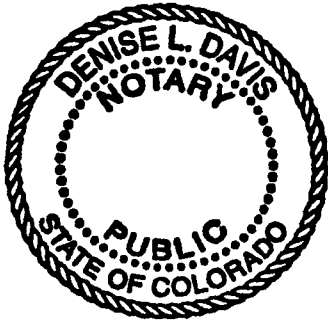


Edward B. Cordes, President
5299 DTC Blvd., Suite 815
Greenwood Village, CO 80111

STATE OF COLORADO)
COUNTY OF Arapahoe) ss.
~~DENVER~~

Subscribed and sworn to before me this 7th day of March 2012 by Edward B. Cordes, President of Cordes & Company.

Witness my hand and official seal.
My commission expires: 3-7-13



My Commission Expires 03/07/2013

Denise L. Davis
Notary Public

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ASSIGNMENT

Division of Reclamation,
Mining & Safety

I, Edward B. Cordes, President of Cordes & CO, as Receiver, by the power vested in me by that certain Order of Appointment of Receiver in Gold Hill Mines, Inc. v. AGC Resources, LLC, Case No. 2011 CV 1105, Boulder County District Court, do hereby convey, transfer and assign to Gold Hill Mines, Inc., a Colorado corporation, all the right title and interest of AGC Resources, LLC in the following permits and all associated bonds:

Colorado Division of Reclamation, Mining and Safety ID#

- (1) M-1994-117 regarding the Gold Hill Mill;
- (2) M-1983-141 regarding the Cash and Who DO Mines;
- (3) Notice of Intent to Prospect No. P-2010-018; and,
- (4) CDPS Permit No. COR 040000- Certification No. COR 040225

Dated this 29th day of March, 2012.

Cordes & Company



Edward B. Cordes, President
5299 DTC Blvd., Suite 815
Greenwood Village, CO 80111

STATE OF COLORADO)

arapahoe) ss.
COUNTY OF ~~DENVER~~)

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My commission expires 03-07-13



My Commission Expires 03/07/2013


Notary Public