

US Mineral Exchange Auction Agreement

General Terms

About You – You are a company properly organized and in good standing under the laws of the state incorporated/registered, or you are a natural-born person with legal capacity to enter into this Agreement. You have all the necessary power and authority to enter into and perform this Agreement, and carry out the transactions considered under this Agreement. You also are at least eighteen (18) years of age.

About Us – The US Mineral Exchange (“USME”) is a Listing Service. We are not brokers or agents and only act as an intermediary to bring parties together. You agree USME makes absolutely no representations and/or warranties of any kind and/or nature related to any person or entities you may deal with through our website, including any characteristics related to trustworthiness, creditworthiness, business acumen, financial standing and/or similar characteristics.

Title, Liens, Taxes and other Such Matters – You agree that 1) you have good and marketable title to the minerals 2) all taxes have been timely paid when due and are not in arrears 3) there are no pending or threatened suits, claims, liens, judgments, violations, encumbrances, mortgages, or security interests on any of the minerals 4) the minerals are not under any kind of bankruptcy proceeding and 5) USME is to be indemnified on all assumed liabilities and all tax matters of any kind related to the minerals.

No Advice – You agree that you have the sole responsibility confirm the minimum acceptable starting bid, which shall be based on your existing offer, and once set you are agreeing to sell your minerals at that price or higher net of USME commission. Nothing on our website or spoken/written through our representatives constitutes sales advice.

Information Provided in a Listing – You agree that you will be responsible for any personal information you elect to disclose. You also agree that to the best of your knowledge the information provided is accurate and reliable.

Mineral Interests as a Security; Resale – You agree that the properties you are selling are not intended or considered by USME to be securities or fractionalized interests. In addition, you agree that the properties you are listing were not acquired with the intent to resell unless you had to purchase them as a part of another package.

Indemnification - You warrant that all information furnished to USME is correct and accurate in all material respects. USME will make no independent investigation to any of your representations. You agree then to indemnify and hold harmless USME from any and all claims, demands, causes of action or liability whatsoever, including costs, expenses and reasonable attorney's fees. You agree to hold harmless USME for any lost sale due to a Buyer withdrawing an offer during the time you are listing with USME. You also agree to indemnify and hold harmless USME and its agents, employees, officers, directors, shareholders, co-brokers and affiliates against any and all losses, claims, damages, expenses or liabilities whatsoever, joint or several, which may arise out of or in connection with the good faith performance of this Agreement, or the good faith performance of USME in connection with this Agreement. This indemnification and hold harmless agreement of you shall not apply to any intentionally wrongful acts of USME or the gross negligence of USME, its agents, employees, officers, directors, shareholders, co-brokers and affiliates.

Dispute Resolution – The terms of this Agreement and/or any dispute between the Parties shall be governed by the substantive law of the State of Oklahoma. Each party irrevocably agrees that

any suit, action, or proceeding arising out of or relating to this agreement shall be exclusively instituted in any court located in Tulsa County, Oklahoma.

Electronic Agreement – You agree to enter into an agreement with USME and are executing this agreement either physically or electronically. All parties shall be bound by the aforementioned terms and conditions whether this document is returned to USME physically or electronically via email, fax, etc..

Auction Terms

Auction System: You understand and agree that USME will be listing your mineral rights on our platform, and utilizing our auction system to generate bids from Mineral Buyers. You agree that the winning bidder at or above your minimum acceptable asking price, as determined by USME, has the right to purchase your mineral rights and you have the obligation to sell them.

Commission – You acknowledge and agree that USME is paid a commission of 6% of the total amount/final winning bid, as determined by USME. The Buyer's closing agent shall pay this commission directly to USME at closing.

Starting Bid: You understand and agree to sell all of your mineral rights at the price you specify (or higher) in the Seller acknowledgements section of this agreement. The price you specify shall be the minimum due to you net of USME's commission. You understand and agree that USME will increase your minimum acceptable asking price to cover our 6% commission payable by the Buyer at closing. The 6% commission is based upon the total and final sales price.

Term of Agreement: This agreement grants USME the exclusive right to market your property via auction/listing on our website for up to 14 business days from the date USME activates the listing and starts the auction, which is at the sole discretion of USME. The term of agreement ends on the same day the auction does, as mutually agreed by you and USME.

Commitment to Sell: If you refuse to sell your mineral rights for any reason after the auction has begun, you agree to pay USME 12% of the starting bid price OR 12% of the highest bid amount, whichever is greater.

If you refuse to sell your mineral rights for any reason after signing a purchase and sale agreement or letter of intent with a Buyer, you agree to pay USME 12% of the total winning bid amount.

Winning Bidder: You understand that USME, at its sole discretion, will determine the winning bidder of the auction. The basis for determining the winning bidder shall be based upon the highest winning bid amount, however, USME reserves the right to disqualify a Buyer who refuses to meet the closing terms specified by USME. You acknowledge and agree that the winning bidder will have up to 30 calendar days to run title on your interests following the close of the auction period and subsequent execution of any Purchase and Sale Agreement or Letter of Intent.

Winning Bid Amount: The winning bid amount is the highest bid placed by a Buyer, that meets the closing terms as determined by USME, whether by manual bid or by proxy bid. Proxy bids automatically increase in \$1,000 increments above the next highest bid until a proxy bid has either been exhausted or the auction closes. All auction listings have a minimum bid increment of \$1,000, whether placed manually or by proxy. For Example:

Manual Bid - If Buyer A has bid \$10,000 and Buyer B wants to manually place a bid, Buyer B must bid a minimum of \$11,000 or \$1,000 above Buyer A's bid.

Proxy Bid - If Buyer B chooses instead to vote by proxy and that they are willing to pay at most \$14,000, assuming Buyer A's bid remains at \$10,000 at the close of the auction, Buyer B's final bid will still be \$11,000 or \$1,000 above Buyer A's maximum bid.

Failed Auctions: Auctions fail because the minimum acceptable asking price is too high. If an auction fails, and no bids are received, you understand and agree that if you sell your mineral rights for 90 business days following a failed auction, you are personally liable to pay USME 6% of the total amount you receive from the sale. The only exception is if you sell mineral rights to a Buyer based on an existing offer, as specified below in the existing offers section. For this reason, it is important to set a realistic asking price.

Closed Auction: You understand that you **will not** have the ability to view live auction information, and that you **will not** receive any updates about the status of the auction until it has completed and USME has determined the winner.

Other Terms

Existing Offers: Providing any existing offer you have in writing is to your benefit. If an auction ends with no bids, and you sell your mineral rights within 90 business days, **you are personally liable to pay USME 6% of the total sales price.** By providing us with your best offers in writing, those Buyers and their existing offers will not be subject to a commission if your auction ends with no bidding, subject to the following terms:

- A) The offer must be formal and must have been received within the last 90 business days.
- B) The offer must be in writing on a Buyer's company letterhead or from a company email address
- C) The offer must be a specific amount per acre or total offer amount, not a range or an "up to" offer amount
- D) The contract must not be an "option" or "broker" contract
- E) The contract must not require a due diligence period of more than 45 days including extensions
- F) The offer must be received by USME prior to the activation of the auction
- G) You must set the minimum acceptable starting bid at no more than 2% higher than the amount of the highest offer you have received, and USME's commission will be added on top so that all bids received will net you the minimum acceptable starting bid or better

If an auction fails and no bids are received, you may still sell to any of your existing Buyers at their exact highest originally offered price, but not more, and would owe US Mineral Exchange nothing. However, if any of your existing Buyers increase their offer amounts during or after the auction period, and you accept that increased offer, you agree that USME is entitled to 6% of the final sales price, which shall be paid within 5 days of closing. However, under no circumstances can the USME 6% commission cause you to get less than the original best offer listed on this agreement.

If you refuse to provide any offers in writing, and you sell to any Buyer within 90 business days of an auction ending, you will immediately pay USME 6% of the total sales price.

Notification of Sale: If you sell your mineral rights during the term of the agreement, or for 90 business days following the agreement termination and the sale did not occur through USME, you are required to notify USME of the sale.

Closing – If both the Buyer and Seller elect to use USME for escrow, closing shall be completed in the following steps:

- Seller will sign and notarize the deed, and then provide a scanned/faxed copy to USME
- Seller will send the fully executed and original deed to USME

- Upon receipt of the fully executed and original deed by USME, USME will immediately notify the Buyer the deed has been received.
- Buyer will make full payment due directly to the Seller via bank wire or immediately available funds.
- Upon confirmation the Seller has been paid in full by the Buyer, USME will immediately send the original executed deed to the Buyer.

Seller Acknowledgements:

_____ Initials – I agree to sell _____% of my mineral rights for a minimum of \$_____ which is net of USME's 6% commission which will be added on top of my minimum.

_____ Initials - I understand that I will be **personally liable** to USME for 12% of the sales price or high bid amount if I fail to follow through with this transaction for **any** reason.

_____ Initials – I understand that I will not be able to view the live auction. I understand that I will **only** be notified when:

- A. The auction has started
- B. The minimum bid amount has been met (The property will sell)
- C. When the auction has ended and USME has determined the winning bid

Note: We do **NOT** provide status updates on the auction other than items A, B, and C.

_____ Initials – I understand that this agreement grants USME the exclusive right to market my property.

_____ Initials - If an auction fails, I understand that I will owe USME a commission of 6% for selling to any Buyer other than those offers and exact amounts specified below for a period of 90 business days follow the term of agreement. (Proof of offers must be received by USME)

Do you have existing offers? Check one:

_____ I **do not** have existing offers

_____ I **do** have existing offers. List all offers below. Include company name and offer amount:

Seller Agreement to all terms:

Signature:_____

Date:_____

Print Name:_____

Mailing Address:_____ City: _____ State: _____
(No PO Boxes)

US Mineral Exchange:

Signature:_____
Managing Partner

Date:_____